



**SIXTH NATIONAL ASSEMBLY**

**PARLIAMENTARY**

**DEBATES**

**(HANSARD)**

**FIRST SESSION**

**TUESDAY 15 NOVEMBER 2016**

## **CONTENTS**

**ANNOUNCEMENT**

**PAPERS LAID**

**QUESTIONS** (*Oral*)

**STATEMENTS BY MINISTER**

**MOTIONS**

**BILLS** (*Public*)

**ADJOURNMENT**

**QUESTIONS** (*Written*)

## 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	Minister of Gender Equality, Child Development and

Perraud	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
Clerk Assistant	Gopall, Mr Navin
Hansard Editor	Jankee, Mrs Chitra
Serjeant-at-Arms	Pannoo, Mr Vinod

**MAURITIUS**

**Sixth National Assembly**

-----

**FIRST SESSION**

-----

**Debate No. 32 of 2016**

**Sitting of 15 November 2016**

**The Assembly met in the Assembly House, Port Louis at 11.30 a.m.**

**The National Anthem was played**

*(Madam Speaker in the Chair)*

## ANNOUNCEMENT

### PARLIAMENTARY PROCEEDINGS - LIVE BROADCAST

**Madam Speaker:** Hon. Members, you have surely noted the presence of robotic cameras in the Chamber. I wish to inform the House that the robotic cameras will be in operation today as they will be capturing the proceedings of the House for the exclusive use of the internal testing of the systems being put in place.

The recruitment of staff to service the Broadcasting Unit is in progress and the rules which will be governing the Live Broadcasting are being finalised for prescription accordingly.

As you are aware, proposed amendments to the Information and Communication Technologies Act, to the Independent Broadcasting Authority Act and to the National Assembly (Privileges, Immunities and Powers) Act are being introduced today.

A few live tests of the sittings of the National Assembly will be effected in December and the full implementation of the project at the resumption of the sittings in March 2017.

Thank you.

**PAPERS LAID**

**The Ag. Prime Minister (Mr X. L. Duval):** Madam Speaker, the Papers have been laid on the Table.

A. **Office of the President** –

The Annual Report 2015-2016 of the Ombudsperson for Children.

B. **Prime Minister's Office** –

(a) Certificate of Urgency in respect of the following Bills (*in original*) –

(i) The Information and Communication Technologies (Amendment) Bill (No. XXI of 2016);

(ii) The Co-operatives Bill (No. XXII of 2016).

(b) The Financial Statement of the Prime Minister's Relief Fund for the year ended 2014.

C. **Ministry of Tourism and External Communications** –

(a) The Tourism Authority (Prohibited Zone for Motorised Crafts) (Pereybere) Regulations 2016. (Government Notice No. 206 of 2016).

(b) The Annual Report and the audited Financial Statements of the Mauritius Tourism Promotion Authority (MTPA) for year ending 31 December 2014.

(c) The Tourism Employees Welfare Fund (Collection of Contribution) (Amendment No. 2) Regulations 2016 (Government Notice No.228 of 2016).

- (d) The Civil Aviation (Exemption) Regulations 2016. (Government Notice No.222 of 2016).
- (e) The Freeport (Amendment of Schedule) (No. 2) Regulations 2016 (Government Notice No. 217 of 2016).

D. **Ministry of Finance and Economic Development** –

- (a) The Report of the Director of Audit on the Financial Statements of the Mauritius Ex-Services Trust Fund for the year ended 31 December 2014.
- (b) The Banking (Compoundable Offences) (Amendment) Regulations 2016. (Government Notice No. 180 of 2016).
- (c) The Civil Service Family Protection Scheme (Contribution of Participants) Regulations 2016. (Government Notice No. 183 of 2016).
- (d) The Custom (Amendment) Regulations 2016. (Government Notice No. 184 of 2016).
- (e) The Value Added Tax (Amendment of Schedules) Regulations 2016 (Government Notice No. 187 of 2016).
- (f) The Agreement on Exchange of Information on Tax Matters (Republic of Korea) Regulations 2016. (Government Notice No. 188 of 2016).
- (g) The Freeport (Amendment of Schedule) Regulations 2016 (Government Notice No. 195 of 2016).
- (h) Digest of Productivity and Competitiveness Statistics 2015 Vol.19.
- (i) Digest of Labour Statistics 2015.
- (j) Digest of Environment Statistics 2014.

- (k) Digest of Social Security Statistics 2014.
- (l) The Excise (Amendment No. 2) Regulations 2016. (Government Notice No. 205 of 2016).
- (m) The Investment Promotion (Film Rebate Scheme) (Amendment) Regulations 2016. (Government Notice No. 207 of 2016).
- (n) The Registration Duty (Amendment of Schedule) (No. 2) Regulations 2016. (Government Notice No. 208 of 2016).
- (o) The Report of the Accountant General and the Audited Accounts of the Permanent Resident Investment Fund for the period 01 January 2015 to 30 June 2016.
- (p) The Investment Promotion (Property Development Scheme) (Amendment) Regulations 2016 (Government Notice No. 213 of 2016).
- (q) The Banking (Processing and License Fees) (Amendment) Regulations 2016. (Government Notice No. 214 of 2016).
- (r) The Borrower Protection (Amendment of Schedule) Regulations 2016 (Government Notice No. 216 of 2016).
- (s) The Excise (Amendment of Schedule) Regulations 2016 (Government Notice No. 218 of 2016).
- (t) The Finance and Audit (Amendment of Schedule) Regulations 2016. (Government Notice No. 219 of 2016).
- (u) The Finance and Audit (Lotto Fund) Regulations 2016. (Government Notice No. 220 of 2016).
- (v) The Investment Promotion (Amendment of Schedule) Regulations 2016. (Government Gazette No.224 of 2016).

- (w) The Public Procurement (Cancellation of Bidding Process) Regulations 2016. (Government Gazette No.225 of 2016).
- (x) The Public Procurement (Electronic Bidding System) (Amendment) Regulations 2016. (Government Gazette No.226 of 2016).
- (y) The Public Procurement (Amendment) Regulations 2016. (Government Gazette No.227 of 2016).
- (z) The Land (Duties and Taxes) (Amendment of Schedule) (No. 2) Regulations 2016 (Government Gazette No.229 of 2016).
- (aa) The Mauritius Revenue Authority (Alternative Tax Dispute Resolution) Regulations 2016 (Government Gazette No. 230 of 2016).
- The Income Tax (Amendment of Schedule) (No. 2) Regulations 2016.
- (ab) (Government Notice No. 231 of 2016).

E. **Ministry of Public Infrastructure and Land Transport** –

The Road Traffic (Examination of Motor Vehicles and Trailers) Regulations 2016 (Government Notice No. 221 of 2016).

F. **Ministry of Education and Human Resources, Tertiary Education and Scientific Research** –

The Annual Report 2014 of the Mauritius Qualifications Authority.

G. **Ministry of Health and Quality of Life** –

- (a) The Medical Council (Medical Institutions) Regulations 2016. (Government Notice No. 185 of 2016).

- (b) The Annual Report and the Audited Financial Statements of the Mauritius Institute of Health for the year ended December 2015.

H. **Ministry of Local Government** –

- (a) The Municipal Town Council of Curepipe (Advertisement) Regulations 2016. (Government Notice No. 191 of 2016).
- (b) The Annual Report and the Audited Financial Statements of the Statutory Bodies Family Protection Fund for the year ended 31 December 2015.
- (c) The District Council of Savanne (Fees for Building and Land Use Permit and Other Fees at the level of LUPD) Regulations 2016. (Government Notice No. 211 of 2016).

I. **Attorney General's Office** –

- (a) The Revised Subsidiary Legislation of Mauritius (Commencement of Volumes 1 – 6) Regulations 2016. (Government Notice No. 202 of 2016).
- (b) The Report of the Director of Audit on the Financial Statements of the Law Reform Commission for the year ended 31 December 2015.

J. **Ministry of Agro-Industry and Food Security** –

- (a) The National Agricultural Products (Amendment) Regulations 2016. (Government Notice No. 181 of 2016).
- (b) The National Agricultural Products (Amendment No. 2) Regulations 2016. (Government Notice No. 182 of 2016).
- (c) The Food (Amendment) Regulations 2016 (Government Notice No. 194 of

2016).

- (d) The Native Terrestrial Biodiversity and National Parks (Amendment of Schedule) Regulations 2016. (Government Notice No. 201 of 2016)
- (e) The Annual Report and the Audited Financial Statements of Mauritius Meat Authority for the year 2014.

K. **Ministry of Arts and Culture** –

The Annual Report 2014 of the Conservatoire National de Musique François-Mitterrand Trust Fund.

L. **Ministry of Industry, Commerce and Consumer Protection** –

- (a) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No.23) Regulations 2016. (Government Notice No. 186 of 2016).
- (b) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 24) Regulations 2016. (Government Notice No. 189 of 2016).
- (c) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No.25) Regulations 2016. (Government Notice No. 190 of 2016).
- (d) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No.26) Regulations 2016. (Government Notice No. 199 of 2016).
- (e) The Consumer Protection (Scrap Metal) (Amendment No. 2) Regulations 2016. (Government Notice No. 203 of 2016).

- (f) The Consumer Protection (Control of Fairs) (Amendment No. 2) Regulations 2016. (Government Notice No. 204 of 2016).
- (g) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 27) Regulations 2016. (Government Notice No. 209 of 2016).
- (h) The Consumer Protection (Consumer Goods) (Maximum Mark-up) (Amendment) Regulations 2016. (Government Notice No. 212 of 2016).
- (i) The Consumer Protection (Control of Imports) (Amendment No. 3) Regulations 2016. (Government Notice No. 215 of 2016).
- (j) The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No. 28) Regulations 2016. (Government Notice No. 223 of 2016).

M. **Ministry of Financial Services, Good Governance and Institutional Reforms**–

- (a) The Financial Services (Consolidated Licensing and Fees) (Amendment No. 2) Rules 2016. (Government Notice No. 192 of 2016).
- (b) The Securities (Licensing) (Amendment) Rules 2016. (Government Notice No. 193 of 2016).
- (c) The Financial Services (Amendment of Schedule) Regulations 2016. (Government Notice No. 196 of 2016).
- (d) The Financial Services (Funeral Scheme Management) Rules 2016 (Government Notice No. 197 of 2016).
- (e) The Financial Services (Consolidated Licensing and Fees) (Amendment

No. 3) Rules 2016. (Government Notice No. 198 of 2016).

- (f) The Annual Report 2014 of the National Productivity and Competitiveness Council.
- (g) The Insurance (Risk Management) Rules 2016. (Government Notice No. 210 of 2016).

N. **Ministry of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands** –

- (a) The Annual Report and audited accounts of the Fishermen Welfare Fund for the year ended 31 December 2014.
- (b) The Fisheries and Marine Resources (Extension of Net Fishing Season) Regulations 2016. (Government Notice No. 200 of 2016).

O. **Ministry of Labour, Industrial Relations, Employment and Training** –

- (a) The Annual Report and Audited Accounts of the Manufacturing Sector Workers Welfare Fund for period March to December 2014.
- (b) International Labour Standards – Proposed action by the Government of Mauritius on a recommendation adopted by the International Labour Conference at its 104<sup>th</sup> Session (June 2015).

**ORAL ANSWERS TO QUESTIONS****AIR MAURITIUS LTD. – CHIEF EXECUTIVE OFFICER – TERMINATION OF EMPLOYMENT**

**The Leader of the Opposition (Mr P. Bérenger)** (*by Private Notice*) asked the Ag. Prime Minister whether, in regard to the sacking of Mr M.P., CSK, as Chief Executive Officer of Air Mauritius Ltd., he will –

- (a) for the benefit of the House, obtain from Air Mauritius Ltd., information as to –
  - (i) the Board Members thereof who were present and absent at the Board meetings held on 28 October and on 10 November 2016 respectively, indicating in the case of each of the said meetings, how much notice was given;
  - (ii) the capacity in which Mr S. S., former Secretary to Cabinet and Head of the Civil Service, participated in the Board meeting thereof held on 28 October 2016, and
  - (iii) if the sacking of Mr M. P. was discussed at the Board meeting held on 10 November 2016 or on any subsequent Board meeting thereof, and
- (b) state if the Board of both Air Mauritius Ltd. and of Air Mauritius Holdings Ltd. are being replaced.

**The Ag. Prime Minister (Mr X. L. Duval):** Madam Speaker, with your permission I shall reply to the Private Notice Question and to Parliamentary Question No. B/891 together.

In reply to previous Parliamentary Questions, the Prime Minister has already informed the House that Air Mauritius Ltd is a listed public company quoted on the Stock Exchange of Mauritius and is governed by the provisions of the Companies Act, the Securities Act and the Listing Rules of the Stock Exchange. The Listing Rules provide for an appropriate forum for disclosure of information relating to the Company's affairs and matters relating to day-to-day administration, especially those which may affect the share price. Further, I am informed that the termination of employment of the former CEO may be the subject of litigation before the Courts.

Given the above, the House will appreciate that while I have chosen to reply to this PNQ, I shall restrict myself to limited matters which may fall within the purview of Government.

Furthermore, Air Mauritius has its own Board of Directors and its Executive Management who are responsible for the management and administration of the Company and Government does not have responsibility for the administration and management of the Company.

However, I have chosen to reply to this Private Notice Question inasmuch as information, not always accurate, on this issue has been widely circulated in the Press and is already in the public domain.

Madam Speaker, in regard to part (a) (i) of the Private Notice Question, I am informed that the following Members were present at the Special Board Meeting held on 28 October 2016 –

- (1) Dr. Arjoon Suddhoo
- (2) Mr Sateaved Seebaluck
- (3) Mrs Kan Oye Fong Weng-Poorun
- (4) Mrs Banoomatee Veerasamy
- (5) Mr Daniel Mackay
- (6) Mr Dharam Dev Manraj
- (7) Mr Ramprakash Maunthrooa
- (8) Mr Bissoon Mungroo

That is eight Directors.

The following Directors were absent with apologies –

- (1) Mr Megh Pillay
- (2) Mr Marie Hector Philippe Espitalier Noel
- (3) Mr Marc Hein
- (4) Mr Ashwani Lohani
- (5) Mr Jean Michel Louis Rivalland
- (6) Mr Patrick Roux
- (7) Mr Yoosuf Muhammad Salemohamed

No Director convened to the meeting of 28 October objected to the holding of the meeting.

At the meeting held on 10 November, all the Board Directors were present with the exception of Mr Ashwani Lohani. At the beginning of the meeting, the Board took note of the resignation of Mr Sateaved Seebaluck on 31 October and, in accordance with the Articles of Association of the Company, filled the casual vacancy with the appointment of Mr Nayen Koomar Ballah. Just before the meeting, Mr Megh Pillay tendered his resignation as Director by way of a letter and the resignation was accepted by the Board.

In regard to the Special Board Meeting held on 28 October, I am informed that the meeting was convened at 14.48 hours for the meeting scheduled at 16.00 hours on that same day. As indicated in the News Release issued by the Company, the meeting was convened in conformity with the legal requirements and the provisions of the Articles of Association of Air Mauritius.

A convocation and an agenda were sent to all Directors entitled to attend the meeting, including Mr Megh Pillay.

For the Board meeting held on 10 November the Members were convened on 03 November.

Madam Speaker, in regard to part (a) (ii) of the Private Notice Question, I am informed that Mr Seebaluck was legally entitled to participate in the Board Meeting of 28 October 2016 as he was still a Board Director of the Company on that date. His replacement by Mr Ballah as Company Director had not yet been implemented in conformity with the Articles of Association of the Company which required the formal resignation of Mr Seebaluck and the appointment of Mr Ballah by the Board of Directors, by way of the filling of a casual vacancy. The House may wish to note that Directors are appointed by Shareholders in General Meeting on a yearly basis. Casual vacancies may, however, be filled by the Board of Directors appointing a Director to hold office until the next annual meeting of Shareholders.

Madam Speaker, in regard to part (a) (iii) of the Private Notice Question, the House may be aware that Air Mauritius Ltd issued a News Release on 14 November 2016. According to that Release, the Board, held on 10 November 2016, decided to provide clarifications on the termination of contract of Mr Megh Pillay as well as on the Board Meeting held on 28 October. Moreover, the Director of Civil Aviation was informed of the decision and of the appointment of Mr Indradev (Raja) Buton as Officer-in-Charge on 28 October, immediately after the meeting of

the Board. There was no objection from the Director of Civil Aviation. Mr Buton has acted as Accountable Manager on various occasions in the past and was found suitable as per the standards of the Department of Civil Aviation. I am, therefore, tabling a copy of the News Release which addresses some of the issues in the PNQ.

Madam Speaker, in regard to part (b) of the Private Notice Question, it is for the Annual Meeting of the Shareholders to determine the Board Membership of Air Mauritius Ltd. Insofar as Air Mauritius Holdings Ltd is concerned, this is a matter for consideration by its Board and shareholders as it is a private company.

Madam Speaker, with regard to Parliamentary Question No. B/891, I have been informed by the Prime Minister that he was apprised of certain internal problems relating to Air Mauritius Ltd and that the situation had deteriorated to a point where it was no longer possible to carry on with the former Chief Executive Officer. He was of the view that, if that was the case, then the Board of Directors should do what was right for the company, taking into account the interest of the airline and its stakeholders.

**Madam Speaker:** Hon. Leader of the Opposition!

**Mr Bérenger:** Madam Speaker, the Ag. Prime Minister insists that Air Mauritius is independent from Government and so on, but he agrees that, in fact, the Government controls Air Mauritius, being the majority shareholder with 62 per cent with SIC, and appointing, therefore, the majority of the Board members. On top of that, will he agree with me that the proof to the contrary of what he is arguing is that, when the Rt. hon. Prime Minister came back from overseas on Tuesday 04 October of this year, on the day that he came back to his office, he ordered that Mr Mike Seetaramadoo be suspended as Executive Vice-President to appear before a Disciplinary Committee, and it was done on the spot? Will he agree with me that what all this shows is that Government decides? It is a majority shareholder, it appoints the Directors, and in the case of Mr Seetaramadoo, the proof is there.

**The Ag. Prime Minister:** Madam Speaker, there is a big difference between being a majority shareholder and running the Board of Directors as pseudo-Directors. This is a completely different matter whereas, in fact, accusing the Government of running Air Mauritius as pseudo Directors opens lots of doors which should not be opened, Madam Speaker. The situation is that, obviously, as we are the majority shareholder, we are the main shareholder of Air

Mauritius; we are kept apprised of the situation at Air Mauritius. Same goes for the Minister of Finance and Economic Development who was kept apprised. But the decisions that are taken at the Board remain, by law, the decisions of the Directors who are there in their own right, in their own capacity and, as we will all agree, have a fiduciary responsibility vis-à-vis the shareholders and the stakeholders, Madam Speaker. Therefore, it is not correct to say that Government, in any way, is running the Board of Directors of Air Mauritius, and whatever information, I have no confirmation either to support or to deny whatever the hon. Leader of the Opposition is saying about Mr Mike Seetaramadoo. I am not aware of that.

**Mr Bérenger:** Well, I am surprised. The Ag. Prime Minister will understand that I am surprised because he said that he had discussed with the Rt. hon. Prime Minister about the situation there and so on and he did not raise that point where the Rt. hon. Prime Minister, according to what has been reported, ordered that this gentleman be suspended!

*(Interruptions)*

**The Ag. Prime Minister:** I have not said that I had discussed, Madam Speaker. The quote that I have given for the Rt. hon. Prime Minister has been given to us verbatim from the Rt. hon. Prime Minister who is on mission. However, I have not discussed the matter of Air Mauritius with him myself.

**Mr Bérenger:** If we can move to the Board, is the Ag. Prime Minister telling us that he finds it normal that a Board of 15 members should meet within very short notice to get rid, to sack its Chief Executive Officer, and takes that decision with only five members present? Does he find that normal?

**The Ag. Prime Minister:** Madam Speaker, factually, there were eight members present, and I understand that everybody voted in the same direction, that is, to terminate the contract of Mr Pillay. I agree with the hon. Leader of the Opposition that the notice was short. I agree with him and there is no doubt about that. However, on asking for further information, I was told, Madam Speaker, that there was a real risk that the whole matter escalated further, which would not be in the interest of the company which, as we know, has a crucial role to play both in the economy and has 14,000 shareholders. Therefore, in the interest of the company, it was decided to take a very quick decision and that was why - under normal circumstances, you would not call a Board of Directors within few hours' notice - the Board meeting was called. There were eight

Directors present, who all voted in the same direction and, of course, the subsequent Board meeting of 10 November goes in the same direction.

**Mr Bérenger:** Madam Speaker, the Ag. Prime Minister is trying to make us believe that the Board meeting was called within very short notice because things would run out of control as far as Air Mauritius in general; it would crash! Well, will he agree with me at least that, in fact, the reason that it was called that urgently is that it had to be held minutes before the Disciplinary Board that was meant to consider the case of Mr Mike Seetaramadoo within a few minutes later and that, therefore, this was the real reason that this Board was called for within an unacceptable short notice?

**The Ag. Prime Minister:** Honestly, I do not see that the Board took any decision concerning - what I was told was on the agenda of the Board did not concern Mr Seetaramadoo. Therefore, I have asked the question in good faith and I am providing the answer in good faith to the hon. Leader of the Opposition in the House that it was to stop matters escalating.

**Mr Bérenger:** Yes, but we all know that the truth is that the Disciplinary Committee was waiting to meet. It did not have to be discussed because they met urgently to get rid of the Chief Executive Officer.

**The Ag. Prime Minister:** I must also add, Madam Speaker, that the Disciplinary Committee, I understand - although I did not want to go into this issue, but nevertheless -, is going to be held this week, and the Chairman of the Disciplinary Committee is someone very, very senior. It is Mr André Robert, and I think we can let the Disciplinary Committee do its work.

**Mr Bérenger:** I heard the Ag. Prime Minister say that there was an agenda circulated. Can we have a copy of that agenda?

**The Ag. Prime Minister:** I do not have it, but I will see whether it can be circulated.

**Mr Bérenger:** We have been told, Madam Speaker, that the Rt. hon. Prime Minister has said that he was made aware of certain problems, disagreements at Air Mauritius and that he, therefore, left it to the Board. In fact - will the Ag. Prime Minister agree with me - what Government is trying to say in the public is that there were a number of disagreements between the former Chief Executive and the Board of Air Mauritius Ltd. Can I ask the Ag. Prime Minister whether he can produce any evidence of disagreements between the Board - not between the

present Chairperson and the Chief Executive. This, we all know - and the former Chief Executive? Can he produce evidence, minutes of the Board of Air Mauritius Ltd. of any serious disagreement between the Board and the Chief Executive?

**The Ag. Prime Minister:** Madam Speaker, I think the hon. Leader of the Opposition should not take me as the spokesperson of Air Mauritius Ltd. or of the Board, which I am not! I am speaking, Madam Speaker, as the representative of the main shareholder. If there are questions that are being raised, it is for the Board of Directors and its Chairman to respond to the public. I have already said so and I repeat it, Madam Speaker, communication is important for the Board of Air Mauritius Ltd. to explain fully to its shareholders, to its stakeholders at large and to the public what has happened. I take note of what the hon. Leader of the Opposition is saying. Again, Madam Speaker, it is not for me, but for the Board of Directors of a listed company to respond, if need be.

**Mr Bérenger:** Yes, but can I remind him, Madam Speaker, that he responded in public! He made a statement...

**The Ag. Prime Minister:** I did not!

**Mr Bérenger:** He made a statement through an email, I understand, to a given paper, where he said –

*«Ceux qui ont pris la décision de limoger le CEO doivent s'expliquer.»*

Therefore, just hiding behind the Board when it suits the purposes of Government will not do! Has he obtained information from the people concerned? Have they *expliqué* themselves?

**The Ag. Prime Minister:** Madam Speaker, certainly, but I will again say that I maintain the same position that there needs to be full communication from Air Mauritius Ltd. on aspects which are affecting its share price - the share price fell by 10 per cent; it has since recovered - affecting the stakeholders and affecting the travelling public at large. I maintain that this is so. I am happy that the Chairman gave an interview in *Le Défi*, I think, that yesterday a communiqué was issued, and this has helped to elucidate some of the issues. This is a communication exercise also for Air Mauritius Ltd., Madam Speaker. I maintain what I have said.

**Mr Bérenger:** Can I insist? Whatever the present Chairperson says is one thing. Can we be provided with any evidence of disagreements between the Board of Air Mauritius Ltd. and the former Chief Executive?

**The Ag. Prime Minister:** Madam Speaker, I did not want to be legalistic. I must come back here to the legal provision because, after all, we are *un État de droit*. There are Listing Rules of the Stock Exchange which are quite clear as to the proper forum for information to be disseminated and that proper forum, especially for listing companies, is not in this House and it is not by me, it is by the Management of the company. I can quote again the paragraph relating to the Listing Rules, but that is quite clear, Madam Speaker.

**Mr Bérenger:** Madam Speaker, therefore, to me, it is quite clear to the Ag. Prime Minister, but to me it is even clearer that this is being made up, pretexts and excuses, for having got rid of the previous Chief Executive. The Ag. Prime Minister had said: '*Ceux qui ont pris la décision de limoger le CEO doivent s'expliquer.*' We have had also an interview from the nominee of the Ag. Prime Minister, Me Mark Hein, who let out the truth. Can I know, at least, whether he has discussed the issue with Me Mark Hein, being given that somebody else confirmed to him that this was being decided elsewhere?

**The Ag. Prime Minister:** Madam Speaker, *Maître* Mark Hein did not consult me, especially I was not in Mauritius, before giving that interview. Now, I was a bit taken aback by it, but still he did speak to me. What, in fact, is good is for the hon. Leader of the Opposition to give me a chance to explain. I told Me Mark Hein that I was saddened by this continuing strife which is a historic thing between the Chairman, and the Board of Directors of Air Mauritius and its Management. It is not new, this strife. It is been going on for some time. Every time we appoint a Chairman and we have a CEO and they start having issues of governance. Who does what? This is why, Madam Speaker, I think, I have discussed it also with some of my colleagues here, that it is time that we set really in stone what are the responsibilities of the Chairman of the Board of Directors of Air Mauritius and of the CEO because in each case there is confusion ...

*(Interruptions)*

**Madam Speaker:** Order, please!

*(Interruptions)*

Order!

*(Interruptions)*

Can I ask hon. Members to remain silent while the Ag. Prime Minister is replying to the question, please?

**The Ag. Prime Minister:** I also had the occasion to speak to my colleague, hon. Bhadain, on this issue. I think it is time that we have it properly because, on some instances, you have a CEO not listening to the Board – historically - and on other instances where the Board may appear to be micromanaging the company. I honestly think that we need to have something much more formal that is set out to avoid future conflicts.

**Mr Bérenger:** Madam Speaker, it is as if we are *découvrir l'Amérique!* This issue has been looked at and solved years ago and now we have a Minister for Good Governance who has gone back on that. There is nothing new in separating the responsibilities but, to us, it is clear that the present Chairperson is responsible for what developed at Air Mauritius and Mr Pillay is a *bouc émissaire*, paying for what the present Chairperson has done at Air Mauritius.

**The Ag. Prime Minister:** Madam Prime Minister, I can go back to the ...

*(Interruptions)*

One day! *Insha'Allah*, one day, Madam Speaker, you will become Prime Minister! We are after all passing the Motion for Gender Equality later on this afternoon.

Madam Speaker, the situation was explained to the Prime Minister. The Prime Minister is away and I do not want to speak in his place. He was apprised of the situation and he gave obviously *carte blanche* to the Board, as is the legal situation, to take whatever decision. I will not enter into this debate.

**Mr Ganoo:** Madam Speaker, can I ask the hon. Ag. Prime Minister to answer the question which I have put and to which he has attempted to answer. The question was: whether the Prime Minister and Cabinet also were made aware of the intention of the Board to sack the Chief Executive, not the differences that existed between the CEO and the Chairman of the Board, but whether he was apprised of the intention to get rid of the Chief Executive. This was my question.

**The Ag. Prime Minister:** I think it is quite clear from the statement I quoted from the Prime Minister that he was apprised of certain internal problems relating to Air Mauritius and that the situation had deteriorated to a point where it was no longer possible to carry on with the former Chief Executive Officer. Therefore, he was going to be sacked and he was of the view that if that was the case, the Board of Directors should do what was right for the company, taking into account the interest of the airline and its shareholders. I think I have answered that part.

**Mr Mohamed:** I have listened with much attention to the hon. Ag. Prime Minister who has said, time and time again, that there was a convocation and that there was an agenda. He also said that the convocation was done in line with the Companies Act, the Eight Schedule, which is section 158 of the Companies Act, which talks about agenda. We have here in this House, at this very moment, the Chairman who is not an Executive Chairman and the Secretary of Air Mauritius. My information, Madam Speaker, is that there was at no time an agenda that was circulated. There was no agenda and that is what may ...

**Madam Speaker:** Ask your question, hon. Mohamed!

**Mr Mohamed:** It is coming!

**Madam Speaker:** Please, do not be long in asking your question!

**Mr Mohamed:** There was no agenda and that is what makes the meeting illegal and unlawful. Since those members are in the House, I am sure, Madam Speaker, that you will give a few moments to the Ag. Prime Minister to tender his hand out, so that they could give him a note. Give him the agenda! This agenda that, in fact, does not exist!

**Madam Speaker:** Hon. Mohamed, I do not think that you should give instructions to the Chair. The Chair knows what it has to do. So, allow the Ag. Prime Minister to reply!

**The Ag. Prime Minister:** Madam Speaker, I was told that there was an agenda. I do not have it now. I would also remind the hon. Member as to what I just said at the start of my reply in that I do not know if he is going to be the lawyer for Mr Pillay, there is no problem with that. There is going to be most probability a court case. I must be doubly attentive not to say anything which will go one way or another to affect the interest of Air Mauritius.

**Mr Uteem:** The hon. Ag. Prime Minister mentioned that Air Mauritius was a listed company governed by the Listing Rules. Yet, Air Mauritius did not issue any Press release to

explain why he was sacking the CEO and, as a result of that, the shares **plunged**. Now, I would like to have a very specific answer to this specific question. Is the hon. Ag. Prime Minister aware if the Financial Services Commission (FSC), as regulator, has taken any sanction against Air Mauritius and does he find it appropriate that the Chairman of the Financial Services Commission, Mr Dev Manraj, was one of the Directors who did this act in breach of the Listing Rules?

**The Ag. Prime Minister:** I agree with the hon. Member that communication wise Air Mauritius ought to have responded, on the same day probably, as to the sacking of the CEO. I agree with that. As far as the FSC is concerned, I do not reply for the FSC. I do not know what was taken. I am not aware that any action has been taken by either the Stock Exchange which would be the first authority to take action or the FSC in that regard. I would not make any statement on any conflict of interest.

**Mr Rutnah:** Since the issue of short notice has been raised in the House today, can I ask whether the Ag. Prime Minister is aware that while the Board was convened, Mr M. P. was firstly within the close proximity of the Board, and secondly, that he could have attended the Board given that he was within the close proximity to resist the decision, and thirdly, that members of the Board by virtue of the Article...

*(Interruptions)*

**Madam Speaker:** It is up to the Chair to decide whether there are three questions.

*(Interruptions)*

**Mr Rutnah:** ...members of the Board ...

**Madam Speaker:** Hon. Mohamed, are you picking up a quarrel with the Chair?

**Mr Mohamed:** No! I am just telling ...

**Madam Speaker:** Yes, but you should not pick up a quarrel with the Chair. It is for the Chair to decide.

**Mr Rutnah:** Thirdly and finally, Madam Speaker...

*(Interruptions)*

**Madam Speaker:** Not again!

*(Interruptions)*

No argument!

**Mr Mohamed:** On a point of order.

**Madam Speaker:** Please, sit down!

*(Interruptions)*

Please sit down, hon. Shakeel Mohamed! It is the right of any hon. Member to ask questions.

*(Interruptions)*

It is for the Chair to decide when to stop that hon. Member.

*(Interruptions)*

**Mr Mohamed:** May I raise a point of order?

**Madam Speaker:** Please do!

**Mr Mohamed:** My point of order is: could you, therefore, rule that you are allowing him to put three questions all in one?

**Madam Speaker:** Hon. Shakeel Mohamed, it is not for you to tell me to rule. I give my ruling when I feel I should and I do not take orders from any Member of the House.

**Mr Rutnah:** Thank you, Madam Speaker. Thirdly and finally, Madam Speaker, whether the Ag. Prime Minister is aware that Members of the Board by virtue of the Articles of Association of Air Mauritius could have voted over the phone to manifest whatever they wanted to?

**The Ag. Prime Minister:** Madam Speaker, as to the whereabouts of Mr Pillay, I cannot reply to that. Secondly, as to the notice, we agree it was short. I have explained why it was called at short notice. In addition, it is good to say that - I am told - it was legally in order for it to be called at short notice. There were previous occasions when this has happened. As far as the Articles of Association is concerned, I have not read the Articles of Association to say what sort of requirement is needed, but it is usual for people to attend Board Meetings via digital communication.

**Madam Speaker:** Hon. Bhagwan!

**Mr Bhagwan:** Madam Speaker, can the Ag. Prime Minister inform the House whether he has taken cognizance that there has been unanimity among the staff of Air Mauritius at all levels concerning this problem and, in fact, what has happened really is that *M. Pillay a été victime d'un complot ourdi par le Senior Adviser, M. Maunthrooa, en complicité avec M. Suddhoo, le Chairman, parce que M. Pillay était un obstacle à leur mauvaise pratique de gestion?*

*(Interruptions)*

**The Ag. Prime Minister:** The hon. Member is just saying something without giving any evidence, just a general statement that there is a *complot*. *Complot* for what? We do not know. I have no information of any *complot*, Madam Speaker. The information that I have given, the information that the Chairman has given, I am going by that, Madam Speaker.

*(Interruptions)*

**Madam Speaker:** Hon. Ganoo!

**Mr Ganoo:** Can I ask the hon. Ag. Prime Minister whether, in view of the reactions of the trade unions and the employees, in view of the comments of hon. Minister Bhadain, in view of the reaction of the small shareholders, Government would reconsider the possibility of reintegrating Mr Megh Pillay?

*(Interruptions)*

**Madam Speaker:** Order, please!

**The Ag. Prime Minister:** Firstly, Madam Speaker, I think it is too late now. Too much water has gone under the bridge for anything to happen on that score. Anyway, Madam Speaker, again, not because I am answering this question that I have suddenly become the Chairman of the Board or I am replacing the Board of Air Mauritius.

**Madam Speaker:** Hon. Leader of the Opposition!

**Mr Bérenger:** I am quite shocked by the attitude of Members of Government when hon. Ganoo made the proposal that Mr Pillay be reinstated. This laughter! It seems that they are not aware of the situation in the country. Can I ask the hon. Ag. Prime Minister whether he will agree with me that the country outside has been shocked by the way Mr Megh Pillay has been sacked – shocked - and that therefore the least that we can do is to agree to what I proposed in the last part

of my question, that is, both Boards - starting with the present Chairperson - of Air Mauritius Limited and Air Mauritius Holdings Ltd. should be replaced? This is the least that the country outside is expecting. Will he agree with me?

**The Ag. Prime Minister:** Madam Speaker, as I mentioned, the procedure for replacing the Board is that we have to call an Annual General Meeting or a special General Meeting of shareholders. I will obviously pass his request on to the Rt. hon. Prime Minister. That is, of course, what I should do. Madam Speaker, what is important is that Government has supported the decision of the Board of Directors so that the company may continue on its journey towards profitability, on its journey towards servicing the needs of the country via, for example, the Air Corridor, via what it is doing in Africa. The paramount consideration for Government is that the Company Air Mauritius, given its prime role in the economy, should continue *avec toute la sérénité nécessaire* and that it should continue on its way. That is, Madam Speaker, the position of Government. That is why we are supporting the Board of Directors in their decision. Madam Speaker, I will also say that there is obviously some uneasiness in the population and that is the responsibility of the Board of Directors to communicate properly on this issue.

*(Interruptions)*

**Madam Speaker:** Time is over! Hon. Members, the Table has been advised that PQ No. B/882 in regard to the Metro Express Project will now be replied by the hon. Minister of Public Infrastructure and Land Transport. PQ No. B/885 in regard to the Community Service Order Act will now be replied by the hon. Attorney General. Hon. Osman Mahomed!

### **PLAINE VERTE, VALLÉE PITOT & TRANQUEBAR – DRUG CASES**

**(No. B/881) Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to Constituency No. 2, more specifically, in the Plaine Verte, Vallée Pitot, Tranquebar, Bangladesh and Camp Manna regions, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to

whether a deterioration in the situation concerning synthetic and other drugs thereat has been observed lately and, if so, indicate –

- (a) the extent and reasons thereof
- (b) the number of searches effected thereat in relation to possession and selling of synthetic and other drugs, since January 2015 to date, indicating the outcomes thereof, and
- (c) if a correlation has been established between the said situation and the posting of Officers of the Anti-Drug Smuggling Unit.

**The Ag. Prime Minister:** Madam Speaker, I am informed by the Commissioner of Police that the number of synthetic and other drug cases for Constituency No. 2 particularly Plaine Verte, Vallée Pitot and Tranquebar including Bangladesh and Camp Manna for the period January 2015 to 10 November 2016 are as follows –

- (i) 128 cases including 7 cases of synthetic cannabinoids for the year 2015, and
- (ii) 72 cases including 11 cases of synthetic cannabinoids for the period January to 10 November 2016.

An analysis of the statistics does not reveal any increase in the number of drug cases established by the ADSU for the regions of Plaine Verte, Vallée Pitot and Tranquebar. It cannot therefore be inferred that the situation in that matter has deteriorated there.

In regard to part (a) of the question, I am informed by the Ministry of Health and Quality of Life that over the last two years, the availability of synthetic cannabinoids has greatly increased in Mauritius. Police avers that many of the cannabis consumers may have shifted to synthetic drugs due to curiosity, large coverage by the media and its lower price compared to other drugs in the market.

Regarding part (b) of the question, I am informed by the Commissioner of Police that 156 searches have been carried out by Police in calendar year 2015 whereas a total of 79 searches have been effected from 01 January 2016 to 10 November of the same year in the regions of Plaine Verte, Vallée Pitot, Tranquebar, Bangladesh and Camp Manna. 128 searches have been fruitful and drugs were found and seized in 2015, and 72 so far in 2016. It is, therefore, clear,

Madam Speaker, that the number of searches has decreased over this year compared to last year and I have brought this to the attention of the Commissioner of Police.

In regard to part (c) of the question, I am informed that there has been no change in posting of officers of ADSU except for the promotion of one Sergeant to the grade of Inspector of Police. As such, this has had no bearing on the performance of the ADSU.

I wish to highlight the fact that this Government is conscious of the seriousness of the drug problem including, the damage being done by the synthetic drugs. This is precisely why we have set up the Commission of Inquiry on Drug Trafficking which started its assignment on 04 November 2015. In fact, we are awaiting its recommendations as well as any proposals for statutory amendments in order to decide on further improvements to be made.

**Madam Speaker:** Hon. Osman Mahomed!

**Mr Mahomed:** Madam Speaker, I have heard that the number of searches has decreased. This is a real problem actually. I am going to circulate, for the hon. Ag. Prime Minister's eyes, a Press article and the name of officers who have been transferred. In there, it is clearly explained by the people of Tranquebar how the situation has deteriorated, how drugs are circulating freely, sometimes even by foreigners and the source of the problem is also detailed in that article and that recently...

**Madam Speaker:** Hon. Osman Mahomed, please do not make a statement! Ask your question!

**Mr Mahomed:** Okay! Can the Ag. Prime Minister assure the House that the number of patrols in Tranquebar will be increased and other parts of the constituency, given that officers of ADSU who were posted there - I have given the names as well - have been promoted - this is their due - and that there are no more longer patrols in that part of Port Louis?

**The Ag. Prime Minister:** Madam Speaker, with regard to the first part of the hon. Member's question, I am told that there have not been any transfers, just a promotion. I think I have read that article, but I will look at it again. Certainly, so far as the remainder of his question is concerned, I will raise the matter with the Commissioner of Police.

**Mr Uteem:** Does the Ag. Prime Minister have any information about the age group that is now concerned with synthetic drugs in these areas?

**The Ag. Prime Minister:** I do not have that information, Madam.

**Madam Speaker:** Next question, hon. Dr. Sorefan!

### **ELECTORAL REFORMS – MINISTERIAL COMMITTEE**

**(No. B/883) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to electoral reforms, he will state if consideration will be given for the –

- (a) voting age to be brought down from 18 to 16;
- (b) tenure of office of a Prime Minister and of a Leader of the Opposition respectively to be limited to two mandates, and
- (c) provision of the obligation of party lists to reflect gender balance in each constituency.

**The Ag. Prime Minister:** Madam Speaker, as the House is aware, Government is moving ahead with the electoral reform agenda which was endorsed by a large majority of the people at the last general election and which is also enunciated in the Government Programme 2015-2019.

In this context, Government has set up a Ministerial Committee on Electoral Reforms in January 2016 to examine different aspects of our electoral system and make recommendations.

In regard to part (a) of the question, Government does not propose to lower the voting age.

As regards part (b) thereof, that is, the proposed limitation of the term of office of a Prime Minister and a Leader of the Opposition, this was, in fact, discussed with members of the parties in the Alliance, but no consensus was reached, and it was agreed not to proceed with such changes within this mandate.

Madam Speaker, in regard to part (c) of the question, as the House is aware, the issue of women's representation is already included in the terms of reference of the Ministerial Committee on electoral reforms. In fact, the Committee has already started to examine this issue of gender balance, along with a few other issues in its terms of reference.

**Dr. Sorefan:** Will the hon. Ag. Prime Minister inform the House where matters stand regarding proposal of the Ministerial Committee with regard to controlling financing of political

parties tabled in this House on 05 April this year? Has there been any response from the SLO, and if yes, to table same?

**The Ag. Prime Minister:** Madam Speaker, I will be happy to respond to a substantive question, but it is correct to say that the file has been sent, it was approved by Cabinet and the matter sent to the SLO.

**Madam Speaker:** Next question, hon. Uteem!

**MINISTER OF FINANCIAL SERVICES, GOOD GOVERNANCE AND  
INSTITUTIONAL REFORMS – CASE AGAINST SENIOR ADVISER – INQUIRY**

**(No. B/884) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the case reported by the hon. Minister of Financial Services, Good Governance and Institutional Reforms against Mr G. S., Senior Adviser at the Ministry of Finance and Economic Development at the Central Criminal Investigation Department, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to where matters stand as to the inquiry initiated thereinto.

**The Ag. Prime Minister:** Madam Speaker, with your permission, I shall reply to Parliamentary Questions B/884 and B/887 together, as they relate to the same subject matter.

I am informed by the Commissioner of Police that, on 18 August 2016, a case was reported by the hon. Minister of Financial Services, Good Governance and Institutional Reforms against Mr G. S., Senior Adviser at the Ministry of Finance and Economic Development. In his statement to the Central CID, the complainant has made the allegation that Mr G. S. has teamed up with other person(s) to tarnish his image as Minister of Good Governance and his integrity in the Heritage City Project.

Following that complaint, the Central CID has initiated an enquiry into the case. As at 11 November 2016, nine persons have been interviewed in connection therewith. The enquiry is still underway.

Madam Speaker, in regard to parts (a) and (b) of Question B/887, I am informed that the Central CID has reasonable grounds to believe that Mr G. S. could enlighten the Police in the case. To that effect, several attempts had been made to establish contacts with Mr G. S.

On 14 September 2016, at around 7.50 a.m., Enquiring Officers of the Central CID proceeded to the residence of Mr G. S. to request him to call at the Central CID so that Police could obtain his version for the purpose of the enquiry.

Madam Speaker, I am informed that it is a usual practice for the Police to interview persons having knowledge of facts in a reported case, with a view to verifying the genuineness of the complaints and allegations.

In this particular case, I am also informed that no instruction was given to any Enquiring Officer of the Central CID to convene Mr G. S. The Enquiring Officers used their own discretion to proceed to the residence of Mr G. S. on 14 September 2016. The officers of the Central CID, in fact, met Mr G. S. who informed them that his Counsel would call at the Central CID to work out a schedule for his interview. On the same day, the Legal Counsel of Mr G. S. called at the Central CID. A second meeting was held between them on 07 October 2016.

In regard to part (c) of Question B/887, I am further informed that there has been no transfer of officers in this particular case.

Being given that the enquiry is still ongoing, I do not intend to go into further details of this case in order to preserve the integrity of the enquiry.

**Mr Bérenger:** I tried to listen carefully. Do I take it that the only point raised by the hon. Minister of Financial Services, Good Governance and Institutional Reforms is that his reputation or image has been harmed? Is there, therefore, no allegation that there has been a conspiracy to bring down the Heritage City project?

**The Ag. Prime Minister:** Well, I did not have access to the statement of my colleague, obviously. This is the answer that I have given. There is apparently an allegation that there has been teaming up with other person or persons to tarnish the image of the Minister.

**Mr Uteem:** It has been three months now, since August. May I know from the hon. Ag. Prime Minister how many statements have been taken from Mr G.S. and whether he has been arrested and whether there has been any case, provisional charge lodged against him up to now?

**The Ag. Prime Minister:** Obviously, Madam Speaker, the Opposition quite rightly criticises provisional charges and arrests. Therefore, for some time now, we agree on that, that the Police have taken a different stance...

*(Interruptions)*

...concerning provisional charge and arrest. Nevertheless, I have replied, Madam Speaker, that nine people have been interviewed, at least, and that a schedule has been worked out so that, at some appropriate time, Mr G. S. will also be interviewed.

**Mr Ameer Meea:** Mr G. S. is a Senior Adviser at the Ministry of Finance and Economic Development. According to the hon. Ag. Prime Minister, he was convened by the Police Officers, using their own discretion. May we know the rank of those Police Officers concerned, so that we may know how they used their own discretion to go to the place of Mr G. S.?

**The Ag. Prime Minister:** I have to find the information, but I will circulate it later.

**Mr Baloomoody:** I am just asking the hon. Ag. Prime Minister on what charge the Police are enquiring about? On what charge nine witnesses have been interviewed? What is the alleged offence in our Criminal Code?

**The Ag. Prime Minister:** I am not aware of what charge, but I have been told that the officers that actually attended were two Chief Inspectors and one Inspector who proceeded to the residence of Mr G. S.

**Mr Bhagwan:** Can the hon. Ag. Prime Minister enquire whether, at any point in time, there has been interference when the Police Officers were going to the residence of Mr G. S.; whether, at any point in time, Mr Maunthrooa from overseas contacted the Police?

*(Interruptions)*

**The Ag. Prime Minister:** Madam Speaker, I think Mr Maunthrooa is very much in the mind...

*(Interruptions)*

**Madam Speaker:** Order, please!

**The Ag. Prime Minister:** Mr Maunthrooa is very much in the mind of hon. Bhagwan during the day and I hope not at night also!

*(Interruptions)*

Anyway, Madam Speaker, I have no information. I would doubt whether Mr Maunthrooa had anything to do with this.

**Madam Speaker:** Next question, hon. Ameer Meea!

### **POLICE SYNDICATE – SETTING UP**

**(No. B/886) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the proposed setting up of a Police Syndicate for Police Officers, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to where matters stand, indicating when same will be operational.

**The Ag. Prime Minister:** Madam Speaker, I wish to refer the hon. Member to the reply made by the Rt. hon. Prime Minister to PQ Nos. B/13 and B/21 at the sitting of the National Assembly of 29 March 2016, wherein he stated that the Attorney General's Office had submitted a draft Police (Amendment) Bill which will allow members of the Mauritius Police Force to unionise. The draft Police (Amendment) Bill was circulated in Cabinet following which a Ministerial Committee was set up to re-examine the Bill.

Consultations are still being held with all stakeholders on certain provisions of the proposed legislation. Once a consensus is reached, a Bill will be finalised and introduced in the National Assembly and, hopefully, Madam Speaker, I see that it has been provisionally agreed that the Bill will come before the end of the year.

**Madam Speaker:** Next question! Does the hon. Member have a question on this?

**Mr Ameer Meea:** Of course!

**Madam Speaker:** Yes, but please be quick! Do not take your time!

**Mr Ameer Meea:** I am not taking my time; you have not even looked at me!

*(Interruptions)*

**Madam Speaker:** I did look at you!

*(Interruptions)*

Hon. Ameer Meea, please sit down!

*(Interruptions)*

Please, sit down!

*(Interruptions)*

We do not want to waste the time of the House discussing trivial things, but I wish to draw your attention...

*(Interruptions)*

Now, hon. Ameer Meea, have you read your Standing Orders?

*(Interruptions)*

Do you know that you should not have any arguments with the Chair? Do you know that? Do not take your time. When you have got questions, you raise your hand and you will catch my eyes. Okay, hon. Ameer Meea, please!

*(Interruptions)*

**Mr Ameer Meea:** Madam Speaker, I was waiting for you to look at me so that I could ask...

**Madam Speaker:** No arguments! Please, sit down!

*(Interruptions)*

Please, sit down! Hon. Ameer Meea, sit down!

*(Interruptions)*

Hon. Ameer Meea! Please, sit down! I have said several times that when the Chair is on her feet you should sit down; any hon. Member should do that. Now, there should be no arguments in that matter. I am asking you to proceed with your next question.

**Mr Ameer Meea:** I do not have any further question!

**Madam Speaker:** Okay! Next question, hon. Baloomoody!

**MR G. S. - SENIOR ADVISER – RESIDENCE – CCID OFFICERS**

**(No. B/887) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the case reported by the hon. Minister of Financial Services, Good Governance and Institutional Reforms against Mr G. S., Senior Adviser at the Ministry of Finance and Economic Development at the Central Criminal Investigation Department (CCID), he will, for the benefit of the House, obtain from the Commissioner of Police, information as to if Officers of the CCID landed at the residence of Mr G. S., on or about Wednesday 14 September 2016 and, if so, indicate –

- (a) who gave instructions therefor, giving details thereof;
- (b) the reasons therefor, and
- (c) if the officers involved therein have been transferred and, if so, indicate –
  - (i) since when, and
  - (ii) the reasons therefor.

*(Vide reply to PQ No. B/884)*

#### **MOKA DETENTION CENTRE - POLICE CONSTABLE A. H. - DEATH**

**(No. B/888) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the death of Police Constable A. H. at the Moka Detention Centre on 29 October 2016, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to –

- (a) who is conducting the inquiry thereinto, and
- (b) if a video and/or photographic recording of the body in the cell prior to the removal thereof is available.

**The Ag. Prime Minister:** Madam Speaker, I am informed by the Commissioner of Police that on Sunday 30 October 2016, at about 00 05 hours, whilst the Sergeant in charge of Moka Detention Centre was effecting a visit in the cells, he could not see detainee A.H. in his cell. He immediately opened the cell and found the detainee unconscious, in a sitting position with his leg stretched forward and his back leaning against the washbasin. A towel was tied to his neck from

one end, and the other end was tied to the tap of the washbasin. The towel was cut, and attempts were made to reanimate him, but in vain. He was conveyed to Moka Hospital where his death was confirmed. The case was referred to the Police Medical Officer and autopsy carried out at noon on the same day attributed the death of Mr A. H. to “Asphyxia due to hanging”.

A Police enquiry has been initiated to determine the exact circumstances which led to the death of Mr A. H.

In regard to part (a) of the question, I am informed that the enquiry is being conducted by the Major Crime Investigation Team of the CCID.

Madam Speaker, as regards part (b) of the question, I am informed by the Commissioner of Police that no video recording nor photographic recording of the body of Mr A. H. prior to removal thereof from the cell are available.

I am further informed that when Mr A. H. was found unconscious in his cell, the immediate concern of the Officers on duty at the Detention Centre was to release the pressure caused by the towel around the detainee’s neck and reanimate him with a view to saving his life. He was thus brought for treatment to the nearest hospital, which is Moka Hospital. It is only there that his death was certified. This explains why neither a Scene of Crime Officer nor a Police Medical Officer was requested to attend to the case immediately prior to Mr A. H. being transferred from his cell to Moka Hospital.

In addition, no CCTV footage of what actually happened inside the cell is available as the recording mode of the Camera Surveillance System in place at the Moka Detention Centre is currently defective. I am informed that this system dates back to 2003 and has been found to be out dated and beyond economic repairs. Since 2014, two successive tender exercises for the replacement of the Camera Surveillance System have not been successful. Police have thus had to work out the project anew and a fresh tender exercise will be launched shortly.

**Madam Speaker:** Yes, hon. Leader of the Opposition!

**Mr Bérenger:** May I ask the Ag. Prime Minister - and I am sure he is aware that we are talking about the top security prison of Mauritius where therefore the security is supposed to be top and the cameras full-time working - will he agree with me that, in fact, this is another case

where the country is shocked at what took place? Can I put in a document, because I have heard that the CCID is supposedly enquiring...

**The Ag. Prime Minister:** The MCIT.

**Mr Bérenger:** Can I put in a document by Mr Lassemillante, Deputy Chairperson of the Human Rights Commission? I shall table the document. He visited the place. He visited the Moka Detention Centre on Monday 31 October. Can I just quote two paragraphs with your permission?

“During my visit it was reported that the detainee hanged himself by using a towel attached to a tap situated at 3 feet above ground level. The death is suspect. It is difficult for a man of medium of height to hang himself with an object situated at nearly 3 feet from ground level.”

And he goes on - and this is of special interest as far as the cameras are concerned because the hon. Ag. Prime Minister said old cameras and so on - I quote –

“We noted that in some cells of the Detention Centre the CCTV camera system was working. Yet, the accused in an important drugs importation case is detained in one of the cells which cannot be supervised by the CCTV camera. This decision seems close to a blunder according to my opinion. It is common knowledge that drugs accomplices who might talk and denounce undergo serious risks.”

Can I table a copy of that report by the Deputy Chairperson of the Human Rights Commission and request the Ag. Prime Minister to look into that?

**The Ag. Prime Minister:** Madam Speaker, firstly, let me say that there is an enquiry by the Major Crime Investigation Team. Secondly, the file has been sent to the DPP by the Police for a judicial enquiry and that the DPP is asking for additional information, but the Police have been very prompt in sending the file to the DPP for a judicial enquiry.

As far as the cameras are concerned, firstly, let me say that some time now, historically, in fact, the cameras have not been performing. Firstly, they have not been able to record anything for years now, I understand. The recording system does not work and the cameras in some of the cells are not working or are inadequately placed to cover the cell.

Madam Speaker, the reason why I have also asked the question why this gentleman was put in this particular cell was that that cell has toilet etc. *en suite* which would give added security to the system because he did not have to be moved to outside...

*(Interruptions)*

Let me finish! So that he did not have to be taken outside to do his needs! So, in fact, that is the reason the Police wanted to ensure maximum security by having him in a cell which was *en suite* although there was no camera working at that system.

Madam Speaker, concerning the judicial enquiry, MCIT will decide under what circumstances the person committed suicide. Madam Speaker, there were four officers working under a Sergeant at that time, I cannot see any reason why at this stage we should put their reputation on the line. Let the enquiry complete itself. As far as we are concerned, they are serious, dedicated Police Officers who work in a difficult situation and who have found a dead body. Now, why did they not take any video or picture? Because their first reaction was to release the towel around the neck. The death had just occurred because there had been a previous visit about half an hour before. So, the body was still warm. The death had just occurred and the officers probably rightly released the towel so that he could be given reanimation. This is what they did. So, I would make an appeal to the Leader of the Opposition, we have problems in the Police, we have issues to do with discipline, we have all these, let us not make these statements unless really there are definite proofs. But certainly, Madam Speaker, we are in this House, all horrified by the drug situation and we are all - the whole House, I hope - as one to actually deal with this system.

**Mr Mohamed:** Madam Speaker, there is something else which has horrified me and it is the following: this report that was referred to, a few minutes ago, by the hon. Leader of the Opposition and by the Deputy Chairperson of the Human Rights Commission, was referred to on one of the radio stations of Mauritius by one of the members of the Human Rights Commission. That very member of the Human Rights Commission did so in an interview saying that this report was going to be finalised and talked about the contents of the report because that person had the permission of the Deputy Chairperson to speak to the Press because they did not want to cover up things.

**Madam Speaker:** So, what is your question?

**Mr Mohamed:** Does the Ag. Prime Minister know that this member who has played the card of transparency with the permission of the Deputy Chairperson has been called to order by a member of the Prime Minister's Office and has been asked for explanations in writing for having talked to the Press and not followed instructions for hiding this report and the Commissioner of Police is also aware of this and he has partaken in this?

**The Ag. Prime Minister:** Madam Speaker, I would say that the proper people to inquire, with all due respect to the Human Rights Commission at this stage, I would expect that they would wait for the MCIT report. There is already the autopsy report that confirmed death by hanging, there is going to be a judicial inquiry, we hope, on this issue. All these will bring light to the situation and I would request that we do not make any further statement until these respected institutions, including the institution of the DPP which we know is independent, will report.

**Madam Speaker:** Next question, Hon. Rutnah!

#### **GANDHI SQUARE, RIVIERE DU REMPART – GREEN SPACE**

**(No. B/889) Mr S. Rutnah (Third Member for Piton & Rivière du Rempart)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the place called *Green Space*, found in the vicinity of the Gandhi Square, in Rivière du Rempart, he will, for the benefit of the House, obtain from the National Development Unit, information as to –

- (a) when the said project was implemented, and
- (b) if same is vested in the Rivière du Rempart District Council and, if so, since when.

**The Ag. Prime Minister:** Madam Speaker, with regard to part (a) of the question, the project was implemented in 2012 by the Ministry of Environment and Sustainable Development.

With regard to part (b) of the question, the site is still vested in the National Development Unit (NDU). However, the District Council of Rivière du Rempart undertakes regular cleaning and maintenance works on site.

**Mr Rutnah:** If the Green Space is still vested in the jurisdiction of the National Development Unit, can the hon. Ag. Prime Minister tell us why the District Council is spending money for its upkeep?

**The Ag. Prime Minister:** Well, vested or not in the NDU, Madam Speaker, I think the District Council has a duty to ensure that Rivière du Rempart is clean. If it has the manpower, then I think it should do so.

*(Interruptions)*

**Madam Speaker:** Hon. Sesungkur, Next question! No comment, please!

### NATIONAL MARITIME ZONE – COAST GUARD STATIONS

**(No. B/890) Mr D. Sesungkur (First Member for Montagne Blanche & GRSE)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to security within the national maritime zone, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the systems presently in place for the monitoring of the activities thereat, indicating if they are adequate, indicating the number of –

- (a) coast guard stations available and respective location thereof, and
- (b) coast guards posted thereat.

**The Ag. Prime Minister:** Madam Speaker, the Mauritius Maritime Zone stretches over an area of 2.3 million square kilometres and it is the responsibility of the National Coast Guard to enforce security of the State of Mauritius and protect our Exclusive Economic Zone (EEZ) and marine resources. I am going to try and shorten it.

Madam Speaker, the Commissioner of Police has informed that in this endeavour, the National Coast Guard actively undertakes effective surveillance using both surface and air assets. The NCG operates in three layers of surveillance. The first layer is carried out along the shoreline and within the lagoons mainly by pirogues and avon crafts and is controlled by NCG posts stationed all along the coastline.

The second layer consists of surveillance of coastal waters just outside the lagoons up to 10 kilometres from the coast and this is done by heavy-duty fast boats. The fast interceptor boats are fitted with modern state-of-the-art radar, GPS etc.

In the third layer, National Coast Guard Ships and Aircrafts carry out surveillance sorties in high seas. Five ships are presently deployed for coastal surveillance. For extended maritime surveillance, 4 aircrafts of the National Coast Guard's (NCG) Maritime Air Squadron and 5 helicopters are deployed.

Madam Speaker, the surveillance is further complemented by the Coastal Surveillance Radar System (CSRS) with Automatic Identification System (AIS) since 2011. 5 radars are installed on mainland Mauritius and one each at Rodrigues, St Brandon and Agaléga.

EEZ surveillance is also undertaken on a regular basis in Mauritian waters in collaboration with friendly countries. However, no system is fully adequate or satisfactory. I am informed by the Commissioner of Police that, with technological development, there is always need to continuously upgrade the surveillance systems. It is also necessary for the Police to acquire the necessary skills and maintain same.

The Police are presently exploring possibilities to acquire state-of-the-art equipment with a view to improving the surveillance systems of our maritime zone.

Madam Speaker, the Mauritius Police Force is, thus, in the process of acquiring two Water Jet Fast Attack Crafts from Goa Shipyard Ltd. The first ship (CGS Victory) has been delivered recently. The second Ship CGS Valiant is scheduled to be delivered in mid-2017.

In regard to parts (a) and (b) of the question, the Commissioner of Police has informed that there are 24 NCG posts including those in the outer islands with a total number of 506 officers posted thereat. The list is being tabled.

**Mr Sesungkur:** I would like to thank the hon. Ag. Prime Minister for the detailed and comprehensive reply to this question. Does he find it normal that despite such a robust system, we failed to detect the catastrophe of MV Benita which ended on our shore causing lots of damage to the eco system?

**The Ag. Prime Minister:** Madam Speaker, I did ask that question to the Commanding Officer of the National Coast Guard and he explained to me that, unfortunately, MV Benita had come in one of the blind spots of the radar system and whichever post it was, it was unable to pick up - although it was a fairly large ship - the final position of the craft. In addition, Madam Speaker, it appears that they were in contact with the captain of the ship, but the captain of the

ship, deliberately it seems, provided inaccurate information on the positioning. Therefore, Madam Speaker, not only it did not capture, but the positioning of the ship was inaccurately given by the captain.

**Madam Speaker:** Because of constraint of time, I will allow one last question on this. Hon Uteem!

**Mr Uteem:** Madam Speaker, we have spoken about MV Benita, but today what is really shocking is the drug issue, an allegation that drugs are coming in and out of Mauritius through boats. Has the hon. Ag. Prime Minister also taken that issue up with the Commissioner of Police to see how we can enforce our security on our shores?

**The Ag. Prime Minister:** Yes, Madam Speaker, we are obviously waiting for the recommendations of the Commission of Inquiry. There is obviously an issue. Not only big ships have blind spots, but also it seems that much smaller ships are much more difficult to pick up. The Commissioner of Police is making some proposals as far as better control of the pleasure crafts and fishing crafts are concerned including installation of some digital equipment on board, but this is being studied.

#### **AIR MAURITIUS LTD. – FORMER CHIEF EXECUTIVE OFFICER – REVOCATION**

**(No. B/891) Mr A. Ganoo (First Member for Savanne & Black River)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to Mr M. P., former Chief Executive Officer of Air Mauritius Ltd., he will state if, prior to the revocation thereof, he had been informed of the intention of the Board of Air Mauritius Ltd. to proceed therewith, indicating if consideration will be given for the reconstitution of the Board of Air Mauritius Ltd..

*(Vide reply to PNQ)*

**Madam Speaker:** Time is over! Hon. Members, the Table has been advised that PQ No. B/898 in regard to the elimination of asbestos from ex-CHA housing units will now be replied by the hon. Minister of Environment, Sustainable Development, and Disaster and Beach Management. PQ No. B/915 in regard to the Heritage City Project will now be replied by the hon. Minister of Financial Services, Good Governance and Institutional Reforms. PQ No. B/933 in regard to the United Nations Convention on the Rights of the Child will now be replied by the

hon. Minister of Social Security, National Solidarity and Reform Institutions. PQ B/ 921 has been withdrawn. Hon. Rughoobur!

### **RIVIERE DU REMPART - WETLANDS**

**(No. B/895) Mr S. Rughoobur (Second Member for Grand’Baie & Poudre d’Or)** asked the Minister of Agro-Industry and Food Security whether, in regard to the district of Rivière du Rempart, he will state if an updated survey report of the location of wetlands thereat is available and, if not, why not.

**Mr Seeruttun:** Madam Speaker, I would like to refer the hon. Member to the reply which I made to Parliamentary Question B/323 in April 2015, wherein I, *inter alia*, indicated that my Ministry did not propose to carry out a survey of all wetlands in Mauritius as such an exercise was already undertaken by the Ministry of Environment in 2008.

According to that survey, 60 wetlands were identified in the district of Rivière du Rempart, out of which more than 50% were privately owned.

The Ministry of Environment has embarked on a Ground Truthing Exercise for the updating of the environmentally sensitive areas maps, including wetlands. The exercise is still ongoing.

My Ministry has been advised by the Ministry of Environment that there is no updated report regarding the location of wetlands in the district of Rivière du Rempart.

**Madam Speaker:** Hon. Rughoobur!

**Mr Rughoobur:** Thank you, Madam Speaker. Replying to my question B/323 in April 2015, the hon. Ministry stated that a Wetland Bill was to be prepared and presented to the Parliament. Therefore, I would like to have a status on this.

**Mr Seeruttun:** Madam Speaker, indeed, I did state in my previous reply that my Ministry is working on the Wetlands Bill. In fact, we already have had lengthy discussions with the State Law Office on that Bill. As I said in my reply, most of the wetlands are found on private owned lands, and given that access to those private lands is difficult to be able to protect, conserve and ensure the sustainable management of those wetlands, certain issues have been raised by the State Law Office with regard to constitutional issues and enforcement of those wetlands. We are relooking at that aspect, so that we can come up with a Bill in the future.

**Mr Bhagwan:** Pending the coming into force of the Wetland Bill, can the hon. Minister inform the House whether he has carried out a survey in collaboration with the Ministry of Local Government or local authorities? There are many constructions which are being carried out these days on wetlands. The extent of wetlands is diminishing day by day. Can the hon. Minister, at least pending the coming into force of this Bill, inform the House what action is being taken through his Ministry to coordinate with the local authorities what permits are given and whether there are illegal constructions which are being carried out on wetlands?

**Mr Seeruttun:** Madam Speaker, whenever there is an application for a building and land use permit within a zone where there are wetlands, they have to refer the matter to my Ministry. There are certain guidelines which have been laid out. So long that those conditions laid out are being adhered to, complied with, then permissions are allowed. As far as I know, a buffer zone of 30 meters has to be observed whenever any buildings are to be raised within areas where there are wetlands.

**Madam Speaker:** Last question on this issue, hon. Rughoobur!

**Mr Rughoobur:** I agree with the hon. Minister that there is a problem of access because most of the lands are private lands. I am going to table a list of photographs, because the problem is really alarming in the region of Grand' Baie- Péreybère. May I ask the hon. Minister to please look into it, probably the structure that is responsible to monitor all these issues of wetlands? May I also request him to please, through his officers, have a look at what is being tabled - the situation is really alarming - and to look into this whole issue of wetlands in that region specifically?

**Mr Seeruttun:** I will look into it.

**Madam Speaker:** The Table has been advised that PQ No. B/897 has been withdrawn. Next question, hon. Rughoobur!

### **ORGANISATION OF AFRICAN UNITY - AGENDA 2063**

**(No. B/896) Mr S. Rughoobur (Second Member for Grand'Baie & Poudre d'Or)** asked the Minister of Foreign Affairs, Regional Integration and International Trade whether, in regard to the Agenda 2063 Treaty, he will state where matters stand as to the ratification thereof by the Republic of Mauritius.

**Mr Lutchmeenaraidoo:** Madam Speaker, Agenda 2063 was formulated in 2013 during the 50<sup>th</sup> anniversary of the creation of the Organisation of African Unity and formally adopted in January 2015.

Agenda 2063 is both a Vision and an Action Plan. It is a framework document that highlights the vision of what African wishes to achieve in the next 50 years, as well as an action plan on how to achieve the objectives that underline the vision.

Agenda 2063 aims to achieve an integrated, prosperous and peaceful Africa, driven by its own citizens by accelerating the socio-economic growth of Africa, raising employment level and incomes.

Agenda 2063 is not a treaty and consequently not subject to any ratification process. However, Mauritius, as a full-fledged Member State of the AU, is *de facto* party to the Vision and is firmly committed to achieving the objectives of Agenda 2063.

In this respect, my Ministry organised a workshop on 05 October 2016 on the domestication of Agenda 2063, in which a three-member delegation from the AU Commission participated with a view to sensitising and operationalising the Agenda 2063 among key stakeholders.

The AUC delegation was interested to learn of our national planning process and the alignment of the objectives of Agenda 2063 with our own Vision 2030 and the Sustainable Development Goals. The delegation expressed satisfaction of the progress achieved and expressed interest for further collaboration in the course of the implementation process.

Madam Speaker, we have circulated today, in fact, to hon. Members of the House, a popular version of Agenda 2063, which is here.

**Mr Rughoobur:** I thank the hon. Minister for the reply. As rightly stated by the hon. Minister and with due reference to the workshop held on 05 October, may I ask the hon. Minister - the fact that one of the objectives was capacity building and resource optimisation - in regard to the profile of Mauritian Ambassadors who are being posted in the African Continent, whether - not only the profile ambassadors, but the resource persons who are posted in those embassies - he can confirm that this capacity building programme is in place and that it is being ensured that we meet the objectives of Agenda 2063?

**Mr Lutchmeenaraidoo:** I thank the hon. Member for this question. In fact, capacity building is the name of the game in our Embassies in view of the fact that we are now moving more and more towards economic diplomacy. We are recruiting professionals in this field. Besides ambassadors who have been nominated, we are trying to strengthen the teams in those embassies so that they are more effective in delivering economic diplomacy. Vision 2063 is much more than the short term. You can imagine! It is very long term vision and, therefore, we are trying to ensure that the appropriate work is being done in Mauritius, so that Vision 2063 becomes a reality in Mauritius and for Africa also.

### **CULTURE OF INNOVATION – INITIATIVES**

**(No. B/897) Mr S. Rughoobur (Second Member for Grand’Baie & Poudre d’Or)** asked the Minister of Technology, Communication and Innovation whether, in regard to the five major initiatives undertaken during the financial year ended 30 June 2016 for the promotion of a culture of innovation in mainland Mauritius and in Rodrigues respectively, he will state where matters stand.

*(Withdrawn)*

### **EX-CHA HOUSING UNITS – ASBESTOS**

**(No. B/898) Mr S. Rughoobur (Second Member for Grand’Baie & Poudre d’Or)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to asbestos, he will state the initiatives that will be taken during the current financial year for the elimination thereof from the ex-CHA housing units.

**The Ministry of Gender Equality, Child Development and Family Welfare (Mrs A. Perraud):** Madam Speaker, with your permission, I shall reply to this question.

I would wish to refer the hon. Member to the reply made to PQ B/921 in November last year, where the House was informed about measures being proposed for the removal of asbestos sheets in ex-EDC houses and that priority would be given to the dismantling and removal of asbestos sheets from the 24 unoccupied housing units identified by the Ministry of Housing and Lands.

The Ministry of Environment, Sustainable Development and Disaster and Beach Management has already prepared bidding documents for the dismantling and removal of

asbestos from the unoccupied housing units in accordance with established guidelines. As at now, only five owners have signified their no-objection to the dismantling of their unoccupied houses.

This Ministry is following the matter together with the Ministry of Housing and Lands with a view to obtaining a maximum number of consent of the owners/heirs and by end of November 2016, tenders will be launched for the dismantling of all houses for which consent of the owners/heirs has been obtained. The remaining houses will be dismantled as and when consent of owners/heirs is obtained.

**Mr Rughoobur:** I know that the hon. Minister is not the substantive Minister, but there has been a request in the past for looking into the situation of Cité Ste Claire in Goodlands. I do not know if she can confirm, but in the list, this site has been taken on board.

**Mrs Perraud:** Madam Speaker, I do not have this information. When my colleague will be back, I will give him the question.

**Mr Barbier:** Will the hon. Minister circulate a list of houses which are supposed to be demolished in this coming project, island-wise with the number of houses and their locations.

**Mrs Perraud:** Madam Speaker, I will ask my colleague whether this list can be circulated.

**Mr Ganoo:** Madam Speaker, I know the hon. Minister is not the substantive Minister, but this question about asbestos houses has been raised several times in this House. May I ask the hon. Minister if she can transmit the message to the substantive Minister that we are not talking only of unoccupied asbestos houses to which she was referring and giving the number of 24? There are about a thousand of asbestos occupied houses all over the country. Can I ask the hon. Minister to see to it that Government comes up with *un plan d'ensemble*, a comprehensive plan to get rid of these asbestos houses? To me, money is no more a problem. The CSR Foundation has got the money. The hon. Minister of Finance and Economic Development just told us...

**Madam Speaker:** Hon. Ganoo, do not make a statement! Ask your question!

**Mr Ganoo:** My last point, Rs1 billion have been received from India for housing purposes. So, can I make an appeal to the hon. Minister to see to it that all asbestos houses, unoccupied or occupied are pulled down and new houses are constructed?

**Mrs Perraud:** I will transmit the concern of the hon. Member to the substantive Minister.

**Madam Speaker:** Next question, hon. Osman Mahomed!

**WORLD BANK – “DOING BUSINESS 2017” – MAURITIUS RANKING**

**(No. B/899) Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central)** asked the Minister of Finance and Economic Development whether, in regard to the recent ranking in “Doing Business 2017” of the World Bank, wherein the Republic of Mauritius lost 17 places falling from the 32<sup>nd</sup> to the 49<sup>th</sup> position over one year, he will state the reasons therefor, indicating the measures that are being envisaged to prevent further downgrading.

**Mr Jugnauth:** Madam Speaker, I wish to inform the House that the Ease of Doing Business Report of the World Bank is an annual publication which aims to compare business regulations in 190 economies on the basis of 10 specific indicators.

In the Doing Business Report 2017, Mauritius has lost 17 places in the overall ranking from 32<sup>nd</sup> to 49<sup>th</sup> because of the following -

1. Ten places lost (32<sup>nd</sup> to 42<sup>nd</sup>) due to –
  - a. changes in methodology by the World Bank, and
  - b. adjustment in data used in last year’s report.
2. Seven places (42<sup>nd</sup> to 49<sup>th</sup>) due to the improvements in other economies’ business regulatory environment.

On the “getting electricity” indicator, Mauritius did not score on the Quality Index due to a misreporting by the Central Electricity Board. In line with global practices, outages should not last for more than three minutes which is generally the case in Mauritius. However, there was a misreporting by the CEB to the World Bank in that they gave the time it takes to repair a fault which is generally 30 minutes instead of the duration of the outage itself which last for less for less than 3 minutes. This led to the information being classified by the World Bank as non-applicable, resulting in a score of zero in the Quality Index where Mauritius could have scored 6 out of 8. This brought our ranking from 41<sup>st</sup> to 110<sup>th</sup>.

On the Paying Taxes Indicator, Mauritius lost 32 places, i.e. from 13<sup>th</sup> to 45<sup>th</sup> place, just because the World Bank has introduced a Post-Filing Index, of which we were not informed of the detailed requirements at the beginning of the year.

Mauritius also lost 11 places in the Starting Business Indicator, i.e. from 37<sup>th</sup> to 48<sup>th</sup> place, due to the introduction of a gender-component which has resulted in one additional procedure and one additional day in the time taken to start a business. This is another unfavourable consequence of a change in methodology by the World Bank.

Concerning the actions taken to remedy the situation, it must be pointed out that the numerous Budget measures taken under the “Fundamentally Reforming Business Facilitation and Expanding our Economic Horizons” Strategy have not been captured in the last Ease of Doing Business Report which takes into consideration only reforms implemented by the cut-off date of 01 June 2016. In fact, these reforms will be accounted for in the next edition of the Doing Business Report.

Let me just mention a few of the measures that relate to this strategy, which includes -

- implementation of an e-licensing platform to allow online submission of business licence, permit or clearance;
- suspension of the payment of trade fees for small businesses;
- streamlining the procedures for obtaining the Building and Land Use permit;
- facilitating trading across borders with the submission of manifest within 24 hours after loading in last port of call;
- operationalization of the Information Highway to facilitate sharing of information amongst public agencies.

Madam Speaker, Government is strongly committed and will leave no stone unturned to restore the position of the country amongst the leading economies for doing business. To this end, the Government has set up a Task Force under my chairmanship to address the issues and initiate appropriate actions. In the same vein, technical committees have already been set up comprising both public and private stakeholders to examine the weaknesses and to propose recommendations.

I wish to inform the House that there will be further changes in the Doing Business methodology next year. A new indicator, in fact, on “Selling to Government”, related to procurement policies and procedures by the public sector will be introduced.

Madam Speaker, I am also envisaging to introduce a Business Facilitation Bill in March 2017 which will aim to further improve the ease of doing business. Work has, in fact, already started on this front as well. The various actions we are taking should lead to a marked improvement in our performance on most of the indicators and I hope raise our overall ranking.

**Mr Mahomed:** I had two questions, but the hon. Minister has already replied the first one which is about the Business Facilitation Act of 2006 which needs to be revised given that the regulatory environment of other countries has improved. Therefore, I will go for my second question. Is it foreseen that this loss in ranking will have an impact on our foreign direct investment for the coming year? Investors do rely heavily on the World Bank ranking in world doing business to, at least, attract themselves to the country.

**Mr Jugnauth:** Well, in fact, if I can just give the figure so that it will reflect instead of me just giving a long answer. When we compare the FDI for the first six months of 2015, it amounts to Rs4,760,000,000 and for 2016 for the same period it has gone up to Rs7,969,000,000 nearly Rs8 billion. So, a major increase in FDI.

But, Madam Speaker, although this is very promising and the measures that we are adopting are bringing results, I must say I am not happy with the fact that we have *reculé en terme de* ranking. Therefore, we will do whatever it takes and we are going to look at whatever other measures that have to be implemented so that we have a better ranking with regard to the ease of doing business because that is the first thing that people normally look at and maybe they are more attracted and more motivated in trying to show interest in a country. I am talking about potential investors.

But, again, the crucial factor is what happens, in fact, when we see that the amount of FDI has increased therefore we should pursue in that direction.

**Madam Speaker:** Hon. Uteem!

**Mr Uteem:** Thank you, Madam Speaker. Mr Gérard Sanspeur described this fall as being *embarrassante* to the Government and when we look at the figures since 2015 it is even worse

because there has been a downward trend. Yet, the World Bank recognises only one action taken by this Government since 2015 to improve ease of doing business which is the digitalisation of the real state. So, may I know from the hon. Minister of Finance and Economic Development what action has he taken against the people who are supposed to implement all the measures that he announced in 2015 and 2016 to improve ease of doing business and are not keeping track with the policy of the Government?

**Mr Jugnauth:** Well, I have just replied that this study does not take into account all the measures that have been announced in the Budget. That will be captured in the next Ease of Doing Business Report. Therefore, I agree that I am not happy with the situation, *reculer n'est pas bon. Donc*, we are going to do and I have said, apart from the measures there is a committee that I am chairing, there are technical committees that will come with recommendations and there are other measures that we should take in order to see to it that we make sure that we move up the ladder.

**Madam Speaker:** I suspend the sitting for one and a half hours!

*At 1.04 p.m., the sitting was suspended.*

*On resuming at 2.38 p.m. with Madam Speaker in the Chair.*

**Madam Speaker:** Hon. Osman Mahomed!

### **HERITAGE CITY PROJECT – CONSULTANCY SERVICES**

**(No. B/900) Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central)** asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to the Heritage City Project, he will, for the benefit of the House, obtain from Heritage City Co. Ltd., a breakdown of the total amount of money spent for consultancy services as at to date, indicating the outstanding amount thereof, if any, and the last due date for the payment thereof.

**Mr Bhadain:** Madam Speaker, with your permission, I will be answering two questions B/900 and B/915 together which relate to the Heritage City Project.

With regard to the breakdown of total amount of money spent for consultancy services, I refer the hon. Third Member for Port Louis South and Port Louis Central to the statement that I

made to the House on 17 August 2016, wherein I stated that the Heritage City Co. Ltd. was allocated an amount of Rs55 m. only for its expenditure.

Madam Speaker, the amount spent for consultancy services is still the same, that is, Rs45,564,015 of which Rs39,716,982 was paid to the international consultant and Rs5,847,033 was paid to two local consultants.

Madam Speaker, I am informed that Government has spent to date Rs48,856,630 on the Heritage City Project, which includes Rs1,623,689 for three overseas missions.

With regard to the amount payable, a committee will be set up consisting of representatives of my Ministry and, of course, the Ministry of Finance and Economic Development to finalise with the consultants which aspects of the work undertaken to date can be transferred to the 'New Highlands Project' and the quantum of any amount payable for work already performed.

Madam Speaker, with regard to part (b) (ii) of PQ No. B/915, included in the total amount spent are: land surveying cost of Rs570,000 refunded to SLDC; board members' fees of Rs803,250; payment to MRA and bank charges of Rs136,505; payment for newspapers publications of Rs106,421 and secretarial fees of Rs52,750. As regards legal advisers, no amount is payable, as advice has been obtained from the State Law Office.

Madam Speaker, Government has spent a total amount of Rs48,856,630 on the Heritage City Project to date and the High Powered Committee had recommended an amount not exceeding USD4.34 m. to be paid to the international consultant for components 1 and 2, which Cabinet approved on 02 March 2016, and has been contractually agreed since.

It is also true, Madam Speaker, that the last and decisive mission for the Heritage City Project was held in New Delhi, India, in April 2016, when we agreed a financial grant of Rs12.7 billion, of which Rs5.5 billion was negotiated and initially agreed for the Heritage City Project and its infrastructure specifically. These Rs5.5 billion are now serving our country well through the Metro Express Project amongst others.

**Mr Mahomed:** I did not quite hear from the hon. Minister's answer the outstanding amount that has still yet to be paid. He did mention that Rs48 m. has been agreed and paid and

that the budget allocated by Government is USD4.3 m., which is about 140 plus million rupees. So, what is the outstanding amount that we are talking about here?

**Mr Bhadain:** Madam Speaker, the question speaks about the amount of money spent for consultancy services. So, what has been spent has been spent. There are no outstanding amounts as regards what has already been spent. However, I do understand where the hon. Member is coming from, and the answer is in my statement which I gave to Parliament on 17 August, where the whole chronology is there. Basically, as I have stated just now, the total amount agreed by the HPC was an amount not exceeding USD4.34 m., and based on that, Cabinet has approved the recommendations of the HPC and a contract has been signed with the consultant for that amount for the work which has to be performed.

Of course, the Government has decided to stall the Heritage City Project and now the Committee will have to sit with the consultants to basically match what has been done in terms of what work has been performed with what is being claimed and then, of course, we will agree, because we need to understand what part of the work can be transferred to the new project also.

**Mr Bhagwan:** Are we made to understand that R 48 millions *ont été jetés dans l'eau au niveau de la région d'Ébène*? When the hon. Minister says that such and such amount has been paid to the consultant, can he be more precise and circulate rapidly? We want to have details. Who are the Ministers who have been travelling abroad? Which country have they visited? We want to have the details of the amount of expenditure and also who were the local consultants. How were they recruited? So, can the Minister - for transparency - responsible for Good Governance, at least, circulate rapidly all these details? I do not think there are these details in his statement.

**Mr Bhadain:** Madam Speaker, first and foremost, I have stated that Rs48.8 m. has been spent, but the Heritage City Project was one of the projects which were presented to the Government of India with all the feasibilities and ability of the project and, on that basis, Mauritius got Rs5.5 billion. So, it is not *jeter dans l'eau*.

Secondly, in terms of the details of the Ministers who have been travelling, the question which was asked by the hon. Member is actually the amount spent by Government and the total cost of overseas missions effected. So, I provided the information for the total cost provided. If the hon. Member wants to come with a new substantive question, I will answer that.

**Mr Uteem:** The allocation of the contract to Stree Consulting is currently, I understand, the subject of an enquiry by ICAC. In a measure of transparency, since we are talking about public funds, is the hon. Minister prepared to table a copy of the G-to-G agreement, whereby apparently the Government of Dubai - the Sheik - imposed the choice of Stree Consulting on Mauritius?

**Mr Bhadain:** Madam Speaker, with regard to the appointment of Stree as consultant for the project, the provision of section 3 of the Public Procurement Act has been followed. Of course, there is a Government-to-Government agreement, but the law also says 'agreement' or 'arrangement.' Of course, all of that goes before the High Powered Committee. The High Powered Committee consisting of the Solicitor General, the Secretary to Cabinet and also the Financial Secretary, who then, according to law, recommends to Cabinet. So, they do all the scrutinising, the vetting and the checking, and then they make their recommendations to Cabinet, which Cabinet may or may not approve.

In this case, Cabinet approved, not only on one occasion, but there were two HPC Committee meetings, and on both occasions, it has been approved by Cabinet. I must also say that there were other experts who were sitting on the HPC, including the Director Architecture, Surveying, and also the Director Engineering from the MPI. So, all these good people sat down, made their recommendations to Cabinet, and Cabinet approved. The Rt. hon. Prime Minister has gone on record to explain how this project was close to his heart and he has explained how all information had already been provided to Cabinet until such time that the budget came, money was allocated into it and then, of course, on the following Monday, presentation was made to all the Ministers. Everybody agreed. But, on the following Friday, decision was taken to stall the project. So, at the end of the process, everything has been done in accordance with the HPC recommendation, which was presented to Cabinet, and is subject to the Official Secrets Act. Now, if I could take all documents and give it to the hon. Member, through the House, I would certainly do that, but I cannot because there are laws in this country.

**Mr Mahomed:** If I may call it a sunk cost - Rs48 m., the hon. Minister has mentioned that the work that has been done will be transferred to the Highlands Project, although I am very sceptical about it because the site is different. Against this backdrop, what will become to the Heritage City Co. Ltd? Is it still a going concern or is it something else now?

**Mr Bhadain:** First and foremost, Madam Speaker, I would not call it a sunk cost for the simple reason that Rs48 m. have been spent and Rs5.5 billion have been obtained through a financial grant. If anything, it is a profit of more than Rs5,000 m. With regard to the Heritage City Project, the decision which has been taken by the Committee which was set up was that this would now be handled by the Ministry of Finance and Economic Development through a new project, which is being called the New Highlands Project. At the end of the day, whatever can be recovered in terms of the work which has been done, that would be additional profits.

**Mr Bhagwan:** Madam Speaker, the population of Mauritius will not be fooled by the argument just stated by the Minister. What the country knows is that nearly Rs50 m. have been lost in this prestigious project close to his heart. I did not hear the Rt. hon. Prime Minister say that. The hon. Minister is requesting me to ask another question. He is the Minister of Good Governance. At least, give us the reply! How much has been spent for missions? Where? Dubai, Kuwait? I do not know which country - London! This is public money! He is responsible for Good Governance; he must set the example. There is no need for another question. Circulate it by next Tuesday!

**Mr Bhadain:** Madam Speaker, if the question was formulated properly, the answer would have been given accordingly. The question says total cost. So, we gave the total cost. I have already given the figure and it is Rs1.6 m. for three overseas missions. I mean, it is not a secret. It has been widely publicised that there was a mission to Saudi Arabia. The Vice-Prime Minister was present. We were in Dubai on another mission and we joined them in Saudi Arabia. That was the first one.

*(Interruptions)*

**Madam Speaker:** Hon. Ameer Meea, please do not interrupt the hon. Minister!

**Mr Bhadain:** Then, there was a second mission to Dubai earlier this year, and then, the last and decisive mission was to India, as I have already explained in the answer I have given, where the financial grant was obtained for Heritage City Project.

**Mr Ramful:** May I know from the hon. Minister whether, apart from the Rs48 m. that have been spent, there are any additional claims that have been served on Government by Stree Consulting, and if so, how much?

**Mr Bhadain:** Well, the word 'claims' would not be correct. I have just explained that the Government has agreed a total amount of USD 4.34 million, not exceeding that amount which Cabinet approved. Following that, Heritage City Company Limited duly implemented that Cabinet decision by entering into a contract. Now, that contract basically stipulates that the work which will have to be done will be for that amount when everything is completed. Now the project has been stalled. We need to sit with the consultants. Heritage City Company Limited has no money. We were given only Rs55 m., so they cannot pay. Now, we will have to sit down with the Ministry of Finance and Economic Development, look at the work which has been done, agree on all the different aspects and also what can be recovered and then, at the end of the day, we will see what comes out of it and what has to be paid. But, like I said, Government decided to go ahead with the project, Government decided to stall the project.

**Madam Speaker:** Hon. Ameer Meea and then a last question to hon. Bhagwan!

**Mr Ameer Meea:** In his reply, the hon. Minister gave the figure of Rs48 m. which I agree is not in the question, but Rs48 m. is a big sum and we are talking here about public money. So, what we are asking from this side of the House, even if the hon. Minister do not have it, can he please circulate a breakdown of these Rs48 m.? Even if he does not have it today, later on the hon. Minister can circulate and table it in the House!

**Mr Bhadain:** The breakdown is already provided, Madam Speaker. It is in the statement that I made to Parliament on 17 August.

*(Interruptions)*

It is there.

*(Interruptions)*

**Madam Speaker:** No interruptions!

**Mr Bhadain:** I will just go through that very quickly.

- STREE - Rs39.7 m., which represents 1.1 million dollars
- Luxconsult - Rs3.4 m.
- Water Research Co. Ltd - Rs2.5 m. for Geo-Technical Investigations

- Land Surveying costs - Rs570,000
- Board Members - Rs803,000

Payments to MRA and Publications for adverts in newspapers, as I have already explained.

Since my statement, the only amount which has been spent is Rs52,000 which had to be paid for secretarial fees. Nothing else has been paid so far and the committee will have to sit down.

**Madam Speaker:** Last question on this issue, hon. Bhagwan!

**Mr Bhagwan:** We have this nearly Rs1 m. to the Board members. Can the hon. Minister by Tuesday circulate all these very lucky Board members who have obtained this lotto about Rs800,000 during the short period they have been members of the Board and what are their related post in Government? There is one active political agent of the Government side who is on that Board. I will not mention his name, but if need be, I will mention it.

**Mr Bhadain:** Madam Speaker, it looks like the hon. Member already has information for which he is asking questions now.

*(Interruptions)*

I will not call them lucky because they are unlucky; the Heritage City has been stalled. I have no problems in circulating the details to the hon. Member.

**Madam Speaker:** Next question, hon. Dr. Sorefan!

#### **SICOM – LEGAL ADVISER - FEES**

**(No. B/901) Dr R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to the State Insurance Company of Mauritius Ltd., he will, for the benefit of the House, obtain therefrom, information as to if any officer of the Director of Public Prosecutions' Office had been the legal adviser thereof over the period 2005 to 2012 and, if so, indicate the quantum of the fees paid thereto.

**Mr Bhadain:** Madam Speaker, following a request made by way of letter dated 10 November 2016 for the relevant information to be provided, the reply obtained from Mrs N. R. of SICOM has been, and I quote: "We refer to your letter ref MFS/PQ/B/902 and wish to inform you

that legal advice is being sought on this issue, given that it pertains to “personal data” defined under the Data Protection Act”.

I am tabling a copy of the letter sent to SICOM and the reply received for the benefit of the House.

**Dr. Sorefan:** Can we know from the hon. Minister what amount of this legal advice has been paid by SICOM to those legal advisers, if any?

**Mr Bhadain:** Well, basically, I have asked for the information, I have got the reply that I have tabled. An issue has been raised as to whether this amounts to personal data or not. I have my own opinion, but I cannot do anything about it. I will have to wait for SICOM to come back with the legal advice.

**Dr. Sorefan:** As per my information, nearly Rs2 m. have been paid...

**Madam Speaker:** Hon. Dr. Sorefan, you come with a question to ask for information from the hon. Minister, you do not provide information! Next question, hon. Dr. Sorefan!

#### **BAGATELLE & MIDLANDS DAMS – CONSULTANCY REPORTS**

**(No. B/902) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the construction of the Bagatelle and of the Midlands dams, he will –

- (a) for the benefit of the House, obtain from the Central Water Authority, information as to the -
  - (i) analytical content and origin of the rocks thereof, and
  - (ii) life expectancy thereof, and
- (b) table the professional consultancy reports thereof.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavello):** Madam Speaker, the Midlands dam and the Bagatelle dam are projects of the Water Resources Unit of my Ministry and not of the Central Water Authority.

At the outset, I would like to state that for these two major dam projects, Government appointed specialised international consultancy firms which have wide experience in dam design

and construction. Government has always stood guided by the recommendations of the Consultants.

In the case of Midlands dam, the Consultant was Lahmeyer International. They carried out investigations on the potential sources of rockfill materials and aggregates for the construction of the dam. The consultant identified two sites, Mount Lagrave and Mount d'Hauvillard, but stated its preference for Mount d'Hauvillard which, still according to the Consultants, could provide the volume of more than 3 million Tonnes of rock materials for the rock fill dam.

The Consultant did note the presence of pyrites (sulphate) in the rocks and recommended that to prepare the concrete, only the coarse fraction with a relative low content of sulphate be used, and that these would be mixed with fine aggregates and sand procured from local suppliers and special sulphate resistant cement.

In the case of Bagatelle dam, the Consultant carried out investigations at two sites, Cote d'Or and Mount d'Hauvillard and selected Mount d'Hauvillard for the supply of rock materials. Again, the presence of pyrite was detected. Tests on the rock material carried out at the Centre for Building Material of the University of Munich showed that the total sulphate content was less than 0.1 % by weight which is lower than the permissible limit.

I am informed, and I am advised, that the Consultant took into account the presence of pyrite in the basaltic rocks in the design of the dam. Therefore, for the Bagatelle Dam also, fine aggregates and sand used for the concrete in the dam was purchased from another quarry (without pyrite rock) mixed with special sulphate resistant cement.

All concrete works, including the cut-off wall have been executed with materials without pyrite. The water tightness of the body of the Bagatelle Dam is ensured by an earth core. The upstream and downstream backfills of the central part of the dam consist of rockfill from the Mount d'Hauvillard quarry. However, the strength and stability of the dam will not be affected.

I am tabling relevant extracts from the Consultant's 'Overall Completion Report' dated May 2003 for the Midlands dam and an extract of the 'Technical Specifications for the Bagatelle dam'.

As regard part (a) (ii), the two dams have been designed by consultants and constructed as per international standards and are expected to serve their intended purpose and life expectancy.

**Madam Speaker:** Hon. Dr. Sorefan!

**Dr. Sorefan:** Thank you, Madam Speaker. Is the hon. Minister confirming to us that there is a waterproofing retaining wall, like he said with the sand mixed with the pyrites to prevent the water contacting the pyrites – like Professor Saddul said – may cause problem? Are we confirming today that for Midlands Dam and Bagatelle Dam, the water is not in direct contact with the pyrites?

**Mr Collendavelloo:** No, that is not the issue at all. I do not think we should mix the issues. The issue is the sulphur content, as far as I have been advised, of course. I am not an engineer. The issue is the sulphur content of the pyrites. In order for these rocks to be used in the concrete, which is, according to the report, feasible, you have to mix it with -what is called the rock sand, but which is not rock sand actually - fine particles of sand together with a special sort of cement. The special sort of cement is CEM3. The CEM3 acts as a reactor to the sulphur content of the pyrites.

*(Interruptions)*

I am only repeating what my advisers have said, of course.

**Mr Mahomed:** The question also refers to the Midlands Dam which was constructed some 20 years ago. So, are there any signs in the Midlands Dam that should make us, the population, particularly worried, because after 20 years we should be able to see some kind of issues as Professor Saddul has been evoking so frequently, recently, in the Press.

**Mr Collendavelloo:** First of all, I am glad that you refer to Professor Saddul. I had read the whole of his report. The article that appeared is a gross misrepresentation of his report. I have his report. I have talked to Professor Saddul. He is a friend of mine for ages past, we sit on one Board together and we have discussed this matter. He has sent me an e-mail and he has authorised me to say it in the House. But this newspaper was guilty of over *sensationalisme* in this matter. The fact is that Professor Saddul talked of his domain of expertise, that is, the rocks, the pyrites. He does not know about what concrete, what other matters need to be added to counteract the sulphur. I must say I never said that Mr Saddul has a psychiatric problem. It is the person who wrote that article, who had so distorted that report; I really think he should seek counselling because you do not do this sort of thing. Now, to come back to your question, yes, Midlands Dam,

since 2003, Lahmeyer had written a report. We have looked at his report. There are no signs of Midlands Dam breaking up, but in view of all the concerns that have been raised in the population, I have asked my technical staff of the Water Researches Unit to undertake what is called a “Dam Break Analysis”. What it means is that, it is not that the dam is breaking, it is to go and examine whether there are signs of failures and if there are signs of failures what is going to happen. If I may quote what the experts are saying –

“The consultant will examine exhaustively all the possible dam failure modes and for each failure mode will provide a failure hydrograph together with relevant flood routes and inundation maps.”

The hon. Member is right. After 20 years - well, not really 20 years, but almost - it is good that we test what is happening to Midlands Dam, but not only Midlands Dam, La Ferme reservoir. When La Ferme was built, there was no habitation there. Today, on the border of La Ferme, you have lots of squatters, houses and you have Bambous Village which has expanded. We need to prevent all this. Mare aux Vacoas needs to be analysed. So, we are starting the study. For Bagatelle, we expect to have a report in December.

For hon. Dr. Sorefan, it is called ‘dental concrete’ which is used; it is actually a technical term and it is called ‘dental concrete’ to solidify the concrete. So, regarding the Dam Break Analysis, they will analyse all failures. The phenomenon capable of resulting any dam failure corresponds to the partial or total destruction of the structure under extreme circumstances potentially resulting in the reservoir being rapidly drained of its water and thus causing a major flood wave comparable to a tide of wave to propagate downstream. This is what we have got to make sure that it never happens in Mauritius and that is what I have instructed my Ministry to do. The contract was signed yesterday and I believe the study is starting in a week’s time to be completed in December. I am sorry to have been a bit long.

**Madam Speaker:** Last question, hon. Dr. Sorefan!

**Dr. Sorefan:** The hon. Minister has given us a lot of information. Can he assure this House so as we, as Members of Parliament, can assure the public that the Bagatelle Dam won’t collapse in the near future, in 10 years or 100 years, with all the information that he has?

**Mr Collendavelloo:** Even the Gauls, the only thing they were scared of is that the sky falls on their heads. Insofar as all the reports that I have in my possession are concerned, insofar as I hope the Dam Break Analysis would show and insofar as what my advisers have told me, this dam is solid, solid, solid.

**Madam Speaker:** Next question, hon. Dr. Sorefan!

### **POULTRY BREEDING – SALMONELLA INFECTION – INQUIRY**

**(No. B/903) Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Minister of Agro-Industry and Food Security whether, in regard to the recent outbreak of the salmonella infection in poultry breeding, he will state -

- (a) if an inquiry was set up immediately after he was informed thereof, indicating the outcome thereof;
- (b) the present hygienic conditions in which poultry breeding is being carried out, and
- (c) the steps taken to prevent the recurrence thereof.

**Mr Seeruttun:** Madam Speaker, my Ministry was informed in mid-August 2016 of suspected cases of the presence of salmonella at the Poultry Breeding Centre of the Animal Production Division of my Ministry at Réduit. The presence of salmonella was confirmed on 30 August 2016.

The immediate priority of my Ministry at that time was to eradicate the disease as early as possible to prevent its spread across the country. The following measures were accordingly taken

-

- (i) stop the sale of day-old chicks to the farming community;
- (ii) trace back and destroy all flocks which were sold by the Poultry Breeding Centre during the period 18 July to 29 August, 2016, and
- (iii) clean and disinfect all farms that were suspected to have been infected with the disease.

After the disease was successfully contained, a Departmental Enquiry Committee was set up on 03 October, 2016, with the following terms of reference -

- (a) to enquire into the outbreak of salmonella at the Poultry Breeding Centre;
- (b) to investigate into the source of the disease and its outbreak;
- (c) to assess whether all biosecurity measures have been adhered to by the Poultry Breeding Centre, and
- (d) make recommendations as appropriate.

The Committee has come up with the following salient observations -

- (i) free movement of staff between the Animal Protection Division and the Division of Veterinary Services contravenes biosecurity norms;
- (ii) there is a lack of close working arrangement and collaboration between APD and DVS;
- (iii) poultry slaughter houses need to be certified for compliance to hygienic and biosecurity measures.

The Committee has made recommendations as follows –

- (i) the line of communication within DVS and between DVS and Animal Health Laboratory and the APD should be improved and formalised;
- (ii) a Biosecurity Committee comprising representatives of APD, DVS and FAREI to prepare and update biosecurity plans, protocols for specific diseases, especially foodborne disease to be set up;
- (iii) the existing hatchery of the Poultry Breeding Centre to be relocated away from the breeding farm;
- (iv) reinforce the disease diagnostic facilities available at the Animal Health Laboratory and enhance capacity building for identification and confirmation of suspected foodborne diseases, and
- (v) the setting up of a Salmonella Risk Reduction Programme(SRRP)

Madam Speaker, with regard to part (b) of the question, there are at present seven large farms engaged in poultry production as well as some 300 small breeders rearing between 50 to 2,000 birds. All the breeders are advised by FAREI to comply to good animal husbandry practices

and maintain proper hygienic conditions. The enforcement of these practices and conditions rests with the Ministry of Health and Quality of Life. A copy of the guidelines is being tabled.

With regard to part (c) of the question, I have indicated at the beginning of my reply the measures taken by my Ministry to prevent the spread of the diseases. Additional measures, as recommended by the Departmental Enquiry Committee, will be implemented to reinforce biosecurity and surveillance. However, it may not be possible to eradicate completely salmonella in the country given the different types/species in which the disease can manifest itself.

**Dr. Sorefan:** The hon. Minister has said in the last part of his reply that we can't eradicate salmonella. But I am sure the hon. Minister is aware that salmonella is chronically in the gastrointestinal tract of chicken, and this is another cause of disease to chicken. May we know from the hon. Minister how come a chronic state - all chicken have it - became acute, which needed the killing of so many chicken? Did the investigation show how all the chicken in the veterinary section got infected to an acute stage?

**Mr Seeruttun:** Madam Speaker, I am sure my hon. friend is aware that this is a contagious disease. Once one gets infected, the whole flock gets infected. So, that is how it happens, unfortunately.

**Mr Mahomed:** On that same note, is the hon. Minister particularly worried being given that such an outbreak could occur at the Poultry Breeding Centre which is under strict surveillance of qualified officers and which is supposed to set guidelines for animal husbandry as opposed to other poultries which do not have such facilities? So, my point is if that could happen there, worst could happen elsewhere!

**Mr Seeruttun:** Madam Speaker, I just mentioned all the shortcomings of the precautionary measures that are supposed to be occurring there. I mean, we found out that there are so many issues that have to be relooked into to ensure that such risks be limited to zero, if possible, because we have seen that the movement of people was not being controlled as it should have been. We have seen that there is no control as to who are supposed to have access to the centre. So, these are the kinds of issues which have been raised and which are being looked into to ensure that in the future these kinds of shortcomings do not arise again.

**Mr Uteem:** Madam Speaker, the contaminated chicken originated from the Animal Production Division of the Ministry and was distributed island wide. Being given that it originated from the Government Services, may I know from the hon. Minister how much compensation has Government given to the other breeders whose poultries have been infected as a result of the disease that started at the level of the Ministry?

**Mr Seeruttun:** Madam Speaker, we have, in fact, compensated all the breeders concerned where we had to cull their birds. So far, I have been told that we have disbursed some Rs3,003,900 to the breeders concerned, and there are still six breeders who are yet to be compensated.

**Madam Speaker:** Last question, hon. Dr. Sorefan!

**Dr. Sorefan:** Could the hon. Minister inform us whether he was satisfied with the hygienic condition pre-salmonella infection, that is, before we had this crisis? Was he satisfied? Because during that period on TV, they were showing, especially at Réduit where it was deplorable, that the hygienic system *laisse beaucoup à désirer*. I get the impression that it is *après la mort la tisane*. The birds have been killed and now we are coming with a lot of hygienic conditions.

**Mr Seeruttun:** Madam Speaker, I am told that this centre was built in 1959 and, at the time that this infrastructure was set up, certain risks that we have today did not exist. I am sure that the state of this infrastructure is outdated. Now that we are well aware of the risks that exist, we are taking all the necessary measures to ensure that this does not happen again.

**Madam Speaker:** Next question, hon. Uteem!

### **STC - LIQUEFIED PETROLEUM GAS - CONTRACT**

**(No. B/904) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Minister of Industry, Commerce and Consumer Protection whether, in regard to the contract for the supply of Liquefied Petroleum Gas for the period October 2016 to September 2017, he will, for the benefit of the House, obtain from the State Trading Corporation, information as to the –

- (a) name of the successful bidder therefor;
- (b) value thereof, and
- (c) procurement method used for the allocation thereof.

**Mr Gungah:** Madam Speaker, I am informed by the STC that tenders were launched for the supply of 70,000 metric tons of Liquefied Petroleum Gas (LPG) for the period 01 October 2016 to 30 September 2017 through a restricted bidding exercise. Eight internationally reputable and reliable LPG suppliers were invited to participate in the exercise. By the closing date of 08 August 2016, eight bids were received, out of which six were from companies in the restricted bidding list and the two others from unsolicited bidders.

An evaluation exercise was carried out by a Bid Evaluation Committee and the most responsive bid was from Geogas Trading SA with a premium offer of USD 42.50 per metric ton. The Bid Evaluation Committee also took note that, out of the two unsolicited bids, the lowest offer was from Petredec Ltd with a premium of USD 35 per metric ton.

The matter was taken up by the Board of the STC, which requested that a meeting be held by the Corporation with Geogas Trading SA to discuss about the possibility of reviewing downwards its proposed premium. The meeting was held on 02 September 2016 and the company reviewed its offer by submitting a final proposal of a premium of USD 34.90 per metric ton.

The revised premium was, therefore, approved by the STC Board at its meeting of 05 September 2016 and my Ministry was informed accordingly.

As is the practice, given that LPG is a basic strategic commodity which is subsidised, I caused the matter to be taken up at the Cabinet meeting of 09 September. In the meantime, on 08 September 2016, Petredec Ltd submitted another offer of a premium of USD 33 per metric ton.

Consequently, it was decided by Government that the ongoing tender exercise be cancelled and that the contract for the supply of LPG be awarded at the premium price of USD 33 per metric ton to Petredec Ltd for one year.

This decision was taken, as the STC has never, in the past, obtained such a low premium price and, according to the records of the STC, the lowest premium price obtained has been USD 60.70 per metric ton in 2004 from Petredec Ltd itself. Moreover, the last contract for the supply

of LPG was from Glencore Energy at the premium price of USD 106 per metric ton. Based on this premium price, STC will save some USD 5.4 m., equivalent to around MUR 184 m.

I wish to inform the House that the STC has sought legal advice prior to awarding the contract to Petredec Ltd. STC has been advised that the Corporation is listed as an 'exempt organisation' and it is thus excluded from application of the Public Procurement Act in relation to goods purchased for resale. As such, there is no legal impediment in STC annulling the bidding exercise and awarding the contract to the lowest supplier.

Such a decision has been taken in the interest of the country, the more so that Petredec Ltd has storage facilities locally, which will provide additional comfort for the supply of LPG for the country.

The contract for the supply of 70,000 metric tons of LPG for the period 01 October 2016 to 30 September 2017 was, therefore, awarded to Petredec Ltd at the premium price of USD 33 per metric ton and the value of the contract is USD 2,310,000.

**Mr Bérenger:** Can I ask the hon. Minister why he does not tell us the truth that Petredec was disqualified for malpractices in the recent past and, therefore, not allowed to tender? The rest is factually correct. Is the hon. Minister telling us that this is in order, this is lawful and these are good tendering practices what took place? The Board of STC asked for management to discuss and bring down the price of Geogas below or, at least, USD35. And Geogas brings it slightly lower to USD34.90, and the Board allocates the tender to Geogas and then Government steps in – supposedly Cabinet, another heritage *exploit!* - and flouts all the tendering rules. This is illegal. I do not know who gave an advice and gave it to Petredec. Who told them that the Board has allocated the contract for USD34.90 and, therefore, Petredec brings it just below to USD30? This is a shame!

**Mr Gungah:** Madam Speaker, why Petredec was not invited to bid was mainly because Petredec did not respect in the past a tacit arrangement that was done between Petredec itself and the Government. In fact, Petredec had said that it will sell LPG to Mauritius on a pricing formula which would provide the comfort that STC would not pay more than it would have paid, had Petredec not being granted facilities to put its terminal on shore and, second, that it would give pre-emption right on parts of its stock of LPG at Petredec (Mtius) Ltd., so as to ensure security of supply. Being given that these two conditions were not respected, STC Board decided to exclude

Petredec from the bidding exercise. But now, why Petredec Ltd. has been considered, is mainly because the price offered by Petredec Ltd. is the lowest any supplier has ever offered. Moreover, because the local storage facilities at Petredec Ltd. will provide additional comfort for the supply of LPG to the country.

**Mr Bérenger:** It's shameful that the Minister should be comparing the USD33 of Petredec with the USD106 of the last contract when the prices had gone up temporarily. It is not true that for this tender prices have crashed and, therefore, Geogas got the contract for USD42.50, way down and has nothing to do with Petredec. Now, is it not misleading everybody that the comparison which Cabinet makes is between USD35 and USD106, which is the last contract? At least, make the comparison with USD34.90 offer which Petredec made! When you look at all that, Madam Speaker, there can only be one explanation for this flouting of tendering procedures. Money, as in the past, for the purchase of that product must have changed hands. Money or bungalows!

**Mr Gungah:** Madam Speaker, the Leader of the Opposition is asking us to compare USD34.90 per metric tonne to USD33, still there is a difference of USD1.90, which, when calculated on an annual basis, comes to a figure of a little less than Rs5 m. It is still money and Government has taken the decision to give the contract to Petredec Ltd. because of this particular reason, that is, the best price that has been obtained.

**Mr Bérenger:** I see the Minister is not challenging me. The only explanation would be that money has changed hands outside of the tendering process. There can be no other explanation and, therefore, ...

**Madam Speaker:** No, no! Hon. Leader of the Opposition, this is a very serious allegation. I believe that you are taking the responsibility for having made this allegation to the House. If you have documents, I would rather ask you to submit the documents to the House.

**Mr Gungah:** Madam Speaker, I would like to object to what the Leader of the Opposition is stating in the Parliament, because the only reason why the contract was awarded to Petredec Ltd. was because we have got the best price from the company.

**Mr Bérenger:** My last question is the following. The way this Government is behaving, does Cabinet realise that before long there won't be any serious firm tendering for sale of

anything, services or products in Mauritius. That kind of thing, you call for tenders. Geogas, is a well-known firm. They do all of this. They spent their money and in the end because Petredec is informed of their offer -is Government aware that before long there would be no international firm worth the name that will be tendering in Mauritius?

**Mr Gungah:** Madam Speaker, everything has been done legally and advice has been sought from SLO and Government has taken the right decision because it has got the lowest price ever.

**Mr Uteem:** Madam Speaker, what has happened is a mockery of the procurement system. The hon. Minister just said before this House - everybody heard it - again, that for STC, you do not need to go through tender procedure. When you award the contract, you do not have to go to procedure. But then, tell me, hon. Minister, why is it that in a case of Betamax, ...

**Madam Speaker:** Hon. Member, please address the Chair!

**Mr Uteem:** ... in this House, it was said that the contract was rescinded because STC did not go through procurement process? Why is it that when Betamax comes there is one policy and when it comes to Petredec, there is another policy?

**Mr Gungah:** Madam Speaker, we can't compare Betamax case with the contract awarded to Petredec. I should inform the hon. Member that the case for Betamax is under arbitration. So, we will wait for the award.

**Mr Bhagwan:** Madam Speaker, can the Minister enlighten the House who are the local representatives of Petredec Ltd. and also whether during the course of the tendering procedure, the Chairperson or whoever – there is another question coming, I know. There have been missions to Singapore, elsewhere, I would say, *patronnés par* Petredec during the course of the tendering procedure? Can the Minister, at least, give information that there has not been any such mission paid or supported by Petredec when the tendering procedure was on?

**Mr Gungah:** Madam Speaker, unfortunately these are allegations. I will reply to the PQ that will come afterwards concerning the mission that the Chairman of the STC has gone. I can assure the Member that all information that I am giving is transparent.

**Mr Bhagwan:** Madam Speaker, the hon. Minister has not replied whether there have been missions. I have asked a question on missions, but concerning this particular tender of Petredec

whether during the course of a tender process, I would say representatives or high officials of STC have not travelled to Singapore or elsewhere, *patronnés par* Pedetrec during the course of a tendering procedure. Can the Minister give the guarantee to the House that such a thing has not occurred and if he replies, he will assume his responsibilities elsewhere?

**Mr Gungah:** Madam Speaker, I give the guarantee to the House.

#### **MAUBANK LTD. – DEBTS – WRITE-OFF**

**(No. B/905) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Minister of Finance and Economic Development whether, in regard to the MauBank Ltd., he will, for the benefit of the House, obtain therefrom, information as to the amount of debt earmarked for the financial year ended 30 June 2016 for –

- (a) full write off, and
- (b) partial write off, indicating in each case, the justification therefor.

**Mr Jugnauth:** Madam Speaker, I have been informed by MauBank that an amount of Rs821 m. has been written off for the period ended 30 June 2016 comprising of full write off amounting to approximately Rs681 m. and partial write off amounting to around Rs140 m.

The write-offs are mainly an accounting and tax exercise, in line with International Financial Reporting Standards, and does not affect in any way whatsoever the claims of MauBank Ltd against the defaulting customers. The Bank continues to pursue all avenues for recovery, including the seizure of assets.

Due to confidentially provision enshrined in our Banking laws, I am not in a position to disclose information at customer level.

**Madam Speaker:** Hon. Uteem!

**Mr Uteem:** Madam Speaker, it has been widely reported and I understand the confidentiality that one of the groups - because provisions have been made to write off the debt - is Gooljaury Group. Isn't the hon. Minister of Finance and Economic Development aware that before a bank can make provision to write off a debt, they must have taken all steps to recover the debt and come to the conclusion that there is no reasonable prospect of recovering the money,

only then can they decide to write off? So, in the case of the G Group, is the hon. Minister satisfied that the bank has taken all the actions that are required to recover the amount that is due to him?

**Mr Jugnauth:** Well, as I have replied, I do not propose to discuss an issue with regard to a particular client of the bank. But I have been informed that all the other avenues are still being looked at with regard to recovery by the bank.

**Madam Speaker:** Hon. Uteem!

**Mr Uteem:** Madam Speaker, once provision is made to write off a debt, there is an impairment of capital, and, therefore, to meet the ratios under the Central Bank, capital is required to be injected by the Government. May I know from the hon. Minister of Finance whether there has been request made to the Government to increase capital of Maubank?

**Mr Jugnauth:** Well, in due course, whenever they will make the request, we will entertain the request.

**Madam Speaker:** Hon. Ameer Meea!

*(Interruptions)*

**Mr Ameer Meea:** In his reply, the hon. Minister gave us the figure of Rs821 m. which has been written off since 30 June 2016 and according to him this relates to a matter of taxation and not to write-off of debts for clients. May we have some details on this accounting entry as to why there has been a write-off relating to tax purposes of Rs821 m.?

**Mr Jugnauth:** Well, Madam Speaker, maybe it is good that I refer the hon. Member to a communiqué that was issued by Maubank on 04 October wherein they have given the necessary explanation with regard to the question that has been asked.

**Madam Speaker:** Last question, hon. Bhagwan!

**Mr Bhagwan:** Madam Speaker, since public money has been invested in Maubank - Government has injected public money in Maubank - can the hon. Minister give a guarantee to the House - he has just stated that Maubank is exploring all avenues to recover the money - and take an undertaking as Minister of Finance that Mr Gooljaury won't use any trick to escape paying all these money taken over the years? Not only Mr Gooljaury, other people also.

**Mr Jugnauth:** Well, Madam Speaker, we all know that this issue of Maubank ending up with a number of clients whereby there are non-performing loans dates back from so many years ago and we are all aware of how it started. It started with the Mauritius Post and Cooperative Bank Ltd. We know what kind of mismanagement there has been. I don't want to go into all the details of it. They have been lengthily discussed at the level of the Assembly without of course going into the details of the particular clients. But now that Maubank has to deal with this situation, therefore what guarantee do I give, I can't speak for those people who are now being faced with legal cases. Ultimately, I hope that there is a conclusion with regard to those cases and I hope that the bank is able to salvage as much money as has been given as loans to these people.

**Madam Speaker:** Next question, hon. Uteem!

#### **SAUDI ARABIA & UNITED ARAB EMIRATES – FINANCIAL ASSISTANCE**

**(No. B/906) Mr R. Uteem (First Member for Port Louis South & Port Louis Central)** asked the Minister of Finance and Economic Development whether, in regard to the financial assistance received from the Government of Saudi Arabia and from the United Arab Emirates respectively for 2015 and 2016, he will state the –

- (a) quantum thereof;
- (b) nature and terms and conditions thereof, and
- (c) use made thereof.

**Mr Jugnauth:** Madam Speaker, I am informed that the Government of Saudi Arabia is willing to provide loans at preferential rate to Mauritius for the development of projects but does not intend to extend any grant financing.

As the House is aware, Government is committed to reduce our public debt to the statutory target of 50% of GDP by 2018. In addition, there is also an excess of liquidity in our domestic banking system. Therefore, in the present economic circumstances, Government is not in a position to take any additional foreign loans from the Government of Saudi Arabia. Loans at preferential rate to finance projects may be considered at a later stage when the debt level and liquidity position have been improved.

However, Madam Speaker, the Government of Saudi Arabia and the Government of United Arab Emirates are willing to provide aids in-kind to Mauritius and these are currently being discussed.

It is to be noted also that Saudi Arabia has already committed itself to provide free space to house the Chancery as well as residence for the Ambassador of Mauritius and staff of the Embassy in the diplomatic Quarter in Hay El Sefarat.

**Mr Uteem:** The question is very specific. Has Government received in 2015 and 2016, any financial assistance from the Government of Saudi Arabia or from the Government of Dubai? I haven't heard the hon. Minister answer. Have we received any money?

**Mr Jugnauth:** I have replied. It is no, we have not received.

**Mr Uteem:** How is it that we are spending millions of rupees in travelling for the hon. Vice- Prime Minister? Each time he comes back, he said: "Yes, we are getting this from Saudi Arabia, we are getting that from Dubai." Today, we are told that we have not got anything.

*(Interruptions)*

**Madam Speaker:** Order!

**Mr Uteem:** For the G to G, we are paying millions to Stree Consulting; what did we get in return from Dubai?

*(Interruptions)*

**Mr Jugnauth:** I have also replied that due to....

*(Interruptions)*

**Madam Speaker:** No cross talking, please! You are disturbing the hon. Minister. Allow him to reply!

**Mr Jugnauth:** I have said that due to the very good relationship that we have with the Government of United Arab Emirates and Saudi Arabia, in fact, we are opening up our Chancery. We have opened. In fact, they are renting space, property for us. I think pretty soon we will be able to have an Ambassador to be posted there. They are also letting space for housing of our staff and we are discussing right now because we have been allocated space free of charge for them to be able to erect our Chancery and our quarters to be able to house the future Ambassador

and the staff of the Chancery. So, I think, Madam Speaker, this one great step ahead and that shows that this relationship with the Government of Saudi Arabia is completely...

*(Interruptions)*

**Madam Speaker:** Hon. Jhugroo, please! You are disturbing the hon. Minister. A question has been asked and he is giving the reply. Allow the hon. Members of this House to appreciate the reply of the hon. Minister.

*(Interruptions)*

**Mr Jugnauth:** Well, I have done!

**Madam Speaker:** Next question, hon. Quirin!

#### **CENTRE FOR EXCELLENCE IN SPORTS – SETTING UP**

**(No. B/907) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière)** asked the Minister of Youth and Sports whether, in regard to the *l'après carrière* of high level athletes, he will state where matters stand in respect of the Centre for Excellence in Sports, as announced in the Budget Speech 2016-2017.

**Mr Sawmynaden:** Madam Speaker, the Centre for Excellence in Sports has not yet been set up and Members of the House may be aware that the Regulations on Lotto Fund has been promulgated only on 21 October 2016. However, my Ministry has not waited for the coming into operation of the Lotto Fund Regulations and has already initiated actions that will support the professional development of our high level athletes. In fact, my Ministry has, as far back as August this year, embarked on a Scholarship Scheme wherein private and public tertiary education institutions including training and vocational ones have been approached with a request to offer scholarships to high level athletes. For the first intake which is scheduled for January 2017, it is expected that some 15 athletes will join some of our local training institutions for further studies. This will no doubt go a long way towards enhancing their employability.

Club Maurice and the Trust Fund for Excellence in Sports have also contacted many local companies which may provide employment opportunities to our high level and retired athletes. There has also been some positive reply and very soon athletes who satisfy the requirements to be employed by certain of these companies will be referred to them.

Madam Speaker, I would like to refer the hon. Member to the reply I made to PQ B/233 at our sitting of 19 April 2016, wherein I informed the House that the Trust Fund for Excellence in Sports was not fulfilling one of its objectives, which is to design, finance and implement projects and schemes for the benefit of retired sportsmen and sportswomen who need support and financial assistance in order to embark on other professional activities. Consequently, the functioning of the TFES has been reviewed and it is expected that the Fund will now undertake activities in furtherance of its objectives.

The above measure will definitely contribute towards the impending setting up of a Centre for Excellence in Sports.

**Mr Quirin:** Madame la présidente, cela fait bientôt quatre mois que l'honorable ministre des Sports, lui-même, avait affirmé dans son discours sur le budget que ce projet allait se concrétiser sous peu. Là, j'ai entendu dire que le *Lotto Fund* a été récemment promulgué de façon à permettre le financement de ces sportifs. Vu que c'est un projet urgent et que le *Trust Fund* n'a plus de directeur depuis bientôt quatre mois au moins, peut-on savoir si le ministre ne considère pas cela comme étant urgent de nommer rapidement quelqu'un pour remplacer l'ancien directeur du *Trust Fund* ? Je sais qu'il y a comme projet de revoir tout le fonctionnement et avoir un nouveau centre pour l'excellence, mais vu que c'est un projet urgent, comme il a, lui-même, annoncé dans son discours sur le budget, peut-on savoir jusqu'à quand les sportifs qui ont besoin d'être aidés professionnellement auront à attendre ? Dans combien de temps ce projet va-t-il se concrétiser ?

**Mr Sawmynaden:** Madam Speaker, I stated that the Ministry has already embarked on giving scholarships to these athletes for tertiary education and vocational education. Furthermore, we are reviewing the whole Trust Fund, because last time, in their objective, it was to promote these athletes, which was not done. So, that's why now we are reviewing the whole process, so that in the future we have a good Trust Fund for Excellence in Sports.

**Madam Speaker:** Next question, hon. Quirin!

**Mr Quirin:** Madame la présidente, une deuxième question supplémentaire, si vous permettez!

**Madam Speaker:** Sorry! I have already passed on to the next question!

**Mr Quirin:** Madame, je ne peux pas avoir une seule question supplémentaire quand même !

**Madam Speaker:** But I give you...

**Mr Quirin:** Sur certaines questions, vous laissez déborder des dizaines de questions. Ce n'est pas possible!

**Madam Speaker:** No. Hon. Quirin, I am sorry, but I did not see you rising to ask another question. Hon. Quirin, next question!

*(Interruptions)*

But I have already ordered the next question!

### **RIO OLYMPIC GAMES – MAURITIAN DELEGATION**

**(No. B/908) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière)** asked the Minister of Youth and Sports whether, in regard to the participation of Mauritius in the last Olympic Games held in Rio, he will state if a report has been made pertaining to the –

- (a) performances of our athletes, and
- (b) responsibilities and behaviour of members of the delegation and, if not, why not.

**Mr Sawmynaden:** Madam Speaker, I have to inform that House that, in accordance with the Olympic Charter and the Sports Act 2013, the Mauritius Olympic Committee is the exclusive authority responsible for the participation of Mauritius and Mauritian sportsmen in the Olympic Games and in any regional or international sports competition or game having the patronage of International Olympic Committee.

It is, therefore, not mandatory for the MOC to submit a report to my Ministry on performance, responsibilities and behaviour of members of the Mauritian delegation who attended the Olympic Games in Rio.

On the basis of technical report submitted by the National Sport Federation, whose athletes participated in the Olympic Games, the performances of these athletes have been compiled. However, no report pertaining to responsibilities and behaviour of members of the Mauritian delegation has been submitted to my Ministry by the Mauritius Olympic Committee, which I must emphasise is an autonomous body, as clearly spelt out in the Olympic Charter.

**Mr Quirin:** Madame la présidente, permettez-moi d'être en total désaccord avec l'honorable ministre. Comment peut-on venir affirmer cela? Il y a eu des incidents en ce qui concerne la délégation mauricienne aux Jeux Olympiques de Rio. Il y a eu M. Valère qui a été expulsé du Village des Jeux. Il y a eu des athlètes, à leur retour, ici, au pays, qui ont tenu un point de presse pour émettre des critiques à l'égard de certains dirigeants qui faisaient partie de la délégation mauricienne, et l'honorable ministre est en train d'affirmer qu'il n'y a pas de rapport, alors que l'image du pays a pris un sale coup, l'image du sport mauricien. Comment peut-on venir affirmer, en tant que ministre, qu'il n'y a pas de rapport en ce qui concerne le comportement des dirigeants, des athlètes ? C'est incompréhensible ! Soit on dirige un ministère ou on ne le dirige pas !

**Mr Sawmynaden:** Madame la présidente, ceci a été rapporté dans la presse, mais le Comité olympique mauricien n'a fait aucun rapport à ce sujet pour écrire au ministère et dire qu'il y a eu tel ou tel incident. S'il n'y a aucun rapport du Comité olympique qui était chef de la délégation, comme est-ce que nous, au niveau du ministère, pouvons forcer la main du Comité olympique de nous donner un rapport ? S'ils ne veulent pas donner de rapport, on ne peut rien faire !

**Mr Quirin:** Madame la présidente, au niveau du ministère de la Jeunesse et des Sports, n'y a-t-il personne qui avait accompagné la délégation? Est-ce que le PS n'était pas du voyage ? L'honorable ministre lui-même n'avait pas été à Rio ? Il n'y a personne qui est au courant de ce qui s'est passé réellement et qui peut préparer un rapport et venir ici, à l'Assemblée nationale, informer les membres de ce qui s'est réellement passé ? Doit-on uniquement se baser sur ce qui est dit dans les médias ?

**Mr Sawmynaden:** L'honorable Quirin sait mieux que moi que le Comité olympique *is the supreme body*, et ils sont complètement autonomes. Et si, eux, ne veulent pas donner de rapport, qu'est-ce que je peux faire ?

**Mr Quirin:** Madame la présidente, oublions le rapport! Est-ce qu'aujourd'hui, là, ici, dans cette Chambre, l'honorable ministre peut nous donner ses impressions, nous dire ce qui s'est passé par rapport au comportement de certains dirigeants? Tout le monde le sait ! M. Valère a été expulsé ! M. Valère était un dirigeant faisant partie de la délégation mauricienne, et qui avait été recommandé par l'honorable ministre dans son travail pour le libérer. On peut dire un tas de

choses ! Est-ce que l'honorable ministre peut nous dire qu'est-ce qui s'est réellement passé ? Lui, en tant que ministre ! Oublions le rapport ! Qu'il nous dise, lui !

**Mr Sawmynaden:** Madame la présidente, je voudrais corriger ce que l'honorable Quirin vient de dire. Le ministre n'est jamais intervenu pour que M. Valère soit libéré de ses fonctions pour aller aux Jeux olympiques. Le Comité olympique a envoyé une lettre à mon ministère pour demander que M. Valère soit *released* de son travail pour qu'il puisse former partie de la délégation. C'est une pratique courante. Cela a été le cas pour tous les membres de la délégation qui sont surtout employés, pour faire savoir qu'ils forment partie de la délégation du Comité olympique. Et si le Comité olympique ne veut soumettre aucun rapport, si pour eux l'affaire est close, l'affaire est close !

**Madam Speaker:** I understand you don't have any other questions, hon. Question. Next question, then!

**MADAGASCAR – XV<sup>e</sup> COLLOQUE VIH OCÉAN INDIEN – MAURITIUS  
PARTICIPATION**

**(No. B/909) Mr F. Quirin ( Fourth Member for Beau Bassin & Petite Rivière)** asked the Minister of Health and Quality of Life whether, in regard to the *XV<sup>e</sup> Colloque VIH Océan Indien* held in Madagascar in September last, he will state if Mauritius participated therein and, if so, indicate the outcome thereof and, if not, why not.

**Mr Gayan:** Madam Speaker, an invitation was extended to me to attend the 15<sup>th</sup> *Colloque VIH Océan Indien*, which was held in Madagascar from 26 to 28 September 2016. However, I was unable to attend. But the Deputy Permanent Secretary responsible for HIV/AIDS in my Ministry, who represented Mauritius last year at the 14<sup>th</sup> *Colloque* which was held in Seychelles, was delegated to attend this year's *Colloque*. However, unfortunately, she was unable to attend because of health reasons.

A comprehensive brief on the situation regarding HIV/AIDS was transmitted for submission to the Secretariat of the *Colloque* by Mauritius. I have been informed that the Secretariat received it and appreciated the contribution made. The outcome of the *Colloque* was in relation to recommendations made for enhancing sensitisation to hold the spread of HIV/AIDS as well as adopting measures for treatment of persons living with HIV.

**Mr Quirin:** Madame la présidente, le fait que la personne qui avait été au préalable déléguée par l'honorable ministre pour représenter Maurice à ce colloque n'a pas été disponible, étant souffrante, pourquoi n'a-t-on pas, à ce moment, délégué une autre personne pour la remplacer ? Est-ce que l'honorable ministre ne considère pas ce genre de colloque, de conférence, comme étant important ou bien veut-on exclure Maurice de cette instance ?

**Mr Gayan:** Madam Speaker, in fact, it was too late to send someone else. However, there was somebody from Rodrigues. As the House may be aware with regard to all health issues it is the Ministry of Health and Quality of Life that governs Rodrigues. So, I requested a delegate from Rodrigues to look after our interest and she did and I was in constant contact with her when she was in Madagascar.

**Madam Speaker:** Hon. Quirin!

**Mr Quirin:** Permettez-moi, Madame la présidente, encore une fois d'être en désaccord avec l'honorable ministre. Je pense que ce genre de colloques, de conférences, de conventions qui réunissent les îles de la région pour discuter tous problèmes liés aux VIH et, bien sûr, par rapport aux actions menées par les différents pays, il est plus qu'urgent de déléguer quelqu'un de Maurice attaché au ministère de la Santé, qui connaît le problème réellement sur tout le territoire Mauricien et non...

**Madam Speaker:** Quelle est la question ?

**Mr Quirin:** ...aller demander à une représentante du *Regional Assembly*...

**Madam Speaker:** Yes, but ask your question!

**Mr Quirin:** ...de Rodrigues pour faire le travail. D'après mes informations, la personne en question...

**Madam Speaker:** Ask your question!

**Mr Quirin:** ...n'a jamais été déléguée pour représenter Maurice.

**Mr Gayan:** Well, it was due to unforeseen circumstances that somebody was not representing Mauritius. Everything had been done, but the lady fell sick and she was not able to go. But, we did what we could do in the circumstances.

**Madam Speaker:** Hon. Ameer Meea, next question!

**BAI CO. (MTIUS) LTD. - SUPER CASH BACK GOLD POLICIES - REPAYMENT**

(No. B/910) **Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to the Super Cash Back Gold Policies of the former BAI Co. (Mtius) Ltd., he will, for the benefit of the House, obtain from the National Property Fund Ltd., information as to –

- (a) the number of holders, including foreigners, who have not yet been repaid;
- (b) where matters stand as to the recovery of money, indicating the amount thereof –
  - (i) recovered as at to date, and
  - (ii) forecasted to be recovered, and
- (c) when and how the repayment for Option 1 and Option 2 in relation thereto will be effected, indicating if any certificate will be issued in relation thereto.

**Mr Bhadain:** Madam Speaker, I am informed by NPFL that a total of Rs8.5 billion to Super Cash Back Gold (SCBG) policyholders and Rs1.8 billion has been repaid to Bramer Asset investors, which makes a total amount repaid to date of Rs10.3 billion.

Out of 16,287 eligible SCBG policyholders, 11,401 have been paid in full; 4,493 have been partly paid as per their chosen option and 393 policyholders (that is, 2% of eligible SCBG policyholders) have not been repaid yet.

With regard to part (a) of the question, these 393 unpaid policyholders have not been paid for the following reasons -

- (i) 140 policyholders have not yet collected their cheques;
- (ii) 176 cases are being looked into by the FIU, and
- (iii) 77 cases of unexplained wealth have been detected and referred to the Integrity Reporting Services Agency and also the ICAC where appropriate.

Madam Speaker, with regard to part (b) (i) of the question, I am informed by the NPFL that as at date, the money amount recovered is close to Rs7 billion.

Madam Speaker, with regard to part (b) (ii) of the question, in line with Cabinet's decision of 28 October 2016, appropriate arrangements are being made for payments to be effected to the

remaining SCBG policyholders and also BAML investors. To that effect, officials of my Ministry and the Ministry of Finance and Economic Development are looking into the exit strategy which Government will adopt with regard to the National Insurance Co. Ltd and also possibly MauBank Holdings Ltd with a view to meeting the future commitments for the payment of SCBG policyholders.

Additionally, the claims of Rs1.2 billion made by the Special Administrator for the Directors' and Officers' liability with the concerned insurers are still in progress.

Madam Speaker, with regard to part (c) of the question, Option 1 will be paid in 4 remaining instalments, i.e., 30 June 2017, 2018, 2019 and 2020, whereas under Option 2, the remaining payment will be effected on 30 June 2019.

NPFL will accordingly be issuing a repayment certificate to all those concerned in a few weeks' time.

**Madam Speaker:** Yes, hon. Ameer Meea!

**Mr Ameer Meea:** Madam Speaker, I am just informing you that I will have several supplementary questions. To start with, in March 2016 and July 2016 the hon. Minister of Financial Services, Good Governance and Institutional Reforms informed the House that there have been 536 suspicious cases and in July this was brought down to 475, and now we just heard that the FIU is still investigating 176 cases. Can I ask the hon. Minister, because in the last reply it was the hon. Vice-Prime Minister who was acting as Minister of Good Governance and he stated to the House that these cases are suspected money laundering, drug related trafficking, use of *prête-noms* and unexplained wealth, whether all these cases have been handed over to competent authorities like the Police for further investigation?

**Mr Bhadain:** Yes, there are various communiqués which have also been published in the press both by the FIU and the NPFL as and when cases are being cleared and referred back for payment and whenever cases are going to the competent authorities for further investigation this is also being mentioned. So, according to information which has been given to me only yesterday, 176 cases are still being looked into by the FIU, but the 77 cases of unexplained wealth are being investigated by the appropriate body and where there are issues touching upon the law on ICAC, these cases are also, I understand, being referred by FIU to ICAC.

**Madam Speaker:** Hon. Ameer Meea!

**Mr Ameer Meea:** In the reply dated 19 July 2016, the hon. Vice-Prime Minister stated to the House that at that time Rs3.5 billion was raised by the then Minister of Finance from the Bank of Mauritius, that is, Rs3.5 billion was being borrowed from the BOM to finance the Super Cash Back Gold Scheme. May we know when and how this Rs3.5 billion will be repaid to the Bank of Mauritius?

**Mr Bhadain:** Yes, that is why I stated that about Rs7 billion has been recovered in terms of money because when you add up the Rs3.5 billion of the Central Bank it comes to Rs10.3 billion roughly which has been repaid. So, basically, the money which has been taken as a loan from the Central Bank will be repaid after the policyholders have been repaid because this was a major fraud case where people in this country have lost their money, we amended the law here in this Parliament, the Insurance Amendment Act was voted to protect the policyholders. So, the priority is to repay those people who are victims of the fraud, who are suffering and then, of course, the money will be repaid to the Central Bank and, at the end of the day, as I have explained, there are two big assets which have not been touched, the NIC and the MauBank.

It is also important to highlight the fact, Madam Speaker, that when the licence of Bramer Bank was revoked by the Central Bank - I think it was in the first week of April 2015 - at the time the largest shareholder of Bramer Bank was, in fact, BAI and we are talking about roughly 75 per cent of Bramer Bank was owned by BAI and the market capitalization on the Stock Exchange, which also falls under my portfolio, was about Rs5 billion.

So, today NIC is losing out on about Rs4 billion or so. So, basically we have to find ways and means; it is a major scandal, we are doing our best and, of course, protecting those victims. This is the priority of this Government. And, at the end of the day we will have to find ways and means to repay all these people and the Central Bank.

**Mr Ameer Meea:** At a certain point in time it was announced that there would have been debentures given to the people who have invested in the Super Cash Back Gold, then it has been changed to certificate. My point is whether it will be possible to use these certificates or whatever you call them, to pledge to other banks for these people to have loans taken from these certificates?

**Mr Bhadain:** Yes, the repayment certificates will be basically a commitment which Government has given to repay those people on the due dates. So, if you go for Option 1, you are going to be paid on 30 June 2017 all the way to 2020; Option 2 you are going to be paid on 30 June 2019. Now, whether a bank or a financial institution would be willing to accept that as security, as collateral, to provide a loan to somebody, that would be that particular bank which will have to make a decision in terms of the creditworthiness of the person and whether he can be lent money. We can't go and say, yes, you can use that document to obtain a loan. It depends on each bank to make its own decision.

**Madam Speaker:** Hon. Uteem!

**Mr Uteem:** Thank you, Madam Speaker. The hon. Minister has mentioned that there are around 309 policyholders who have not been paid yet. May I know from the hon. Minister in terms of money how much in aggregate is claimed by those policyholders?

**Mr Bhadain:** Well, I do not have the actual figure. The hon. Member can come with a substantive question, I will answer that, but I do know that 140 out of the 390 have already been cleared and they have not come and picked up their cheques. One of the reasons which I have been told is that - part of the question mentions foreigners, it includes foreigners also. Basically, these people have not presented themselves to NPFL to get their money. Of course, the other 176 is with the FIU and 77 with the agency looking at unexplained wealth.

**Madam Speaker:** The Table has been advised that PQs B/916, B/917, B/918, B/919 and B/932 have been withdrawn. Next question, hon. Ameer Meea!

**Mr Ameer Meea:** Madam Speaker, I have a last supplementary question. It is a very important one and I would be very brief.

**Madam Speaker:** On which one? On the previous question?

**Mr Ameer Meea:** Yes, exactly.

**Madam Speaker:** No, we have already passed on to the next question, hon. Ameer Meea. I think the question has been sufficiently debated. Next question!

## **INSURANCE INDUSTRY COMPENSATION FUND – BENEFICIARIES**

**(No. B/911) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East)** asked the Minister of Financial Services, Good Governance and Institutional Reforms whether, in regard to the Insurance Industry Compensation Fund, he will, for the benefit of the House, obtain from the Financial Services Commission, information as to the –

- (a) amount of funds collected therein since the inception thereof to date;
- (b) number of persons who have benefitted therefrom, and
- (c) quantum of money payable to the beneficiaries thereof.

**Mr Bhadain:** Madam Speaker, I am informed by the Financial Services Commission that since the inception of the Insurance Industry Compensation Fund on 01 June 2016, an amount of Rs28,171,086.32 has been collected through the ‘Hit and Run Sub Fund’.

With regard to part (b) of the question, three persons have applied for compensation from the Fund on 16 September of this year, 03 October and 11 October respectively. According to regulation 19(6) (a) the ‘Hit and Run Sub Fund’ has to determine the application within 6 months upon receipt of all information required. I am further informed that due process is currently being followed and the police reports are being awaited for all three applications.

With regard to part (c) of the question, the beneficiaries will accordingly be paid the relevant amount as prescribed in the Second Schedule of the Insurance (Industry Compensation Fund) Regulations 2015. I am tabling a copy of the Second Schedule, Madam Speaker.

**Mr Ameer Meea:** Can I ask the hon. Minister about the composition of the IICF Committee and who is the Chairperson of that Committee?

**Mr Bhadain:** Again, a substantive question will have to be put on that. I don’t have the relevant information with me, but I think the Chairperson is a practicing Barrister-at-law.

#### **ALBION – OIL REFINERY PROJECT – STATE LAND**

**(No. B/912) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the Oil Refinery Project at Albion, he will state when application was received from Near Shore Resources Ltd. for the allocation of State land therefor, indicating –

- (a) the name of the promoter/s thereof;

- (b) the extent of land applied for;
- (c) the date approval was granted, giving details as to the date of the issue of the letter of reservation, indicating the terms and conditions thereof and table copy thereof;
- (d) if the project was recommended by the Board of Investment and, if so, table copy of the recommendation letter including the terms and conditions contained therein;
- (e) the status thereof, and
- (f) the implementation schedule thereof.

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Madam Speaker, I am informed that an application was received in the name of Near Shore Resources Ltd. on 09 September 2016.

With regard to parts (a) and (b) of the question, the promoter is the Company Near Shore Resources Ltd. and the extent of land applied for is 54 *Arpents*.

As regards part (c) of the question, a letter of reservation was issued on 10 October 2016 to the company. The letter of reservation is meant to reserve the land only for a period of 18 months subject to, *inter alia*, the following terms and conditions -

- (i) payment of non-refundable survey fee of Rs175,500;
- (ii) payment of a deposit of Rs150,000 per *Arpent*, and
- (iii) submission of an EIA Licence.

I am tabling a copy of the letter of reservation thereof.

As regards parts (d), (e) and (f) of the question, I am informed that the Ministry of Industry, Commerce and Consumer Protection and the Board of Investment are still working on the details of the project and upon clearance from the latter and also from the Ministry of Environment, Sustainable Development, and Disaster and Beach Management, then my Ministry will consider issuing a Letter of Intent to the promoter subject to compliance with all conditions of the letter of reservation.

**Mr Bhagwan:** Can the hon. Minister inform the House when the project was presented to Government and how many meetings the promoter had with Government?

**Mr Soodhun:** I would like just to inform the hon. Member that this project is still under study and we have a lot of disagreements with the promoter. It has not been finalised. Only a letter of reservation has been issued, but before handing over a Letter of Intent, there are lots of issues that we have to clear.

**Mr Bhagwan:** I am sure the hon. Minister of Housing and Lands and especially the Ag. Prime Minister have heard the voices of the people of Albion. From what I read from a document, the Ag. Prime Minister was appointed as project champion and leader of the project. I am tabling the documents.

*(Interruptions)*

Can the Ag. Prime Minister and the Minister of Housing and Lands give the guarantee to the House and to the people of Albion that they won't have any repetition of the CT Power?

**Mr Soodhun:** I can assure the hon. Member, as I mentioned only a letter of reservation has been issued. As my colleague has just mentioned there are lots of issues still pending. I can assure the hon. Member that there is a Committee which has been set up by the hon. Prime Minister and we are looking into it. There is no reason to say that we have already come to a conclusion on this project.

**Mr Baloomoody:** Can I ask the hon. Minister whether there will be consultations with the inhabitants of Pointe aux Sables, Kensington and in the vicinity.

**Mr Soodhun:** As I have mentioned, Madam Speaker, we are still having a meeting. We have not come to the conclusion that we can now have a meeting with the inhabitants. Definitely, we are going to take care of all the people.

#### **STC - CHAIRPERSON & GENERAL MANAGER – OVERSEAS MISSIONS**

**(No. B/913) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Minister of Industry, Commerce and Consumer Protection whether, in regard to the overseas missions effected by Dr. R. B. and by Mr R. R. D., respectively Chairperson and General Manager of the State Trading Corporation, since their appointment to date, he will, for the benefit of the House, in each case, obtain from the Corporation, information as to the –

- (a) countries visited, purpose and duration thereof;

- (b) cost of the air ticket, indicating the travel agency from which same was purchased and how the said agency was selected;
- (c) quantum of *per diem* and other allowances granted thereto, and
- (d) if the said missions had been approved by his good self.

**Mr Gungah:** Madam Speaker, I am informed by the State Trading Corporation (STC) that since the appointment in July 2015, of the Chairperson and General Manager, they have, to date, proceeded on mission together to Cape Town and Singapore.

In Cape Town, they participated in the Regional Forum organised by the International Bunker Industry Association (IBIA) from 14 to 15 September 2016 which focused on the establishment of bunkering hubs and which enabled them to acquire first-hand understanding of the regional forces in the bunkering sector. In Singapore, they attended the Singapore International Bunkering Conference and Exhibition from 04 to 07 October 2016 with a view to better understanding the bunkering industry and to establish contacts in the field. They also had discussions with owners of ships and representatives of shipping lines and agents. The knowledge acquired during these two missions will allow STC to work out a roadmap for the development of Mauritius as a bunkering hub.

On his part, the General Manager proceeded on five overseas missions as follows –

- (a) he formed part of a delegation led by myself to Singapore from 21 to 24 July 2015 to hold discussions with Singaporean authorities regarding the Petroleum Sector.
- (b) he proceeded to Mangalore, India from 21 to 26 September 2015 with a view to holding meetings with the team of Mangalore Refinery and Petrochemicals Ltd (MRPL) and to visit the refinery there and to oversee the loading of fuel oil/white oil on vessels.

**Mr Bhagwan:** Madam Speaker, on a point of order, can I ask the hon. Minister to circulate his answer?

**Mr Gungah:** I will circulate part of the reply.

**Mr Bhagwan:** It is a very long reply.

**Madam Speaker:** The hon. Member has raised a point of order. I have not heard what he said. Please, sit down, hon. Minister.

**Mr Bhagwan:** Can the hon. Minister circulate his answer because I have other important questions.

**Madam Speaker:** Are you prepared, hon. Minister, to circulate the answer?

**Mr Gungah:** Yes. But, Madam Speaker, if you would allow me, I just wanted to make a point rapidly. The hon. Member mentioned in a PQ earlier that the Chairperson of STC had gone to Singapore in a matter related to Petredec Ltd. But I must say that Petredec Ltd. was awarded the contract of supply on 09 September and the mission to Singapore that the Chairperson attended was on 04 to 07 October.

#### **MINISTER OF FINANCE AND ECONOMIC DEVELOPMENT – MISSION TO INDIA – DELEGATION**

**(No. B/914) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Minister of Finance and Economic Development whether, in regard to his recent official visit to India, he will state the composition of the delegation thereof, indicating in the case of Mr P. M., Senior Adviser at the Prime Minister's Office –

- (a) the capacity in which he formed part thereof;
- (b) who paid his air ticket, *per diem* and other allowances, if any, in relation thereto;
- (c) who approved his participation therein, and
- (d) if he travelled with a diplomatic passport and, if so, who recommended accordingly.

**Mr Jugnauth:** Madam Speaker, the recent mission that I led to India from 13 to 18 September 2016 comprised -

- (i) Financial Secretary;
- (ii) A Senior Adviser (Mr P. M) representing the Prime Minister's Office, and
- (iii) Managing Director, Board of Investment.

H.E. Mr J. Goburdhun, our Ambassador in India joined the delegation in New Delhi.

With regard to parts (a) and (b) of the question, as I indicated earlier, the Senior Adviser participated in the above mission as representative of the Prime Minister's Office and all costs, in terms of air tickets, *per diem* and other allowances, were met by Government.

As far as parts (c) and (d) of the question are concerned, I wish to inform the House that the participation of the Senior Adviser was approved by the Rt. hon. Prime Minister and his diplomatic passport was released to him. In fact, this is in line with long established policy and practice whereby Senior Advisers travel with diplomatic passports on their official missions.

**Mr Bhagwan:** The hon. Minister of Finance and Economic Development is confirming that Mr Prakash Maunthrooa has been travelling with a diplomatic passport. So, can I ask the hon. Minister...

*(Interruptions)*

**Madam Speaker:** No comment! Ask your question!

*(Interruptions)*

**Mr Bhagwan:** Can I ask the hon. Minister of Finance and Economic Development whether he finds it normal that somebody who is facing justice in a case of corruption, namely the Boskalis case, be a member of a high level delegation, meeting the Prime Minister of India, Mr Modi, who is a champion himself of *la lutte contre la corruption*; whether it is normal, it is good for the reputation of Mauritius?

**Mr Jugnauth:** Well, Madam Speaker, he is the Adviser to the Prime Minister. He has been delegated to form part of the delegation. So far, there is a case, of course, before the Court. We know that. But, until the case is over, it is up to him to decide what to do ultimately in the light of that case. Up to now, he is functioning as an Adviser. So, I see no problem so far for him to be part of that delegation.

**Mr Bhagwan:** Madam Speaker, the hon. Minister of Finance and Economic Development is confirming that he finds it normal that somebody who is facing justice for such a case of corruption like the Boskalis case and who is on bail...

*(Interruptions)*

*Pas repond twa mo camarade! Ale occupe to l'hôpital le nord ek to Sumputh!*

*(Interruptions)*

**Madam Speaker:** Can I ask some order in the House, please? Please proceed!

**Mr Bhagwan:** *Ale occupe Sumputh labas mo camarade, après ou guette mwa ici!*

*(Interruptions)*

*Pas rode l'amerdement!*

**Madam Speaker:** No crosstalking, especially when you are standing for a question! Please ask your question!

**Mr Bhagwan:** The hon. Minister of Finance and Economic Development is confirming that he finds it normal that somebody who is facing justice for such a case of corruption like in Boskalis case, who is on bail, forms part of a high-level delegation. From what I gather from him, he is stating that it is the Prime Minister who has approved and so it is not his problem. So, can the hon. Minister of Finance and Economic Development confirm that it is normal for the reputation of Mauritius? His first visit as Minister of Finance and Economic Development to meet the Prime Minister of India! Has he received any objection from the Indian Authorities? Have he heard any objection?

**Mr Jugnauth:** Madam Speaker, the hon. Member is talking as if he is giving lessons to everybody.

*(Interruptions)*

Let me reply! You asked a question! What is it?

*(Interruptions)*

**Madam Speaker:** Order! Order, please! Allow the hon. Minister to give his reply!

**Mr Jugnauth:** He should remember that his party has presented in the past a candidate who had been found guilty of bribery and corruption at the level of the Privy Council...

*(Interruptions)*

On two occasions, they presented him as candidate, and now he is giving lessons to this Government!

*(Interruptions)*

**Madam Speaker:** Order, please!

*(Interruptions)*

Order! Hon. Jhugroo!

*(Interruptions)*

Hon. Jhugroo! Hon. Bhagwan, please!

*(Interruptions)*

Hon. Jhugroo, next time I call you to order when I am on my feet and I see that you do not comply, I will have to act! Same applies to hon. Bhagwan!

### **HERITAGE CITY PROJECT – EXPENDITURE INCURRED**

**(No. B/915) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière)** asked the Minister of Finance and Economic Development whether, in regard to the Heritage City Project, he will state the total amount spent by Government in relation thereto as at to date, giving details of the –

- (a) total costs of the overseas missions effected by honourable Ministers and Government officials in relation thereto, and
- (b) quantum of fees payable/paid to –
  - (i) international and local consultants and
  - (ii) legal advisers and other expenditure incurred in respect thereof, if any.

*(Vide reply to P.Q. No. B/900)*

### **DRUG AVASTIN - VICTIMS**

**(No. B/916) Mr S. Fowdar (Third Member for Grand’Baie & Poudre d’Or)** asked the Minister of Health and Quality of Life whether, in regard to Avastin, he will state the number of patients who have been victims thereof and who have lost their eyesight, since 2010 to date, indicating if –

- (a) consideration will be given for the payment of compensation thereto, and
- (b) the use thereof has been banned in Mauritius .

*(Withdrawn)*

### **BETAMAX LTD - TERMINATION OF CONTRACT**

**(No. B/917) Mr S. Fowdar (Third Member for Grand'Baie & Poudre d'Or)** asked the Minister of Industry, Commerce and Consumer Protection whether, in regard to Betamax Ltd., he will state if Government has proposed any sum thereto as an amicable settlement for the termination of the contract thereof.

*(Withdrawn)*

### **ROAD ACCIDENTS - DRINK AND DRIVE OFFENCES**

**(No. B/918) Mr S. Fowdar (Third Member for Grand'Baie & Poudre d'Or)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to road accidents, he will state where matters stand as to the proposed amendments to be introduced to the existing legislation with a view to curbing drink and drive offences.

*(Withdrawn)*

### **NTA – CONTRACT VAN PERMITS - ALLOCATION**

**(No. B/919) Mr S. Fowdar (Third Member for Grand' Baie & Poudre d'Or)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the contract van permits, he will, for the benefit of the House, obtain from the National Transport Authority, information as to –

- (a) the number –
  - (i) thereof allocated since January 2015 to date, indicating in each case the names and addresses thereof, and
  - (ii) of applications pending as at to date, and
- (b) if the eligibility criteria for the allocation thereof has been altered?

*(Withdrawn)*

**Madam Speaker:** The Table has been advised that the followings PQs have been withdrawn: B/928, B/929, B/930, B/931, B/938, B/939 and B/940. Time is over!

**MOTION**

**SUSPENSION OF S.O. 10(2)**

**The Ag. 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 Energy and Public Utilities (Mr I. Collendavelloo)** rose and seconded.

*Question put and agreed to.*

**STATEMENTS BY MINISTER**

(4.16 p.m.)

**UTILITY REGULATORY AUTHORITY BOARD – CHAIRPERSON &  
COMMISSIONERS - APPOINTMENT**

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo):** Madam Speaker, I have four statements to make. The first one concerns the appointment of the Board of the Utility Regulatory Authority.

On 28 June 2016, I presented the Utility Regulatory Authority (Amendment) Bill to review the qualifications for the appointment of the Chairperson and Commissioners of the Board of the Utility Regulatory Authority.

Section 10 (1) of the Act specifies that the Chairperson and Commissioners shall be persons of high moral and professional integrity, having relevant qualifications, expertise and experience in law, economics, business, finance, accountancy or engineering.

The appointment of the Chairperson and Commissioners is made by the President of the Republic on advice given by the Prime Minister, after consultation with the Leader of Opposition. Section 11 (6) of the Act provides that -

“The Commissioners appointed on the coming into operation of this Act shall be appointed for terms of 3, 4 and 5 years, respectively.”

On 14 September 2016, the President appointed Professor Goolamhussen Mohamedbhai, GOSK, as Chairperson for a period of five years and the Commissioners as follows -

- Mr Philip Ah Chuen 5 years
- Mr Rampiar Luchmun-Roy 4 years
- Mr Luc Eddy Astruc, former General Manager of CEB 3 years.

Unfortunately, Mr Astruc has expressed his inability to serve as a Commissioner for personal reasons. He has been replaced by Mr Sadatmanund Narain, former Deputy General Manager of the CEB.

The Board is presently working on a road map for the operationalization of the URA.

### **CWA - WATER SUPPLY**

The second statement, Madam Speaker is on the water supply situation. According to the Mauritius Meteorological Services, the rainfall during the months of October and November have been around 60% of the long term mean and is, therefore, deficient. It forecasts that rainfall will be normal in summer, but will be delayed till the end of January 2017.

As at 14 November 2016, the total storage level in the six major reservoirs represented about 68.4 % of the total storage capacity. With the same trends in water consumption, the total storage level in reservoirs is expected to reach 48% by December. Groundwater levels are also declining and are below average levels, whereas the flow in rivers is presently ranging from 25% to 85% of the normal.

In addition to the deficient rainfall in the dry season, there is higher water consumption, especially in coastal areas during school vacations, end of year festive period and peak tourist arrivals.

In order to sustain supply up to the next rainfalls, the Central Water Authority has had to reduce hours of supply in certain regions. The most affected regions are Black River, Le Morne and neighbouring villages, Beau Bassin/Coromandel, Péreybère and Grand' Baie.

The Central Water Authority is taking a number of contingency measures to relieve the situation in the affected regions, namely -

- (i) a 6-km pipeline will be laid from the Black River Gorges to the Yemen Pumping Station to provide an additional volume of 3,000 m<sup>3</sup>/day in the Black River district. This would be operational by end December;

- (ii) a new borehole with a yield of about 4,500m<sup>3</sup>/day will be put into operation by the end of this week in the region of Beaux Songes to supply the region of Flic en Flac;
- (iii) a volume of 500m<sup>3</sup>/day will be used by next week from a private unused borehole belonging to World Knits Ltd to supply the regions of Beau Bassin and Coromandel;
- (iv) a new borehole at Telfair with a yield of 2,500m<sup>3</sup>/day will be commissioned by end of this week to supply the region of Ebene. Consequently, the total volume of 7,000m<sup>3</sup> from the Trianon borehole, which currently supplies regions of Rose Hill and Ebene, will be distributed to Rose Hill only;
- (v) about 4,000m<sup>3</sup> per day will be abstracted from a pipeline of the Irrigation Authority at Forbach to improve water supply at Péreybère, Grand' Baie and surroundings as from the end of this week;
- (vi) a new service reservoir with a capacity of 2,000m<sup>3</sup> will be commissioned at Mont Blanc by end November 2016 to improve water supply in the South, and
- (vii) a new borehole will be commissioned in Plaine Magnien by end of November 2016 with an expected yield 1500m<sup>3</sup>/day.

The CWA is also providing a tanker service in the affected regions and has asked for a waiver of the restriction on lorries to circulate on major roads in the morning and afternoon.

### **BAGATELLE DAM – TRACTEBEL ENGINEERING S.A – TERMINATION OF CONTRACT**

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavello):** The third statement, Madam Speaker, is a statement on the amicable settlement reached with Tractebel Engineering S.A, formerly known as Coyne et Bellier Bureau d'Ingénieurs Conseils, with regard to the dispute arising from the termination of their contract in January 2014.

On 19 November 2008, the firm had been awarded a consultancy services contract for the contract sum of Rs56.1 m. for design and Rs113.8 m. for construction supervision of the Bagatelle dam. In January 2014, the then Government decided to terminate the contract of the Consultant.

This gave rise to disputes between the Consultant and my Ministry, which could not be settled amicably. Consequently, on 09 October 2014, both parties signed a “*compromis*” providing that if the dispute is not amicably settled by any agreed deadlines, it would be referred to the LCIA–MIAC Mediation and Arbitration Centre.

After the failure of all attempts to reach amicable settlement, in April 2016, Tractebel Engineering S.A. referred the matter to LCIA –MIAC.

On the advice of the Attorney General’s Office and in view of the very high costs to be incurred at LCIA/MIAC, in July 2016, the Attorney General’s Office and the legal adviser of Tractebel Engineering S.A entered into new amicable settlement discussions.

The matter has now been resolved amicably. Tractebel Engineering S.A. has agreed to pay to Government an amount of Euros 3,400,000. On the other hand, Government has agreed to pay to the company Euros 1,400,000 for services provided by the company.

Tractebel Engineering S.A. has already settled its dues and paid an amount of Euros 2 million to Government.

### **ENERGY EFFICIENCY/DEMAND SIDE MANAGEMENT – MASTER PLAN & ACTION PLAN**

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavello):** My last statement, Madam Speaker, is in relation to the Master plan for Energy Efficiency/Demand Side Management and Action Plan for period 2016 to 2030. A copy of this plan is also available on the website of my Ministry. I am tabling the copy now.

This plan has been elaborated with financing from the *Agence Française de Développement* by an international consultant, Maxwell Stamp PLC of UK which was appointed in June 2015.

The draft Master Plan and Action Plan was presented to stakeholders, including public and private sector institutions, non-governmental organisations and academic institutions at a Workshop held on 25 February 2016. The views of stakeholders have, to the extent possible, been incorporated in the final document.

The Plan contains 31 strategies, with specific measures for financing, creating awareness, regulation, creation of energy efficiency service companies and energy auditing. The objective is to attain an overall 10 % reduction of energy consumption by 2030.

## **PUBLIC BILLS**

### *First Reading*

*On motion made and seconded the following Bills were read a first time –*

- (a) *The Information and Communication Technologies (Amendment) Bill (No. XXI of 2016), and*
- (b) *The Co-operatives Bill (No. XXII of 2016)*

## **MOTION**

### **PARLIAMENTARY GENDER CAUCUS COMMITTEE – STANDING ORDERS - AMENDMENT**

**The Ag. Prime Minister:** Madam Speaker, I beg leave to move the motion standing in my name and which reads as follows –

*“This Assembly resolves that, with a view to making provision for a mechanism for the promotion of gender equality, it is necessary and expedient that the Standing Orders Committee be empowered, and it is hereby empowered, to look into the Standing Orders and Rules of the National Assembly 1995 presently in force, more specifically Standing Order 69, to make recommendations for the setting up of a Committee to be known as the Parliamentary Gender Caucus and matters ancillary thereto”.*

Madam Speaker, Standing Order 69 (3)(b) provides that –

*“if a notice of motion involves any proposal for the amendment of Standing Orders, the notice shall be accompanied by a draft of the proposed amendments and the motion when proposed and seconded shall stand referred to the Standing Orders Committee and no further proceedings shall be taken on any such motion until the Standing Orders Committee have reported therein.”*

Madam Speaker, the draft proposed amendments have been submitted along with the notice of motion in accordance with Standing Order 69 (3)(b).

Madam Speaker, it may not be out of place if mention is here made of the fact that the setting up of a Parliamentary Gender Caucus is a personal initiative of yours which I consider indeed a very laudable one - the more so, as we know very well, the gender equality issue is high on the SDG's agenda.

Madam Speaker, may I be allowed, on behalf of the hon. Members and in my own name, as Ag. Leader of the House, to congratulate you on this initiative.

Notwithstanding the fact that this is a procedural motion, I would like for the benefit of the hon. Members, to briefly set out the steps you have taken as at now.

Madam Speaker, the Gender issue is one which cuts across political partisanship and which rises above political affiliations. Moreover it is one which arouses great interest from the civil society.

It is against this background, I am informed, that you have convened a series of preparatory meetings in accordance with guidelines set by the International Parliamentary Union in regard to the formation of Caucuses.

The very first meeting held in January 2016, brought together 17 Members of Parliament of the different political parties, including one independent hon. Member. The idea of setting up a caucus was unanimously agreed. Members were briefed about the clear demarcation and respective mandates of the proposed Caucus and the Ministry of Gender Equality, Child Development and Family Welfare ultimately leading to a win-win situation. The proposed caucus has also received the full support of the hon. Minister for Gender Equality, Child Development and Family Welfare.

Moreover, under your initiative and with the collaboration of the United Nations Development Programme (UNDP), a series of Awareness Raising Sessions was organised for the benefit of –

- (i) Hon. Members of Parliament;
- (ii) Gender Focal Points of Ministries, and
- (iii) Civil Society Organisations.

I am informed that the outcome of the discussions at these sessions was also in favour of the setting up of the Parliamentary Gender Caucus. In reaching a decision on the question of what would be the nature of the Caucus, the participants adhered to your suggestion that it should be a formal one, one that is entrenched in our Standing Orders. The reason thereof is that this mechanism is well positioned within a Parliament's internal structure. Formal caucuses can bring more knowledge and exert greater influence than informal ones in the policy-making and legislative arenas. Moreover, once adopted by Parliament the roles and responsibilities of the Caucus are outlined in the internal rules of the House.

Madam Speaker, it is very important that at the very outset there is a clear demarcation between the roles of the Executive and those of the Legislature.

Madam Speaker, with these words, I commend the motion to the House.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo) rose and seconded.**

(4.31 p.m.)

**The Leader of the Opposition (Mr P. Bérenger):** We agree, Madam Speaker, we approve of that motion. The idea is to set up the Parliamentary mechanism for the promotion of gender equality in our Parliament. We agree fully with that and the conclusion has been reached that the way the legislative, the Parliamentary mechanism for the promotion of gender equality should be the setting up of a new Sessional Select Committee. As we know, we already have a number of Sessional Select Committees, but we are now proposing to set up a new Sessional Select Committee to promote gender equality in our Parliament. We are in full agreement with that.

Thank you, Madam Speaker.

(4.32 p.m.)

**The Ag. Prime Minister:** Madam Speaker, I would like to thank the hon. Leader of the Opposition for his contribution to this motion. Thank you.

*Question put and agreed to.*

**Madam Speaker:** The Motion stands referred to the Standing Orders Committee. I suspend the sitting for half an hour.

*At 4.33 p.m. the sitting was suspended.*

*On resuming at 5.10 p.m. with Madam Speaker in the Chair.*

## **PUBLIC BILLS**

### *Second Reading*

## **THE INFORMATION AND COMMUNICATION TECHNOLOGIES (AMENDMENT)**

### **BILL (NO. XXI OF 2016)**

*Order for Second Reading read.*

**The Ag. Prime Minister:** Madam Speaker, I beg to move that the Information and Communication Technologies (Amendment) Bill be read a second time.

The main objects of the Bill are to create the necessary legal framework to enable Multicarrier (Mauritius) Ltd to operate the transmission stations for the live broadcast of the proceedings of the National Assembly and to also clarify some provisions of the present Act for the smooth functioning of the ICT Authority.

Madam Speaker, this Government is, once again, living up to its promises as the present Bill marks a turning point in both the history of this august Assembly and our country. The Bill will provide the necessary legal and logistic conditions to enable the much awaited live broadcast of the proceedings and debates of the National Assembly. I am convinced that this will pave the way to further bridging the gap between our citizens and Parliament, which is one of the pillars of our democracy.

Live broadcast of the parliamentary proceedings will, fore and foremost, enable our citizens to watch and listen for themselves in real time the debates in our Parliament. This will allow them to form their own opinions on the contents and quality of our Parliamentary debates and the performance of the representatives they have elected, without any distortion whatsoever. It will also allow the international community to take stock of the vividness of our Parliamentary democracy.

With the coming of the live broadcast of the proceedings of our National Assembly, we will be called upon to rise up to the challenge and demonstrate to the nation that we are deserving representatives of the nation, forward looking, progressive and constructive and fully dedicated to the cause of nation building.

This historical step we are about to take by voting this Bill will go a long way towards consolidating our democratic principles to better serve the nation. It will help to foster democratic values such as transparency and accountability in the conduct of our parliamentary business.

Madam Speaker, the House will recall that on 07 June 2016, the Rt. hon. Prime Minister presented a Motion for the approval of the Report of the Standing Orders Committee recommending the setting up of a Broadcasting Committee.

While presenting the Motion, he explained that the setting up of the Broadcasting Committee was but one step in the realisation of the live telecast project and that other legislative and technical arrangements would have to be completed before the sittings of the Assembly can go live.

This Bill, therefore, proposes to amend the Information and Communication Technologies Act so as to satisfy the legal requirements for the live broadcasting of the proceedings of the National Assembly. A few other amendments are also being proposed to enable the smooth running of the ICT Authority.

These amendments will also involve consequential amendments to the Independent Broadcasting Authority (IBA) Act and the National Assembly (Privileges Immunities and Powers) Act.

Madam Speaker, let me now highlight the main amendments that are being proposed to each of the abovementioned legislations.

### **The Information and Communication Technologies Act**

As regards the ICT Act it is proposed to, *inter alia*, amend -

- (a) section 2 on Interpretation so as to formalise the transfer of the ICT Authority, which was operating under the purview of the Ministry of Technology, Communication and Innovation, to the Prime Minister's Office;

- (b) as the House may be aware, during disaster or emergency situations friendly countries usually provide technological assistance, including ICT equipment. However, the provisions of the ICTA legislation do not allow taking advantage of such facilities immediately because of lengthy and time consuming procedures. Section 3 is, therefore, being amended so as to exempt bodies from compliance with the provisions of the ICT Act in order to facilitate the use of telecommunication/ICT resources for disaster mitigation and relief;
- (c) section 5, so as to enable the appointment of other ex-officio members, namely, the representatives of the Ministry of Finance and Economic Development, the Ministry of Technology, Communication and Innovation, and the Attorney General's Office on the ICT Board;
- (d) section 18 so as to exempt the Multi-Carrier (Mauritius) Ltd (MCML) from payment of any fee for the broadcast, through transmission stations operated by it, of the proceedings of the National Assembly. The MCML will allocate a broadcasting channel directly to the National Assembly;
- (e) section 45 by introducing a new section 45A so as to make provisions for the Execution of Documents in the Act as is the case for statutory bodies;
- (f) section 46 so as to enable the Act to cater for such offences as sending, delivering or showing a message which is obscene or indecent and tampering with the International Mobile Station Equipment Identity (IMEI), which is a unique identifying number for mobiles, and
- (g) section 48 so as to increase the ceiling for fines for offences committed under Regulations to this Act from Rs10,000 to Rs50,000. The present amount has remained unchanged since the enforcement of the ICT Act 2001. It is, therefore, high time to revise the fines upwards with a view to deterring offences.

Madam Speaker, as already stated, the amendments I have just indicated will also require consequential amendments to both the Independent Broadcasting Authority (IBA) Act and the National Assembly (Privileges Immunities and Powers) Act, as follows -

**The Independent Broadcasting Authority (IBA) Act**

It is proposed to amend section 18 of the IBA Act so as to exempt the National Assembly from the requirement of a licence under the IBA Act, to provide for live broadcasting of its proceedings.

**The National Assembly Privileges Immunities and Powers) Act**

Moreover, section 3 of the National Assembly (Privileges, Immunities and Powers) Act provides that no civil or criminal proceedings may be instituted against the Speaker or any member for words spoken before, or written in a report to the National Assembly.

This section is being reinforced by including a new section 3A which will provide that no civil or criminal proceedings shall be instituted against any person for broadcasting the proceedings of the National Assembly.

Madam Speaker, it is imperative that we approve the amendments proposed in the Bill now, pending a comprehensive review of the ICT Act and the IBA Act in the wake of a merger of the two regulatory institutions as announced in the Budget Speech 2016-2017, in view of the convergence of technology. The fusion of the two institutions will lead to the emergence of a new regulatory body to ensure optimal performance, embrace technological innovation, and meet the needs and aspirations of a rapidly evolving knowledge-based society. The Rt. hon. Prime Minister will revert to the House on this matter in due course.

With these words, Madam Speaker, I commend the Bill to the House.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo) rose and seconded.**

(5.19 p.m.)

**Mr V. Baloomoody (Third Member for GRNW & Port Louis West):** Madam Speaker, I have listened carefully to the Ag. Prime Minister and as a Member of the Select Committee on Live Broadcasting, of course, we do not have any objection with regard to the amendment which deals directly to the live coverage of Parliament. On this side, we do not have any objection. There were several meetings. We worked with the State Law Office and they proposed an amendment. But unfortunately it will look that we are using this amendment for Live Broadcasting as an excuse to make drastic and serious amendment to the ICT Act.

In fact this Bill has three objectives. The main one is to give the Prime Minister more power to deal with ICTA, the ICT Authority, reducing thereby the authority of the Advisory Council - I will come to that later - because the Act which was presented in Parliament, in fact, by the MSM-MMM Government in 2001, is an umbrella Act. It creates three important Authorities; the ICT Authority, the ICT Appeal Tribunal and the ICT Advisory Council. Three important institutions were created, and all these three institutions have to work together in harmony, so that we get the result we need in the IT industry.

So, today, what we are doing, we are removing from the Minister responsible. There was only one Minister responsible for each Authority. Now, the ICT Authority is being removed legally from the Minister responsible of ICT and this Authority is going to the Prime Minister. So, we have one Act of Parliament which creates three Authorities; one will be governed by the Prime Minister and the other ones will be governed by the Minister responsible for IT. And if we go deeper, if we analyse the working of these three institutions which I have just stated, namely the ICT Authority, the ICT Appeal Tribunal and the ICT Advisory Council, we will create a certain situation which will create confusion.

I take only one example. In section 36 of the ICT Act, the ICTA may refer a matter to the ICT Advisory Council for its consideration. This, the Minister can do. Then, the Council reports to one Minister because the Council is supposed to report to the Minister responsible for IT. Then, should a Regulation, therefore, be required to be made under section 48 of the Act, it is another Minister who will make the Regulation. Therefore, when the Minister who receives advice in relation to the subject matter under section 36, which is the Minister responsible for IT, he has no power to give directions of a general nature to the ICTA because this falls under the Prime Minister and under section 19 for implementation.

So, we can create certain chaotic situations where there will be confusion between the two Ministries like instead of moving forward, we move backward if there is no good *liaison* between the Minister responsible for ICT and the Minister responsible for the Authority.

Now, we are also reducing the power of the Advisory Council. In two situations in this Bill, we are removing the power of the Advisory Council to advise the Minister, because Part VII of the Act creates an ICT Advisory Council. As per section 34 of the Act -

“There is established for the purposes of this Act, an Information and Communication Technologies Advisory Council known as the ICT Advisory Council.”

It will consist of certain members. Let us look at the functions.

**Section 35 – Functions of the Council –**

“The Council shall advise the Minister on any matter relating to (...)”

and there is a list regard to information and communication and the service provider. So, there is an Authority which previously was advising the Minister. Now that the Authority is moved to the Prime Minister, we are doing away with the advice of that Authority. Whenever the Minister will have to take a decision, he takes it on his own, without the expert advice of the Advisory Council. And this is very serious.

Let me come to the Bill itself now. Section 3, with regard to the definition, we don't have any problem, but, of course, things are moving very fast in that industry. Other new terms are coming into this field such as ‘assignment’, ‘allotment’ - these are not defined - ‘spectrum user rights’, and ‘accounting authority’. These are the new terminologies which are being used and we could have added them when it comes to definition, but, unfortunately, these words are not in the definition.

Talking about the Advisory Council, section 3 of the principal Act is being amended. What did section 3 say before?

“The Minister, may on the recommendation of the Authority and such terms and conditions he thinks fit exempt Government Departments (...)”

Now we are removing this recommendation of the Authority. Why? I hope the hon. Ag. Prime Minister will tell us why. Why should the Minister - the Prime Minister in this case - act on his own without any advice from the Authority? What benefit will we have? Is it to *protège* certain people in case there is objection from the ICTA? You are laughing, but this may be one reason! Knowing the way nomination has been done in the past at ICTA itself and certain other institutions, why does not the Prime Minister consult an Authority before exempting? Even NGOs can be exempted now - Non-Governmental Organisations -, which was not in the previous

one. Why are we including NGOs this time? So, these are questions which we would like to be enlightened upon.

Again, when it comes to the ICTA Board, there are two issues with regard to the ICTA Board. First, there are four members to be appointed by the Minister. Previously, there were five members appointed by the Minister after consultation with the ICT Advisory Authority. Now, we are removing it, giving a blank cheque to the hon. Minister to do whatever he wants to do; name whoever he wants to name. When we come to the qualification, when you look at the definition of 'qualification' that we have in the actual Act, which talks about experience, qualification, expertise for these four people who are supposed to be there, here they must only have sufficient knowledge and experience in the field of information. No question about qualification! Sufficient knowledge in IT; a five-year old boy or girl has got that sufficient knowledge. In fact, we learn from our children how to use this equipment today. There is no question of qualification. Why have we remove qualification when it comes to the appointment of these people? We want to be enlightened. Again, is it to nominate anybody we want, any close relative of us, and any agent of our political party? He doesn't need any qualification and a knowledge of IT is sufficient? So, here again, we want to know why we have removed that qualification.

In the actual law, each member holds office for a period of three years. So, at least, he knows he has got a job there. He is nominated for three years. Of course, if he breaches the regulation and the law, he is sacked, but this one has been removed again. So, there, he will be on the day to day mercy of the Prime Minister. He doesn't know for how long he will be nominated. In the law, at least, we had three years, but this one has been removed again. So, there, he will be on the day-to-day mercy of the Prime Minister. He does not know for how long he has been nominated. In the law, at least, we had those three years, but now it is the Minister who will decide. There is no mention in the law. I don't know what contract he will sign with them, but in the law, at least, we know that he was going to be there. Why do we remove that? Now, according to the new Board, there will be somebody from the Ministry of Finance and Economic Development and somebody from the Ministry responsible for subject of Information Technology. We are talking about an authority. I have been advised that these two members, members (c) and (d) -

“(c) a representative of the Ministry responsible for the subject of finance; and

- (d) a representative of the Ministry responsible for the subject of information technology and telecommunications”

will be in conflict with the regulatory function of the ICTA. Finance is the Director if the major operator, Mauritius Telecom, while the Ministry of Information Technology and Telecom is the policymaker. These nominations contravene the basic agreement on telecommunications of the WTO.

Let me read the relevant extract, I quote –

“The emergent meaning of ‘Independence of Telecommunications Regulatory Institutions’ encompasses in addition to independence from operators, independence from policy-makers and from other interested party.”

So, they should not be in that Board. The debate about creating Independent Telecommunication Regulators around the globe treats all three aspects of independence equally.

It is important here to cite the definition of ‘independence’ in the first regulatory colloquium organised by ITU which operational functions are neutrality, insulation from external pressure - this is very important ‘insulation from external pressure’ – or simply the designation of an official publicly identified as having the regulatory responsibility and not subservient to the rest of the Ministry. Independent! In other words, there are three distinctive aspects of the independence of regulators.

First, independence from the operator of the Telecommunications sector.

Here, we have the Finance who is a Director of Mauritius Telecom.

Second, independence from other interested parties such as industrial interests.

And finally, independence from political actors like Ministers for the day-to-day matters.

So, we might be in a situation where we are in conflict with the WTO rules and regulations. With regard to the meeting of the Board, we don’t have any problem.

Let me come to the issue of privilege where we say that –

“No civil or criminal proceedings shall be instituted against any person for broadcasting the proceedings of the Assembly.”

But, as far as I know, this was not a recommendation of the Select Committee. Now we are talking about the broadcaster...

*(Interruptions)*

Not any broadcaster! The broadcaster has to be authorised by Parliament to broadcast, not anybody. So, it should be “No civil or criminal proceedings shall be instituted against any authorised broadcaster.” Not ‘any person’. So, anybody who takes whatever he has, he just put it on Facebook, every day he says: “This has been said in Parliament.”! This is against. We have a privilege here but, of course, we don’t have absolute privilege. It is good to know that even in the UK, there are cases where even Parliamentarians are being prosecuted. I have a list. I have done some research on the Internet. This is what we call ‘qualified privilege’. In the last three years, there have been at least three cases where Parliamentarians have been prosecuted in four civil actions and defamation because they could not justify what they have said in Parliament. So, now, it cannot be ‘any person’, it must be an authorised person because we are the ones who will give them that authority to authorise. Not the Select Committee, now we have a Parliamentary Committee. Unfortunately, we have not been allowed to sit in the Parliamentary Committee. It has sanctions only against the broadcaster...

**Madam Speaker:** Hon. Baloomoody, I’ll just interrupt you because you are saying that you have not been allowed to sit on that Committee. This is not correct.

**Mr Baloomoody:** Let me clarify. Two Members have not been allowed to sit on that Committee. |Because, remember that Committee can sanction only the broadcaster who has been authorised; it cannot sanction any Dick, Tom and Harry. So, it should be ‘authorised broadcaster’. So, this is my contribution in that debate. Thank you, Madam Speaker.

**Madam Speaker:** Hon. Bodha!

(5.37 p.m.)

**The Minister of Public Infrastructure and Land Transport (Mr N. Bodha):** Madam Speaker, it gives me great pleasure to say a few words on this Bill. I see that the quality of debates is getting better, maybe, because of the cameras.

I would like to congratulate hon. Baloomoody for some very interesting and valuable contribution and having enlightened the House on a number of issues. I will address a few of them.

As regards the three levels of authorities and institutions, you have ICTA, the Tribunal and the Advisory Council. The fact that the regulator falls under the purview of the Prime Minister's Office, it does not prevent the whole system to work properly. He mentioned the issue of confusion, but this is the case today itself. ICTA is already under the purview of the Prime Minister and it does not prevent the working of the different levels of institution.

Madam Speaker, as regard to the composition of the Board, as mentioned by hon. Baloomoody saying that we may be in violation of the WTO rules as regard to independence with the representatives of the Ministry responsible for the subject of finance and a representative of the Ministry responsible for Information Technology and Telecommunications. I will leave it to the hon. Ag. Prime Minister to answer to this and maybe we can be also enlightened by the State Law Office to tell us whether really we have to go that far.

From the notes which have been given to me is that section 5 of the ICTA Authority has been repealed and replaced by a new Section 5 so as to enable the appointment of new representatives on the ICT Board, representatives of the Ministry of Finance, representative of the Ministry of Technology and the Attorney General's Office. I think it is a good thing that the Attorney General's Office is present on this Board. In the past, there was only one representative of Government and that was the Secretary for Home Affairs. So, the ICTA Authority being a very important organisation which falls under the purview of the Prime Minister's Office could not be represented only by one representative. There was a need to change and there was a need to bring it a bit at the level of the IBA where the Government has three representatives.

Madam Speaker, hon. Baloomoody also mentioned the whole issue of members who can be nominated and the qualification is that they should have sufficient knowledge and experience in the field. He mentioned about sufficient knowledge. We don't know what is insufficient and it could allow, I would say, to some abuse. But, I think the fact that the Board is going to be nominated by the Prime Minister and it is going to go through Cabinet, I am convinced that we will have people who are valuable, who have the expertise because the fields are specific. In the field of information and communication technologies, in the field of computer science, in the field

of broadcasting, in the field of telecommunication law and in the field of the Internet and electronic commerce. I don't think we have many people who would be able here to fall in this category. So, I think we have to leave it to the discretion and the wisdom of the Prime Minister and Cabinet.

Madam Speaker, there were also a few other issues and I am going to come to them. I am very happy because you mentioned today itself that the cameras are here, the tests are being carried out and hopefully maybe in December we will be able to have a pilot broadcasting programme and hopefully we will be able to be broadcasting live to Mauritius, to the people and to the world when we resume in March.

*(Interruptions)*

Madam Speaker, we have said a lot about it, that is, bringing Parliament to the people, democracy at work and democracy in the drawing room, I think it is a big step. It is a revolution! And, we all agree on this. We have been waiting for this and I think we are very happy that it is going to happen.

As the Chairperson of the Parliamentary Committee we, in fact, studied together with the State Law Office the two amendments which are necessary to allow Multicarrier to be exempt so that we can operate the transmission station for the broadcast of proceedings of the National Assembly. Well, this has to be done. Technically it has to be done. We have to be legally abiding to the legislation to be able to broadcast. In the same manner, we are amending the Independent Broadcasting Authority to provide that the National Assembly shall be exempt from being licensed by the Independent Broadcasting Authority.

Well, it is a pity that the hon. Members of the Opposition did not form part of the Parliamentary Committee. It would have been a good thing. I for one I think it would have been a very good thing. I think today we are amending the law and the technical application is already underway. I went to visit the vision control and had an idea of the setup, of the shots. We have also agreed on the rules of coverage. We have also agreed on the guidelines for the use of the signal for the broadcasters and the use of the signal also for streaming on the Internet. So, we are ready, Madam Speaker, and it will be to your honour that we will be able to launch the live broadcasting very soon.

Madam Speaker, there are a few other amendments which have been brought. In section 32, from what I have been told, we have some clarifications as regards the definition of contents. For example, we are deleting the words 'contents or substance of a message' and replacing them by 'a message or any information relating to that message'. So, we are extending the meaning of 'message'. At the same time, the wording has been corrected and today the information and communication message will mean a message passing over an information and communication network including the telecommunication network that is, including all the social media.

The law is also becoming more severe as regards the use of telecommunication equipment to send, to deliver or to show a message which is obscene, indecent, abusive, threatening, false or misleading or is likely to cause distress and anxiety. Madam Speaker, we all know how fast - hon. Baloomoody is right, this is a sector which is going so fast and one innovation often becomes viral and you have millions of people following that application. Today, in Mauritius from the figures which have been given to me, we are at the end of 2015, 140 per cent of our population in terms of mobile. So, we are 1.4 x 1.3 million! We are almost 2 million mobiles in Mauritius! And, we have had a number of cases where people are tempted, in fact, wilfully or not or recklessly to use telecommunication equipment to send obscene, indecent, abusive, false or misleading information. We have had many cases. We have had few cases, in fact, involving students and there was one famous case.

I think that the law here becoming more strict is very important because you have many people as in the new paragraph K saying that people wilfully tampering or causing to be tampered the International Mobile Station Equipment, the IMEI of any mobile device, this also becomes a serious offence. Not only using your telephone to send or deliver a message which is likely to cause distress or anxiety that is an abuse of your mobile, this is going to be a stricter offence.

Now, what is the International Mobile Station Equipment Number? From what I have been told, this is a 15 digit number of each phone. So, you have your phone number which you use. This one is a 15 digit code which is a unique number assigned to a mobile phone by the manufacturer and it is used by GSM networks to identify the device. That is how you can know where the device is. Tampering with that - we are bringing this because, in fact, the law was behind the offence so, the law today is catching up the possibility that an offence be committed with the IMEI number of a stolen device because if you block the IMEI you will not be able to

retrace the phone. But, in the world of today, for investigation and in many cases this is very important. The amendment is coming at the right time where, for example, we had some fresh worries cropped up in India where the central security agencies where two software programs called Spiderman and Chinaking were found aiding the task of changing IMEI numbers of phones which were manufactured in China.

Today, changing the IMEI number of mobile phone devices will now be considered as a serious offence and all those who are found guilty of wilfully tampering and causing to be tampered the IMEI of any mobile device will be subject to criminal prosecution, Madam Speaker. This amendment is expected to discourage those illicit actions and also to help decrease counterfeiting. We all know that a lot of people may wilfully send messages. We have had cases where photos, pictures or videos are made in a very innocent manner and then used in a very abusive manner. So, I think the Bill is an answer to these problems, Madam Speaker.

I would like to say a few words on the issue of civil or criminal proceeding shall be instituted against any person for broadcasting the proceedings of the Assembly.

In fact, in the Parliamentary Committee there was a lot of debate about this. In fact, we thought about those who are producing the signal, that is, those who are sending the signal live and distorting some image of what is happening in the House, whether we could have recourse to the law because he is distorting the image at the Vision Control, here, in the Parliament House. So, we said that this relates to civil and criminal proceedings against any person who is broadcasting. I totally agree with hon. Baloomoody and I think the Ag. Prime Minister also will agree that we can add the word 'authorise'. So, we will bring an amendment. But I would like also to say that this does not mean that broadcasters can tamper with the proceedings of the House. Let me explain to you.

Live broadcasting means a constant flow of what is happening in the House without any alteration. It's a production. We had agreed together when we had the Parliamentary Select Committee that the Private Notice Question (PNQ) and the Prime Minister's Question Time will go live on radio and on TV as a free-flow. All the radio networks have agreed on this, and I think it is a good thing.

Now, when it comes to the Question Time, which we had today, you will have a live broadcasting on the dedicated channel. It would be a free-flow of what is happening in the House.

But if tomorrow you have another network, they may not wish to have hours and hours of parliamentary proceedings. So, they are going to have edited versions. Now, in doing this editing, if they tamper and they distort the proceedings of the House, do they fall under this amendment? No! But they will fall foul of the Standing Orders because it will be contempt of Assembly. Then, if there is a distortion of what happened in the House in a reported or edited form on radio or on television, then the recourse will be for us, parliamentarians, who feel aggrieved, to come to you, Madam Speaker. We can raise a privilege complaint with a written notice on the matter to you on a sitting day, as soon as reasonably practical after the Member has taken notice of the alleged attempt or breach of privilege. Then, yourself, Madam Speaker, you will appoint a day where he will inform the House and the Member will raise the matter. He will table a Motion, setting out briefly the nature of the complaint and seeking the matter to be referred to the Director of Public Prosecutions for appropriate action.

If, you, Madam Speaker, are of the opinion that the circumstances reported to you do not amount to an offence, then the matter will lapse or otherwise you will do what is needful. So, in fact, this amendment as regards to immunity goes as regards to the broadcasting, but if you distort it and in any matter you do not reflect what happened in the House, then any Member can come to you and raise a complaint and say that there was an alleged possibility of contempt of Assembly.

Madam Speaker, I think I have brought my contribution. There is no much to say. Technically, it was high time that we should be able to have the legal provisions for the live broadcasting. As I have said, the debates are getting better. I think that everybody is going to prepare their speeches before standing up. I am very, very sure that, out there, all those who have voted for us, be it in Government or in the Opposition, will be looking forward to see their representatives paying respect to the dignity of the House.

Thank you, Madam Speaker.

(5.55 p.m.)

**Mrs D. Selvon (Second Member for GRNW & Port Louis West):** Madame la présidente, je parlerai de l'Article 5 de l'amendement concernant la composition de l'*Information and Communication Technologies Board*.

Tout d'abord, l'amendement qui est devant nous concerne essentiellement l'adaptation de l'*Information and Communication Technologies Board* à la décision gouvernementale de retransmettre en direct au public mauricien les travaux de l'Assemblée nationale.

Il existe, donc, une dimension très importante en toile de fond de la mission confiée à ce *Board*. C'est une mission qui consiste à assurer un support approprié à la diffusion d'informations parlementaires au plus grand nombre possible de Mauriciens et dans tous les coins de notre pays.

Dans l'Article 5 de l'amendement, un nouveau *Board* est proposé avec de nouvelles nominations. Dans ce contexte, mon intervention se résumera à demander qu'il y ait tout d'abord, sous l'Article 5, de réelles consultations entre le Premier ministre et le Leader de l'opposition pour le choix du *Chairperson* du *Board*. Durant ces consultations, il faut que les deux expriment bien leur opinion, et si possible, se mettent d'accord sur le choix de cette personne. Nous sommes encore loin d'une solide tradition de consultations réelles sur des sujets qui n'ont rien à voir avec la politique partisane, mais qui ont un rapport certain avec la qualité d'un service public d'une importance nationale.

Nous sommes également encore loin d'un système de *screening* et de *vetting* des candidatures à des postes dans les commissions et les *Boards*, important pour la bonne gouvernance.

Dans ce contexte, je fais un appel au ministre, qui nommera quatre des neuf membres du *Board*, en lui demandant de faire preuve de beaucoup de rigueur pour désigner des personnes qui sont effectivement des spécialistes connus pour leur sérieux, leur droiture, et ayant une expérience professionnelle adéquate dans les domaines spécialisés et spécifiques mentionnés par l'Article 5(4)(a).

Je terminerai en attirant l'attention de la Chambre sur le fait qu'il y a eu trop de critiques, parfois justifiées, de nominations de membres de *Boards* pour des raisons qui comprennent des qualifications insuffisantes ou un *vetting* et un *screening* inadéquats, ce qui donne lieu à d'interminables controverses.

Je vous remercie, Madame la présidente, et je remercie tous les membres pour leur attention.

(5.58 p.m.)

**Mr S. Rutnah (Third Member for Piton & Rivière du Rempart):** Madam Speaker, we live in an era where things are made with speed and intelligence. Not at ordinary speed, not at locomotive speed, but at broadband speed. News in today's world circulate at broadband speed. As hon. Dr. Sorefan is pointing out to me, the cameras are going to video record and transmit live footage of what is going on in the people's Assembly here.

Madam Speaker, it is important to bring this amendment so that the Multicarrier or the Multiplex operator can actually transmit footage from here without paying or without having the obligation to pay any fees and be exempted. This, of course, is consonant with the programme of this Government to strengthen democracy in this country.

Madam Speaker, coming to the proposed amendment itself, I will start by section 4 of the amendment. In the main Act of 2001 - I am so sorry, I am referring to Section 4, but in fact it is Section 3, but Clause 4 – Section 3(2) which is the subject of the amendment, in the Principle Act it reads as follows –

“The Minister may, on the recommendation of the Authority and on such terms and conditions as he thinks fit, exempt any Government Department or statutory corporation from compliance with this Act in the interests of the sovereignty of the State, national security and public order.”

And I am going to emphasise on this 3-letter word, the conjunction ‘and’, whereas in the proposed amendment the conjunction used here is a 2-letter word, ‘or’. I know that when lawyers interpret statute, sometimes they have to refer themselves to the interpretation and general clauses Act to ascertain whether this is inclusive or exclusive, whether it is interpreted conjunctively or disjunctively. I suggest that instead of the use of the word ‘or’ here after the ‘sovereignty of the State, National Security or public order’ it should be as in the Principle Act; it should be ‘and’ so that those who will interpret this statute in Court will not have to go to refer to the interpretation and general clauses Act and that it is clear from the very inception of the Act from this House that they are not inclusive, but mutually exclusive.

Insofar as the comments made by hon. Baloomoody in relation to Section 4, Section 34 and Section 36 of the Principle Act and in particular Section 4 of the amendment in relation to the

establishment of the ICTA authority, there is the establishment of an ICTA authority in the main Act and this part has not been touched at all by the amendment. In fact, if we refer to the debate of 2001, hon. Pradeep Jeeha, the then Minister for Information, Technology and Telecommunications, is the one who introduced the ICTA authority, the ICT Advisory Council and the establishment of the ICT Appeal Tribunal. Madam Speaker, what we are proposing here is that the ICTA stays intact. It is not to be touched. The establishment of the Council, Section 34 is not to be touched, except here, there is a proposal of four other members at the Board to be appointed by the Minister, but without consultation with the ICT Advisory Council. And here, according to hon. Baloomoody, it is a blank cheque given to the Minister. Now, let's look at what Section 34 is all about in the Principle Act.

Section 34 of the Principle Act and the proposed amendment in relation to the Board is today virtually similar. Section 34 (2) of the Principle Act states that the Council consists of a Chairman, a representative of the Prime Minister's Office, a representative of the Ministry responsible for the subject of Information, Technology and Telecommunications, a representative of the Ministry of Finance, a representative of the Ministry of Economic Development, a representative of the Joint Economic Council, a representative of the Mauritius Chamber of Commerce and Industry, three other persons representing the interest of consumers, purchasers and other users of information and communication skills, including telecommunications services.

So, all this scaremongering that we might be in contravention with the spirit and intendment of the WTO is neither here nor there when we now, in the Board, introduce virtually similar provision at Section 5(3) (c) because, in fact, it looks like a copy of Section 34. If there were no problem in relation to Section 34 with regard to the introduction of a representative of the Ministry responsible for the subject of Information, Technology and Telecommunications and a representative of the Ministry responsible for the subject of Finance, why now it should be a problem? And we all know that the ICT is a body over which the Prime Minister always has jurisdiction and this is what hon. Jeeha had to say in the 2001 debate, and for the benefit of the House, I quote –

“The authority will be administered by a 7-member Board comprising a Chairperson to be appointed by the Prime Minister in consultation with the Leader of the Opposition”

And we have not changed anything. In fact, it is intact. All that has been amended is to give authority to the multiplex operator to be exempted from the fees so that people at home can see what is going on in Parliament.

Now, insofar as the qualification issue is concerned, the hon. Members referred to in Section 3 (a) and (f) shall be persons having sufficient knowledge and experience in the field of information and communication technology, computer science, broadcasting and telecommunication, law, business, finance, internet or electronic commerce. In all these disciplines, Madam Speaker, we don't gather sufficient knowledge, experience, expertise by simply staying at home or having had worked somewhere by virtue of experience or world experience. No! In the discipline of law, it is mandatory that one has to go to University, has at least a degree. In the discipline of Computer Science, a university degree is required. In the discipline of communication, technology and Information, you have to. So, it is understood sufficient knowledge, simple statutory interpretation will lead to the irresistible conclusion that we are talking about people who have got sufficient academic and professional qualifications to be appointed.

So, the interpretation is wide ranging in order to allow transparency for as many candidates as possible to be chosen from a pool of people who are going to be interested in this kind of appointment.

Madam Speaker, in relation to everything that has been said about this Bill by the hon. Ag. Prime Minister and hon. Bodha, I endorse everything that has been said. On this note, I will end here.

Thank you so much.

**Madam Speaker:** Hon. Ag. Prime Minister!

(6.11 p.m.)

**The Ag. Prime Minister:** Madam Speaker, let me thank all the hon. Members from both sides who have intervened during the debate. In fact, the Members who sat on the committee, I must say that Members, from this side, have responded, I think, to all the issues that were raised during this debate. I must say also that - I'll come to that, probably - we will be accepting one of the suggestions that hon. Baloomoody has made. But whilst on the thanking mood, I would like to

thank, Madam Speaker, all the various Ministries and Departments, your office, who have, in fact, worked on the telecasting of Parliament. Therefore, it is a source of pride for me, in the absence of the Rt. hon. Prime Minister, to present this Bill because it is landmark. I think that all Members present here, on both sides, whether the Opposition or the Government alliance, will share this immense satisfaction that we are turning a new page in the history of our Parliament today.

Madam Speaker, we are proposing a number of amendments in this Bill. Perhaps, I'll just deal with one or two. The whole question of the two Ministries and all that is going to be dealt with shortly with the merger of the IBA and the ICTA under whichever Ministry. So, I think I will get rid of this issue of two different Ministries, but even in the meantime, it is one Government, not two Governments, even though. It is one Government.

Why are we bringing the changes to the Board? Because we are not satisfied - I am sure the Opposition too is not satisfied - with the way that the Board has operated, Madam Speaker. Independence does not mean no accountability. In fact, we are trying to put accountability where there is also independence. That is the issue and we thought it was appropriate. We have not chosen the Ministries just to have Ministries on the Board. The Ministries have been chosen because we thought that a member of the Ministry of Finance will provide advice and assist in the decision-making process and also in proper accounting procedures and fund disbursement at the ICTA. That is why there is there the Ministry of Finance which is now represented. Same for the Attorney General's Office because we thought it was necessary to have appropriately qualified legal persons on that Board to assist, again, in the decision-making process at the ICTA and the Prime Minister's Office because it is the lead Ministry and the Ministry of ICT because it is obviously a subject dealing with ICT.

Now, the question of whether there is some sort of conflict of interest according to legal advice we have from the SLO is that there is no conflict of interest because there is also one member of the Ministry of Finance who may be on the Board of Mauritius Telecom and another member of the Ministry of Finance who will be a member of this particular Board. In fact, I understand it is the same thing for the IBA. Whilst putting these ex-officio members, obviously, it may give the impression that we are trying to take over the control of the ICTA. But, in fact, Madam Speaker, you will note that there are 5, the majority will still be other members, not

Government members. There will be 5 including the Chairman who are outside of Government and 4 in Government.

I did not really have much more to say except we think that hon. Baloomoody raised a valid point about the broadcaster. We do, whilst we are giving the assurance to the broadcaster when he broadcasts whatever we are saying in this House that he will not be prosecuted for liable. I am sure that at some point in time there will be liable strictly speaking in this House, it is inevitable, but that the broadcaster will not be subject to prosecution. Nevertheless, we want to prevent abuse of this provision. Therefore, we will be circulating - I hope it is ready – during Committee Stage, an appropriate amendment so that this is covered. So, I would like to thank the hon. Member for his contribution. Similarly, I thank all Members for their help today.

Thank you.

*Question put and agreed to.*

*Bill read a second time and committed.*

### **COMMITTEE STAGE**

*(Madam Speaker in the Chair)*

### **THE INFORMATION AND COMMUNICATION TECHNOLOGIES (AMENDMENT)**

#### **BILL (No. XXI of 2016)**

*Clause 1 to 13 ordered to stand part of the Bill.*

*Clause 14 (Consequential amendment)*

*Motion made and question proposed: “that the clause stand part of the Bill.”*

**The Ag. Prime Minister:** Madam Chairperson, I move for the following amendment -

“In clause 14, in subclause (2), by deleting the proposed new section 3A and replacing it by the following section –

#### **3A. Immunity from broadcasting proceedings of Assembly**

No civil or criminal proceedings shall be instituted against any person authorised by the Assembly for broadcasting its proceedings unless such broadcast is made against such rules as the Speaker may prescribe.”

*Amendment agreed to.*

*Clause 14, as amended, ordered to stand part of the Bill.*

*Clause 15 ordered to stand part of the Bill.*

*The title and enacting clause were agreed to.*

*The Bill, as amended, was agreed to.*

*On the Assembly resuming with Madam Speaker in the Chair, Madam Speaker reported accordingly.*

### *Third Reading*

*On motion made and seconded, the Information and Communication Technologies (Amendment) Bill (No. XXI of 2016) was read a third time and passed.*

### *Second Reading*

## **THE CO-OPERATIVES BILL (NO. XXII OF 2016)**

*Order for Second Reading read.*

**The Minister of Business, Enterprise and Cooperatives (Mr Bholah):** Madam Speaker, I move that the Co-operatives Bill (No. XXII of 2016) be read a second time.

The object of the Bill is to repeal, re-enact and provide for a reformed, modern and appropriate legislative framework for the cooperative sector in Mauritius and Rodrigues.

The House will recall that Government, in its Programme 2015-2019, reckons the importance of the cooperative sector and has undertaken to further strengthen the cooperative movement by providing the appropriate legal, fiscal and policy support.

Moreover, consolidation of existing cooperatives and provision of facilities for the emergence of cooperatives in new sectors are also highlighted as priorities in the Programme. In this respect, a series of fiscal measures, such as the SME Development Scheme, the Bio-Farming Development Scheme, grant for acquisition of semi-industrial vessels, exemption from the payment of corporate tax to cooperatives in the non-sugar agricultural activities, amongst others, have been extended to cooperatives. In addition, several policy measures are also being

implemented to support cooperatives, particularly in emerging fields such as aquaculture and green economy.

Today, with the introduction of the new Cooperatives Bill into the National Assembly, Government is fulfilling yet another commitment regarding cooperatives in its Programme 2015-2019.

Madam Speaker, when 2012 became The Year of Cooperative, with the theme “Cooperative Enterprises Build a better World”, the UN Secretary General Ban Ki-moon told the world the following, and I quote –

“Cooperatives are a reminder to the international community that it is possible to pursue both economic viability and social responsibility”.

The Cooperatives Bill aims at providing for the promotion and the development of sustainable cooperatives that comply with the cooperative principles. It will promote equity and greater participation of vulnerable persons, women, youth, persons with disability and co-operators, both in urban and rural areas in cooperative business. Further, it will foster good governance and transparency by establishing the principle of independent auditing as a distinct function from those of the regulatory body.

With your permission, Madam Speaker, I would like to explain the rationale for having a new Bill. The Cooperatives Act 2005 was promulgated to provide a legal framework conducive for cooperative societies. However, various loopholes and practical impediments have been found during its implementation and enforcement. Some minor amendments were brought thereto in 2006 and these are inadequate to re-engineer the cooperative sector.

With globalisation and the changing economic situation worldwide, particularly in terms of ease of doing business, good governance and transparency, the present legislation, to a very large extent, no longer responds to the aspirations and the needs of the Mauritian cooperative movement. Substantial and significant amendments have to be brought to the cooperatives legislation, which have thus warranted a new Cooperatives Bill.

Madam Speaker, I wish to point out that, during the consultation exercise which officers of my Ministry and myself have carried out with co-operators and other stakeholders in the preparation of this Cooperatives Bill, the importance for the continued existence of cooperative

business in Mauritius and Rodrigues was highlighted. It has to be pointed out that cooperatives in the world exist since centuries and in Mauritius the first cooperative society was set up in 1913, i.e., more than 100 years now, and still represents a major stakeholder contributing in the economic development of our country.

Madam Speaker, the ever-growing need for cooperatives as an alternative of doing business will continue to exist for more centuries to address the worldwide challenges and crisis at all levels - economic, political or cultural. Other types of business may close down, but there is no doubt that cooperatives will be resilient to these challenges and crisis. Many factors speak in favour of this observation and I would like to cite a few of them –

- (i) cooperatives have established values and principles since their creation and despite changes in business models over the years, these values and principles have remained unchanged. In fact, cooperatives worldwide hold these principles and values with pride. These include: self-help, democracy, equality, solidarity, equity, honesty, autonomy and independence, education, training and information as well as concern for the community;
- (ii) the diverse nature of the cooperative business in the form of agriculture, housing, transport, finance, health, emerging sectors and entrepreneurship cooperatives, for instance, offers a great potential to create employment, generate wealth and democratise the economy;
- (iii) the cooperative movement's aspirations are in line with the strategy for poverty eradication through entrepreneurship, ease of doing business, easy access to finance, easy access to market, and employment creation;
- (iv) the strength of cooperatives, compared to other types of business, lies in the fact that they are grassroots organisations, multi-sectorial, and pervade every aspect of human endeavour. Cooperatives provide a relatively more permanent institutional framework through which problems of basic human needs can be met. This cannot be seen in other business models, except in cooperatives;
- (v) cooperatives empower people by enabling even the poorest segments of the population to participate in economic progress. They create job opportunities for those who have skills but with little or no capital and they provide protection by organising mutual help in communities, and

- (vi) cooperatives have the ability to integrate women and youth into the work-force, as these vital human resources are very much under-utilised. Cooperatives can, thus, function as a common workforce when cooperative members work together in a joint production unit, thereby creating organised self-employment.

Madam Speaker, in Mauritius and Rodrigues, the cooperative movement comprises around 1,200 active cooperatives, of which 1,183 are primary societies with about 95,000 members. There are also 17 secondary societies and one tertiary society, which is the apex body of the cooperative movement, namely the Mauritius Cooperative Alliance Limited, set up in July this year.

The annual turnover of cooperatives in Mauritius turns around Rs5.8 billion. In addition, the cooperative movement generates, directly or indirectly, employment for some 35,000 persons. The main activities undertaken by the cooperative societies are –

- production and marketing of sugarcane, accounting for around 10% of the national sugar production;
- potatoes cultivation, accounting for about 25% of our total potatoes production;
- production of onions, which accounts for about 70% of local production;
- production of fresh vegetables, which accounts for 80% of total vegetables produced in Mauritius, and
- others such as livestock, fish, handicraft and credit and savings.

Madam Speaker, it should, however, be acknowledged that everything is not as rosy regarding the activities of cooperatives. In fact, over the years, we have witnessed the closing down of several societies and even cases where few societies have ‘crashed’, if I may put it so. Unfortunately, the Cooperatives Act 2005, as amended in 2006, did not make any provision to address this situation. In some cases, we have also witnessed those persons who have been responsible for the downfall of a society, have not been held liable for their acts and doings. They have gone unpunished and the cooperatives and their members have been the losers. This is indeed sad for the cooperative movement in Mauritius and Rodrigues.

Madam Speaker, through these happenings, we have drawn various key lessons and there is an urgent need to have an appropriate legal framework to address issues such as -

- (i) good governance;

- (ii) mismanagement and misuse of funds;
- (iii) financial irregularities, and
- (iv) liabilities of Directors.

There is every reason to believe that cooperatives have an immense potential to contribute in the socioeconomic development of our country. What they need is the appropriate framework and support. And this is precisely the overall objective of the Cooperatives Bill.

Madam Speaker, with your permission, I would now wish to elaborate some of the salient features of the Cooperatives Bill 2016.

### **Tertiary Society (Clause 7)**

The present Cooperatives Act provides for the setting up of a Tertiary Society, but is silent on the number of such societies that could exist. In fact, the role and responsibility of the Tertiary Society is also not clearly defined in the legislation. The new Bill, therefore, corrects this anomaly and provides for the setting up of only one Tertiary Society to act as the apex and mouthpiece of the whole cooperative movement.

Madam Speaker, this apex body will be responsible to coordinate, assist and promote activities for the development, growth and expansion of all cooperative societies. It will also perform representational and other functions as may be determined by its affiliated members. The Tertiary Society will complete the pyramid of the cooperative movement, performing at the highest level to create the appropriate environment in which cooperatives can develop and function successfully. No doubt, the coming into operation of the Tertiary Society will significantly influence the level of support that is available to cooperatives to develop themselves.

Madam Speaker, in brief, the Tertiary Society's mission will be to develop an organised, self-reliant body, democratically controlled and member centred cooperative movement for sustainable development through effective regulation, continuous technical support and resource mobilisation. It will, in fact, be the watchdog for cooperative federations and societies.

### **Liability of Directors (Clause 52)**

Madam Speaker, the Board of Directors has an important and strategic role in the success of a cooperative society. Directors are expected to act prudently and in the best interest of the cooperative society. They have also to exercise a degree of care and diligence in the performance

of their duties. Unfortunately, as the House is aware, a few Directors tend to abuse the situation and, surprisingly, they are not held liable for any loss sustained!

In fact, the Cooperatives Act 2005 does not provide for liability of Directors in the event of any shortcomings or default on their part whereas other stakeholders and office bearers such as employees, auditors and internal controllers are liable for their actions. This is indeed by itself a serious gap in the legislation with regard to the management of a society. This loop-hole has in some way contributed to certain malpractices in a few cooperative societies. Therefore, with a view to rendering the directors more responsible for their acts and improve the cooperative image, provision for the liabilities of directors has been made in the Bill.

**Anti-Money Laundering and Combatting Financial Terrorism (Clause 57)**

Madam Speaker, the Finance (Miscellaneous Provisions) Act 2016 has amended the Cooperatives Act 2005 and made provision for cooperatives to comply with the Financial Intelligence and Anti-Money Laundering Act. This amendment is now being included in the Cooperatives Bill and the provision will subsequently be repealed in the Finance Act.

Madam Speaker, I wish to highlight that, the Cooperative Credit Union segment, with a turnover of around Rs2.5 billion, is the most prosperous one in the cooperative sector in Mauritius and Rodrigues. Currently, there are 163 active cooperative credit unions, which provide direct employment to 100 persons.

As cooperative credit unions act as ‘miniature bank’ in accepting deposits and granting loans to their members, they had to be appropriately regulated, which was not so until the Finance Act has been enacted.

Madam Speaker, this has led to a situation whereby, over the recent years, certain cases of mismanagement, misappropriation and misuse of funds have been detected amongst cooperative societies.

Whilst in some cases, the extent of such fraudulent actions were not so alarming, the recent occurrence of the financial crisis in a multi-purpose cooperative society has shown that, fraud, and financial malpractices can also be very alarming in some instances.

Accordingly, Clause 57 of the Bill provides for all societies to carry out their financial transactions in transparency and accountability, in accordance with the Financial Intelligence and

Anti Money Laundering Act. In this respect, societies and their members have to explain their source of funds.

This provision in the Bill also shows Government's commitment to adhere to international initiatives to combat money laundering and financial terrorism at all levels.

**Definition of Revenue recognition instead of Turnover (Clause 73(2) a)**

Madam Speaker, I would not turn to the provision regarding auditing of cooperative societies. The Cooperatives Act 2005 provides for the Registrar of Cooperative Societies to audit the account of a society having a turnover of less than Rs10 m. In the absence of a clear definition of "turnover", societies were having difficulties in determining their respective turnover. This is also against the principle of Financial Reporting Standards.

The new Bill corrects this anomaly by replacing 'Turnover' with 'Revenue', that is the inflow of economic benefits arising in the course of the normal activities of a society.

Cooperative Societies will thus align themselves with the Financial Reporting Standards for Small Entities and shall apply Revenue recognition instead of Turnover in their financial transaction.

It has to be noted that the ceiling for Revenue for a society to benefit from the State-auditing facility will be prescribed by way of Regulations so as to ensure that, a maximum number of societies, in particular, the vulnerable ones, continue to benefit from the service offered by the cooperatives' auditors.

Allow me to mention here, Madam Speaker that the Cooperatives Division of my Ministry has carried out a survey to determine the amount of revenue to be fixed in the auditing of the societies to be done by Government Officers. I seize this opportunity to assure cooperative societies that the ceiling of the revenue will be such that all societies currently benefiting from this facility will continue to avail of this privilege. If in the course of the implementation of this provision, it is observed that benefiting societies may no longer be eligible for this auditing service, the ceiling for revenue will be reviewed accordingly.

**Setting up of a Cooperative Audit Unit (clause 72)**

Madam Speaker, traditionally, the audit of cooperative societies has been carried out by officers of the Cooperatives Division of my Ministry, under the control of the Registrar of

Cooperative Societies. In fact, as this House is aware, this auditing function could have been done either by Government Officers or external auditors, qualified or unqualified.

However, when cooperative societies were initially set up and given their inability to hire the services of external auditors, the Cooperatives Division of my Ministry was providing all auditing services. Thereafter, as from the promulgation of the Cooperatives Act 2005, the Cooperatives Division is carrying out the auditing of only societies having a turnover not exceeding Rs10 m.

With this present legal provision, whereby the Registrar of Cooperative Societies is responsible for both the auditing function of societies as well as the regulatory functions, the principle of good governance is not being adhered to and the possibility of conflict of interest does exist.

It has to be pointed out that many countries such as India, Malaysia and Singapore, have separated their auditing function from the Registrar of Cooperative Societies to ensure independence, transparency and good governance. They have, in fact, created an independent and autonomous body to carry out the audit of cooperative societies.

The Cooperatives Bill corrects the anomaly in the present legislation by providing for a separate entity, that is, the Cooperative Audit Unit to carry out the audit function, thereby delineating the regulatory duties of the Registrar of Cooperative Societies. The audit shall be carried out in accordance with the Financial Reporting Standards set by the Financial Reporting Council.

This new Unit will be headed by a Principal Cooperative Officer who will be accountable to the Supervising Officer of my Ministry. However, he will also have a linkage with the Registrar of Cooperative Societies inasmuch as he will have to draw the attention of the latter on any suspicious case of mismanagement, malpractice, misuse of funds or any other shortcoming. Moreover, he will also submit to the Registrar of Cooperative Societies a copy of the audited financial statement along with the audit report for each society, so that the latter can take any timely remedial action.

Madam Speaker, I wish also here to underline that in Budget 2016-2017, provision has been made for the creation of posts in the Cooperative Audit Unit Cadre. As such, the implementation of this provision will be effected shortly after the Bill will be enacted.

**Joint Venture (clause 89)**

Madam Speaker, another important provision in the Bill at Clause 89 concerns joint venture between a cooperative society and any other business organisation, whether locally or internationally. The Cooperatives Act 2005 makes provision only for amalgamation, merger and conversion of a cooperative society. In all these instances, at least one society loses its entity. Until now, therefore, no society can enter into a joint venture business.

It is recognised that joint ventures are, in today's world, offering opportunity for many businesses to expand and consolidate their growth domestically and internationally whilst each business will keep its identity. In fact, joint ventures are mainly formed for the purpose of technology transfer, research and development, supply of technological know-how, gaining market access in a particular country and increasing capital, amongst others.

There is every reason to believe that by being legally authorised to enter into a joint venture, cooperative societies will benefit from their partner's resources in terms of alleviation of shortage of capital, costs and risks sharing, economies of scale and transfer of knowledge.

For smaller cooperatives societies with insufficient finance and specialist management skills, the joint venture can even prove to be an effective method of obtaining the necessary resources to enter into new markets as a diversifying strategy. I have no doubt that, in future, more cooperative societies will adopt the joint venture approach as a part of their growth strategies.

**Establishment of a National Cooperative College (clause 103)**

Madam Speaker, Government's aim is to promote the cooperative model of doing business. To achieve this goal, it has to ensure that potential and would be co-operators, in particular, the youth and women are adequately empowered and trained.

Being given the specificity of cooperatives, the type of management skills required, the modalities for keeping of books and accounts, the concern for ensuring community participation,

in line with cooperative values and principles, it is essential that an appropriate Training and Capacity Building Strategy be developed and implemented.

The National Institute for Cooperative Entrepreneurship (NICE) as provided in the Cooperatives Act 2005 has limited possibilities, in its current form to meet this target.

In this respect, Madam Speaker, the scope and the role and responsibility of the National Institute for Cooperative Entrepreneurship are being widened through its upgrading to a National Cooperative College.

The College will henceforth cater for training and capacity building for different stakeholders of the cooperative movement. It will provide MQA approved courses in cooperative education and other related courses and also be empowered to award certificates to its trainees. The College will further conduct research in cooperative development to ensure that the movement keeps track with worldwide development in the sector.

I would wish here to mention, Madam Speaker, that with a view to enabling the College to function in a conducive environment, provision has been made in Budget 2016-2017 for the upgrading of the present building accommodating the National Institute for Cooperative Entrepreneurship.

#### **Good Governance (Clause 118 (2) (b))**

Madam Speaker, I will now come to the issue of Good Governance in the Bill. In fact, besides the values and principles of cooperatives, Good Governance is the pillar on which the modern cooperative movement would have to stand while re-engineering the cooperatives business model in line with emerging trends and modern management. Good Governance establishes the element of trust and reduces the risks for malpractices and mismanagement that may exist or crop up at different levels in a cooperative society. The present legislation unfortunately does not provide for any Code of Ethics or Code of Best Practices for cooperatives. This situation has led to serious shortcomings in a few cooperative societies.

Accordingly, to address the issue, the Co-operatives Bill will provide for Good Cooperative Governance based on the principles of transparency, accountability and control. It sets a code of best practices which provides effective guidelines to ensure sound and proper functioning of cooperatives.

Madam Speaker, the Good Cooperative Governance principles lay the framework by which the Board and management of a cooperative society are held responsible and accountable for the operations they oversee. This provision will ensure that the relationships amongst Management, Board Members and other stakeholders are transparent, fair and well balanced.

Madam Speaker, the Bill further provides for any person failing to comply with the principles of Good Cooperative Governance to be liable to a fine not exceeding Rs100,000.

#### **Computerisation project (clause 124)**

Madam Speaker, another essential provision of the Cooperatives Bill concerns the computerisation within the cooperative sector. We should recognise that the cooperative movement today comprises an ageing population.

Moreover, most of the active cooperative societies are keeping their records manually and are also presenting and submitting their financial statements manually. Each year, there has been a delay in the submission of such documents according to the statutory provisions, in the absence of both computer facilities in cooperatives and the untrained employees to use computers.

It has to be acknowledged that the manual keeping of records and the present mode of handling other documents in cooperatives are demotivating factors for the young generation to join the movement. We are aware, that the youth in general are computer literate and they are more willing to perform tasks digitally and rapidly on real term basis.

In this respect, Madam Speaker, the Co-operatives Bill provides for online application for registration of societies, online submission of annual returns including financial statements, online payment of any fees and the keeping of books and records electronically as well.

Moreover, the filing of any notice, including convening of members for meetings can also be done electronically, which is not the case so far.

Madam Speaker, to ensure that these provisions can be effectively implemented, the Cooperatives Division of my Ministry is being computerised. In addition, the Ministry is assisting financially, the societies for the capacity building of its users. Support is also being given to the societies for the development of an appropriate software for the keeping of the accounts and other documents.

We are also proposing to support societies in need, in the acquisition of computers and other equipment. Besides, computer facilities will be available in all the 13 Regional Cooperative Centres of my Ministry and societies will be allowed to avail of same at no cost.

Madam Speaker, I am confident that these measures will contribute to the rejuvenation and modernisation of the cooperative movement and will, no doubt, leave a legacy to the forthcoming generations.

### **Offences**

Madam Speaker, the last provision on which I wish to dwell concerns offences and fines for failure to comply with the provisions of the legislation.

It is true that the Cooperatives Act 2005 provides for any person who fails to comply to any provision thereto, to be committing an offence and to be liable to a fine not exceeding Rs100,000, irrespective of the nature of the offence committed.

With this current provision, it should be admitted that it is hardly possible to enforce same. I take the example of a Secretary of a society who fails to submit the Minutes of Proceedings in time to be liable for the same penalty as a person who wilfully destroys a document of the society or a Director who fails to remit important documents or assets on the termination of his tenure of office.

Accordingly, to address this anomaly the Co-operatives Bill provides for different penalties for different types of offences. To mention a few I will cite –

- Clauses 24 and 25: Provision is made for a society to pay a fine not exceeding Rs10,000 in the event of not keeping and maintaining a register of members or not producing its books and documents for inspection by authorised persons.
- Clause 29 (5) provides for an employer who fails to execute an agreement in favour of a cooperative society to be liable to a fine not exceeding Rs20,000.
- Clause 49 (3) provides for an outgoing Director or Secretary who fails to hand over the society's books and documents in its possession to the incoming Director or Secretary, to commit an offence and be liable to a fine not exceeding Rs200,000.

- Clause 57 (5) of the Bill provides for any internal controller or auditor who fails to adhere to the provisions of the anti-money laundering requirements to be liable to a fine not exceeding Rs1m.

Madam Speaker, I wish to conclude my intervention by assuring this House, the cooperatives societies and other stakeholders concerned that the Co-operatives Bill has taken into consideration various parameters that will pave the way for a modernised, rejuvenated and strong cooperative movement. This new Bill will no doubt provide an appropriate and conducive framework for the development of a diversified and innovated Cooperative Movement in Mauritius and Rodrigues.

Madam Speaker, I also wish to mention that the new Bill, in line with Government Programme 2015-2019, will lead the Mauritian Cooperative Movement towards, amongst others -

- (i) Creation of jobs in existing and emerging sectors;
- (ii) Empowerment of women and the youth as well as (Poverty Eradication Strategy) through cooperative entrepreneurship business models;
- (iii) Promotion of good governance and ease of doing business, and
- (iv) Modernisation and professionalization of cooperative societies.

On this point, Madam Speaker, I wish to conclude by quoting a remark from the UN Secretary General, Mr Ban Ki-moon, and I quote -

“The United Nations estimates that one person in every 6 is either a member or a client of a cooperative. Worldwide, some 2.6 million cooperatives employ 12.6 million people. The assets are worth US\$ 20 trillion and they generate about US\$ 3 trillion as annual revenue.”

The Co-operatives Bill before this House today paves the way for the sustainable development of cooperatives in Mauritius and Rodrigues.

Madam Speaker, with these words, I now commend the Bill to the House.

**Mr Seeruttun rose and seconded.**

**Madam Speaker:** Hon. Uteem!

(6.49 p.m.)

**Mr R. Uteem (First Member for Port Louis South & Port Louis Central):** Madam Speaker, the Cooperative Movements in Mauritius has been instrumental to the socio-economic development of Mauritius. The Cooperative Movement in Mauritius is just over a century old. It all started with the publication of the Royal Commission chaired by Sir Frank Athelstane Swettenham in 1909. The celebrated Manilall Doctor appeared before that Commission and deponed, he stated how difficult it was for sugarcane planters to obtain finance and market their products because no banks would be lending them.

Following this Commission, the Swettenham Commission, in 1913, we had the first Ordinance, the Cooperative Credit Societies Ordinance, to encourage thrift, self-help and cooperation among agriculturists, artisans and persons of limited means. In those days, Madam Speaker, the cooperative movement was limited to those operating in the sugarcane sector. However, in February 1945, Mr Campbell, a former Joint Registrar of Cooperative Credit Society in Ceylon, visited Mauritius and submitted his report, and following the report of Mr Campbell, there was a new Cooperative Societies Act in 1945 and the cooperative movement was extended not only to the sugar cane sector, but also to all spheres of the economy, including consumer societies.

The next amendment came in 1976, which replaced the 1945 Act, and allowed credit unions to accept members from people who were less than 18 years old. In 2005, the 1976 Cooperatives Act was replaced by the Cooperatives Act of 2005, which was amended one year later. So, it is after one decade that we are coming again with a new Bill for the cooperative movement.

Madam Speaker, according to the Annual Report published by the Cooperative Division of the Ministry of Business, Enterprise and Cooperatives for the period July 2014 to June 2015, as at June 2015, there were 950 cooperative societies with an aggregate membership of over 133,000 people and an aggregate turnover of above Rs3.7 billion. As the hon. Minister has just reminded us, today, cooperatives account for 40% of sugar cane planters, 70% of onion production and 40% of potato production through the agricultural marketing cooperative societies.

Today, Madam Speaker, the cooperative movement is present in all spheres of economic activities: agriculture, fisheries, livestock, pig breeding and even in the bus industry. Women

Entrepreneurs Cooperative Societies, Madam Speaker, have played a crucial role to promote entrepreneurship amongst unemployed women, be it in Mauritius or Rodrigues. Many of the pickles, *piments confits*, local handicraft, are produced, marketed and sold by those Women Entrepreneurs Cooperative Societies. Cooperative Credit Societies, Savings and Credit Unions have provided micro-finance to small businesses while developing a culture of thrift among their members. Without the Cooperative Credit Unions, Madam Speaker, it would have been very difficult, if not impossible, for several hundreds of entrepreneurs to obtain micro-finance in this country through lack of assets to give as security.

Today, Savings Cooperative and Credit Unions have over 80,000 members and a turnover of above Rs2 billion. Cooperative societies, Madam Speaker, have also been a pioneer in Islamic finance. I still remember my first meeting with the representatives of the Al Barakah Multipurpose Cooperative Societies Ltd. 15 years ago. I was lecturing on Islamic finance and I remember meeting the team, a very dynamic team, who was struggling; they had just launched their credit union and they had a vision to provide facilities to its members in a sharia compliant manner. Today, I am very happy. 15 years later, the Al Barakah Movement has over 2,500 members and is generally cited as an example internationally and is invited to various conferences as a model for a success in cooperative movement.

Madam Speaker, let us, today, pay tribute to all the pioneers in the cooperative movement, to all those who devoted their time and energy to the development of the cooperative movement in Mauritius, be it at the level of the cooperative society, at the level of the federation or at the level of the Cooperative Divisions in the Ministry.

Unfortunately, Madam Speaker, there has also been the inevitable black sheep in the cooperative movement. The most recent example is the Vacoas Popular Multipurpose Cooperative Society Ltd where there have been allegations of massive frauds. Answering a PQ, which I asked to the hon. Minister of Business, Enterprise and Cooperatives last year, on 15 September 2015, the hon. Minister confirmed that an enquiry by a panel of three Inspectors appointed by the Registrar of the Cooperative Division revealed several financial and managerial irregularities such as huge amounts of loans being granted without adequate security to the CEO and her close ones; severe liquidity problems and mismanagement by the Board of Directors. I, then, made a plea, Madam Speaker, to the hon. Minister, and I quote -

“Will consideration be given to bring the necessary amendments to the Cooperatives Act so that officers of the Cooperative Division are empowered to ask questions and investigate into Cooperative Societies, so that we don’t have a repeat of what has happened in this credit union?”

The hon. Minister answered –

“Of course, we are working on the amendments.”

And I am happy, Madam Speaker, that the hon. Minister has kept his word and has brought this Bill before this House on the very first session of this term, and I commend him for doing so.

Madam Speaker, the major innovation in this Bill is the creation of the Cooperative Audit Unit within the Ministry, which will be headed by a Principal Cooperative Auditor. Up to now, it was the Registrar of the Cooperative who was responsible for auditing cooperatives that had a turnover of less than Rs10 m. We needed a fully qualified auditor to carry out that task and because the Registrar should be concentrating on ensuring compliance by cooperative societies with the provisions of the law and leave the auditing being done by this new Cooperative Audit Unit. We are all in favour of it.

However, Madam Speaker, who will be the Principal Cooperative Auditor? What will be his qualifications? Unfortunately, there is absolutely nothing in the Bill about this position. There is also nothing in the PRB Report of 2016 about the creation of this new position. A few weeks ago, when we voted the Budget Estimates in this very House, again, there was no line item for this Principal Cooperative Auditor. So, I hope, in his summing-up, the hon. Minister will give us more clarification as to who that Principal Cooperative Auditor would be; whether there is going to be a recruitment process, whether it is going to be someone internal or how is it going to be done.

It is also not clear, Madam Speaker, what accounts would be audited by this Principal Cooperative Auditor. Up to now, cooperatives which had a turnover of less than Rs10 m. could ask the Registrar to audit their accounts. Now, what is being proposed is that cooperatives, which have a turnover less than the prescribed limit, will now be audited, but we do not know what this prescribed amount would be. This will come by regulations, no doubt, but it is very important, Madam Speaker, because a lot of the smaller cooperatives rely on the Cooperative Division to audit as it represents a cost to them. At the same time, Madam Speaker, having an external auditor is no guarantee that fraud would be detected. As was rightly pointed out by the hon. Minister last

year, when I asked a PQ on the Vacoas Popular Multipurpose Cooperative Society, the hon. Minister pointed out that there were external auditors who gave a clean, unqualified opinion on the accounts of that cooperative society for the years 2011, 2012, and 2013. So, it is very important that we still have this auditing cooperative unit, especially for small cooperative societies.

Madam Speaker, the Bill also gives wide powers to the Registrar to give directives and issue guidelines under section 118 of the Bill. The Fifth Schedule, in fact, sets out core principles of good governance that have to be observed by all co-operative societies. Good governance has to be observed by the Board Members, by the members and the shareholders, and there should be a code of good practice for internal controllers. These provisions are most welcome. Cooperative societies must be properly managed. We are after all talking about cooperatives which have thousands of members most of which have very little financial literacy. There must be control and there must be regulation.

But then again, Madam Speaker, why is the sanction for failing to comply with the directives and the corporate governance limited to a fine of a maximum of Rs100,000? Under the existing Cooperatives Act, any offence for failing to comply with the provisions of a Cooperatives Act - a person who commits an offence - is liable to a fine of maximum Rs100,000 and a term of imprisonment of one year, three years or five years depending on the provisions of the Act which are breached. But here, there is no provision for imprisonment in case there is a breach of a guideline, the breach of the Fifth Schedule. I think, Madam Speaker, by lowering the sanction for non-compliance we are sending the wrong signal.

Let me take an example, Madam Speaker. Under section 67 of the Bill the rules of a society will determine the conditions under which a society will take loans and deposits from its shareholders and the conditions under which it will lend money to its members. Now, the Board has to abide by the rules of the society, but they have also to abide by the guidelines of the Registrar. What happens if, in complete disregard of the guidelines, in complete disregard of proper good governance, the Board were to indulge in mismanagement, as they had done in the Vacoas Popular Multi-Purpose Cooperative Society Ltd? Why would the section for mismanagement by the Board be limited to only a fine of Rs100,000? Why should not they also be subject to a term of imprisonment if they have indulged in fraudulent activities? Like I said,

Madam Speaker, I think that we are sending the wrong signal. We should have tougher penalties for non-compliance with directives by the Registrar of Co-operatives.

Madam Speaker, with your permission, I would like to make a few technical comments on the Bill. I know that the Ministry held consultation with various stakeholders but, unfortunately, it is only a few days ago that the Co-operatives Bill was made public. Madam Speaker, this Co-operatives Bill is above party politics. We are all in favour of the co-operative movements. Had the Bill been circulated, stakeholders, Members from the Opposition could have made constructive proposals, constructive amendments which could have been taken on board by the hon. Minister and appropriate amendments brought. Like I said, Madam Speaker, the comments that I am going to make are quite technical, but I hope that the hon. Minister will address them in his summing up and if he thinks fit, propose those necessary amendments.

First of all, Madam Speaker, it is quite unfortunate that whereas we are coming with a completely new Co-operatives Bill after 10 years, after the amendment of 2006, the new Bill does not keep track of what we had done, the major breakthrough that we had brought to the Company Law legislation. The co-operatives are still stuck under the old concept of par value shares. They are still stuck with the concept of ordinary shares, preference shares, redeemable preference shares, and cumulative preference shares, whereas the new Companies Act allows companies to issue shares having such rights as the Board may determine. So, I think we should have had the same flexibility for co-operatives. Co-operatives should be given the power to issue shares having such rights as the Board may determine subject to its rules, subject to consent by its members because I know of many co-operative societies which would have preferred to have founder shares, which would have preferred to have a group of people being able to appoint Board members.

So, there should be difference of rights in distribution, in dividends. Unfortunately, Madam Speaker, we have not taken the leap forward. This Co-operatives Bill does not follow what we have done in the Companies Act. Similarly, when it comes to distribution, the Companies Act has moved ahead with the concept of solvency test as long as the company is able to pay its debt when it is due, as long as it is solvent, it is able to distribute its profit amongst its shareholders. But, this has not been taken care of in the Co-operatives Bill unfortunately, Madam Speaker.

Madam Speaker, when it comes to dissolution of the co-operative society, section 94 of the Co-operatives Bill gives wide powers to the Registrar. The ground for winding up is set out in Clause 94. However, one of the grounds that is missing, in my humble opinion, Madam Speaker, is the ability to order a co-operative to wind up if that co-operative is not able to pay its debt when it is due. So, I see no reason why a shareholder or a creditor who is owed money by the co-operative society, who knows that the co-operative society will not be able to repay this debt, instead of allowing the co-operative to keep on going and accumulating more debts, it could have applied to the Registrar and, after investigation if the Registrar feels that this co-operative will not be able to run, this co-operative is technically insolvent, the co-operative could have ordered the winding up. Unfortunately, Madam Speaker, Section 94 does not give the Registrar the power to wind up a co-operative society which is technically insolvent.

Similarly, in Clause 95 appointment of liquidator, the Co-operatives Bill sets out a list of people who can be appointed as liquidator. But this Bill, unfortunately, did not keep pace with the development that has occurred through the introduction of the Insolvency Act. With the introduction of the Insolvency Act, we now have licensed insolvency practitioners, practitioners who are licensed by the Registrar of Companies, and these practitioners show experience in liquidating, in managing and administrating companies in liquidation, these same people are not necessarily auditors. They are not necessarily limited to the co-operative movement. So, in my humble opinion, Madam Speaker, again section 95 should have given the Registrar the power to appoint any insolvency practitioner as liquidator to keep track with what is happening in the Insolvency Act.

When it comes to the powers of the liquidator, section 96 (c) reads as follows, the liquidator can –

“investigate all claims against the society and decide on the priority arising between claimants;”

Now, this is the provision which was in the 2005 Co-operatives Act and, in my humble opinion, this is wrong. The liquidator cannot decide on the priority arising between claimants. This is determined by operation of law. This is determined by the Civil Code. This is determined by the Insolvency Act. There are ranking of creditors, so it cannot be to the whims and fancies of

the liquidator. The liquidator cannot determine the ranking of the claims. He can only do so in accordance with what is provided in the law.

Similarly, when it comes to section 100, disposal of assets on liquidation, again, section 100 sets out a list of ranking of claims of creditors. Not only did it not keep track with the amendments brought in the Insolvency Act, but it does not cover all creditors. For example, we see here, the first to be paid is -

- (i) the costs of the liquidation;
- (ii) all privileged creditors;
- (iii) all deposit liabilities to its creditors;
- (iv) all other liabilities of the society, and then
- (v) dividends in arrears on preference shares.

What about claims by secured creditors? Privileged creditors are different from secured creditors and even among privileged creditors there is a hierarchy of claims. For example, you have an amount due to the MRA, an amount due to the Government, an amount due to Local Authorities; these are claims of privileged creditors, but, at the same time, salaries are due to employees. These are also privileged creditors. So, in-between these two privileged creditors, which one will rank higher? If the co-operative has given a charge over its assets to a bank or a third party, would the claim of that secured creditor rank ahead of the privileged creditor, rank ahead of the pledger or the pledgee? So, again, if we had followed the Insolvency Act or given more thoughts, we would have avoided any dispute that may arise between creditors. If ever a co-operative society is wound-up there is inevitably going to be disputes among creditors as to who get paid, how much and when.

Talking about resolution of disputes, Madam Speaker, the Co-operatives Bill maintains the existing dispute resolution mechanism, which, if there is a dispute, is referred to the Registrar. If the Registrar cannot resolve the dispute, the Registrar appoints an arbitrator. If the arbitrator cannot resolve the dispute, it goes to the Co-operative Tribunal and then, there is an appeal to the Supreme Court. So, it is the same as in 2005. This arbitrator is given wide powers. Now, it can also apply for attachment orders. Before resolving an issue, he can go to the tribunal and ask for attachment. During the course of the dispute resolution, the arbitrator may be called upon to

interpret the provisions of the rules. Yet, Madam Speaker, we can see the list of people who can be appointed as arbitrator under section 81, we see an auditor; we see a person who has held office as Registrar; a person who has held office as a co-operative officer; a person who has held office as a co-operative auditor, but we do not see a law practitioner. We are going for arbitration and the arbitrator is going to rule on the rights interpretation. Who is entitled to what if there is a dispute? And the Registrar is not given the power to appoint specifically an insolvency law practitioner. Of course, there would be times where you won't need a law practitioner. If, for example, there is a dispute as to the interest that has to be paid on a loan or on a deposit, then you can have an Accountant or you can have an Auditor, but when you have a legal dispute, the Registrar should be able to appoint a law practitioner.

Now, when the dispute is resolved by the arbitrator and goes to the tribunal and if a party is dissatisfied, he can appeal to the Supreme Court. Previously, under the Co-operatives Act, you could only apply to the Supreme Court on a point of law and if there was an error of law, you would do it by way of case stated. Now, section 88 of the Bill is changing it. So you can appeal on any, there is no restriction. It can be on facts, it can be on law, and it does not have to be by way of case stated. Now, this is a departure from the existing practice. Don't get me wrong! I am not against it! Quite the contrary, I am all for that there should be a restricted appeal to the Supreme Court, but it is just a change in policy. So, I would like to know why we no longer restrict it to an appeal of point of law. It is now on law and facts. Madam Speaker, so much for the technical comments that I have on the Bill.

One of the objects of the Bill, Madam Speaker, is to establish a National Co-operative College. It is set out at section 103. This is one of the objects, section 2(b). I have got the pain, Madam Speaker, of comparing the provision relating to this National Co-operative College and the provision in the Co-operatives Act of 2005 relating to the National Institute for Co-operative Entrepreneur. I was surprised to see identical objects, identical functions, identical powers and similar composition of the Council. So, may I know from the hon. Minister what was wrong with the National Institute of Co-operative Entrepreneur? Why this change? Is it just a change of name? I hope in the summing-up the hon. Minister will shed some light.

Madam Speaker, last year, I ask the hon. Minister if the Government intends to help members of co-operative societies who had lost money as a result of fraudulent practices and the

hon. Minister replies that it was not the policy of the Government to salvage any co-operative society as a result of malpractice. Now, section 116 of the Bill provides for the creation of a new fund, the Co-operative Development Fund, which would be managed by a committee. Under section 116(5) – the committee may, with the approval of the Minister, use money of the fund to promote and develop co-operatives, to implement projects namely education, training, research etc. and to pay fees incurred in the application of this Act. So, I would make a humble plea to the hon. Minister if we could add one additional power to that Committee to be able to use the money that is in that fund to pay genuine cases of members who have lost money. This would be in line with what is happening in the banking industry. This is in line with what is happening in the insurance industry where we all know, following the collapse of certain insurance companies how a lot of policyholders are losing money. So, now, all insurance companies have to put a portion of their turnover/profit into the fund. Similarly, all co-operative societies could put part of their turnover/profit into that fund and if ever there is a co-operative fund that goes bankrupt, money can be used from this fund to pay those policyholders.

**Madam Speaker:** Hon. Uteem, can I interrupt you for one minute to ask the Deputy Speaker to take the Chair!

*At this stage the Deputy Speaker took the Chair.*

**The Deputy Speaker:** Hon Uteem!

**Mr Uteem:** Mr Deputy Speaker, Sir, before resuming my seat, I would like to comment on the multiplicity of Boards and Organs dealing with the co-operative movements.

Today – and this is in the Bill – we will have a Co-operative Development Advisory Board, a National Co-operative College, a committee to manage the Co-operative Development Fund and more or less the same people would be sitting on these Boards. On top of that, at the level of the Ministry, we already have a Co-operative Division. We have a Co-operative Society Section, a Co-operative Division Unit and now we are going to have a Co-operative Audit Unit. With so many Organs, Mr Deputy Speaker, Sir, we are bound to have duplicity of work and inefficiency. In my humble opinion, Mr Deputy Speaker, Sir, the time has come for us to have a full-fledged cooperative authority with a Board and its own staff. This will be in line with the Government's policy announced in the Budget to rationalise authorities to avoid overlapping.

A Cooperative Authority will be able to recruit the best talents. We would need a strong regulator. Cooperative societies are allowed to accept deposits from members, from non-members, from the public, and yet, they are not supervised and controlled by the Bank of Mauritius. Cooperative societies, cooperative unions are allowed to provide financial facilities to its members. They are allowed to provide leasing facilities, yet they are not supervised by the Financial Services Commission. If we had a Cooperative Authority with full power, adequate resources and manpower, we would be sending a strong signal that this Government believes in the cooperative movement and is ready to put its weight behind the cooperative movement.

With these words, I thank you.

**The Deputy Speaker:** Hon. Sesungkur!

(7.21 p.m.)

**Mr D. Sesungkur (First Member for Montagne Blanche & GRSE):** Thank you, Mr Deputy Speaker, Sir. I will try to be as brief as possible, for obvious reasons.

*(Interruptions)*

It is indeed a historical day of our democracy today. The Parliament just voted a landmark Bill which will allow to expand our democratic system through the live broadcast of Parliament proceedings, and along with this same vision, the Cooperative Bill is also another important piece of legislation which this Government is bringing with a view to modernise our legal framework. We want to modernise our system, we want to make business as easy as possible. We want to promote business facilitation, and the hon. Minister has explained how important a role the cooperative movement has played in Mauritius. I will not repeat what he has said, but I will congratulate him for bringing this important piece of legislation, and it is really with a great sense of satisfaction that I want to contribute to this Bill. We can see that there is indeed a real motivation from his part to revive this sector.

Being someone who has spent nearly 30 years in the financial services, I think I can shed some light as to why we have come to such a situation where many people have lost trust in the cooperative movement, in the cooperative society. This situation has occurred, and I must say that hon. Uteem has highlighted a number of issues which are critical in understanding why we are where we are today in the cooperative sector.

Business environment has evolved not only in Mauritius, but also worldwide. Would you believe, Mr Deputy Speaker, Sir, that today we have certain multinationals that are so big that their revenues can exceed that of national economy of certain countries? There are certain multinationals that are so big that they employ more people than the whole population of certain countries. I will just give you a few examples. For example, ExxonMobil had an annual revenue of USD269 billion in 2015 and the GDP of Finland was only USD267 billion. Royal Dutch Shell had a revenue of USD265 billion compared to the GDP of Greece with USD242 billion, which means that Shell had a greater revenue than the whole country, which is Greece. Apple had an economic output of USD87 billion compared to Oman's economic output of only USD82 billion.

Therefore, these are indications of how businesses have evolved; how the environment of business has changed worldwide. In addition, when businesses change so drastically and when our legal framework does not adapt to that, this is where the problem lies. It is not only the legal framework, but more than that; the management apparatus! Hon. Utem mentioned that we have people, like we call in French, *qui sont dépassées par la situation*. They have started a cooperative society probably 50 years, 20 years ago, but today they are generating huge volumes of transactions. For instance, we take the case of Vacoas Popular, which has got transactions in terms of billions every year. When we have such huge volumes of transactions and we do not have a system which can cope with that, this is where we get a systemic failure. The cooperative society, overall, has been going well, but the major problem is in the credit unions.

The credit unions have got certain technicalities, certain specificities which demand very high level skills to manage. They are like small banks. They need to check the solvency every now and then because they are in the business of lending money; they take deposits, and they have to manage their liquidity very well so that they do not get into bankruptcy. They have to monitor their liquidity situation; their financial situation so closely; otherwise, they will be in deep trouble. I am sure Vacoas Popular is not the only case; there are many others which are in a situation like this, because it is very technical. How can you suddenly ask someone, who has not had any training in financial management, to manage a portfolio of billions? How, by having a huge portfolio of members who have taken loans; will a skeleton staff with a skeleton team of management manage such huge volumes of transactions on a month to month basis? Therefore, this is where the problem lies. The problem lies because the business environment has changed;

the volume of trading has changed, and today, we have cooperative societies which are simply not able to cope with these kinds of situations.

There is also the problem of deficit of skills within their team, within their Board. So, this is why, I think, this legal framework, the Cooperative Bill, is of paramount importance to provide certain solution to the cooperative movement as to how they can probably improve their business and avoid situations of catastrophe.

Mr Deputy Speaker, certain measures have been announced like the National Cooperative College, which I am sure, with the spirit in which it is being created, will provide financial literacy courses, will provide training in financial management, will boost the overall skills set of Board members who will do a better work, a better job for their cooperative societies.

Hon. Uteem raised a few issues. It is true that I have also done a similar kind of work, I have tried to compare the Companies Act 2001 with the Cooperative Bill, but it is also true to put the cooperative sector in its right context. A cooperative society is not a business which aims towards making profit. It is based on the mutuality principle which means that they trade with themselves, promote their own interests and that is why I think the cooperative society does not need such a tougher legislation like the Companies Act.

Nevertheless, if we want to modernise; if we want to bring the cooperative business model to an international level, I would have suggested that certain sections; certain provisions of the Companies Act could have been of great use in improving the overall governance of the cooperative sector. I have in mind, for instance, hon. Uteem who raised an important issue. The issue is: how do we differentiate between a small cooperative society and a large cooperative society? This is the issue! Failure of hundreds of small cooperative societies will not bring a systemic failure, but failure of a few large cooperative societies like Vacoas Popular Multipurpose Cooperative Society, like the others, will definitely bring a systemic failure. We have to focus on the high risk. The high risk would be the large cooperative societies.

There are societies which have thousands of members and, in my opinion, they are so large that they can even qualify as public interest entities because when they collapse; when they are in trouble we have a real problem, we have a real public interest issue. So, this is where I think the law should have brought a demarcation between small cooperative societies and large cooperative societies, because by imposing a series of reporting requirements, a series of

compliance and administrative requirements, we are burdening small cooperative societies unnecessarily. Therefore, this will further hamper the development of the cooperative sector. I think it is essential that we demarcate the small and large societies.

When we come to the large societies, this is where I think we should give them the freehand, we should encourage them to modernise their management apparatus. They should set up whatever control system; whatever structure is necessary for them to manage their business properly. I would suggest that under the section: Part VIII - Management of Society, certain provisions could have been included like –

- Duties of Directors to act in good faith in the best interest of the society;
- Duties of the Secretary;
- Duties of other key officers, like I have seen in the Bill, Treasurer, etc.;
- Remuneration of Directors and Key Officers;
- Major Transactions - because when we indulge in major transactions without having the proper control set up, this is where a cooperative society can easily get into trouble.

Regarding Part X – Accounts, Records and Audit – I think personally that there should have been an obligation to prepare financial statement because this is where the challenge is. Certain societies will not prepare financial statements and when they do not prepare financial statements, what are you going to audit. There is a provision in the Companies Act, Obligation to prepare financial statements. There should be adequate accounting records and they should be defined as to what constitute adequate accounting records.

I have seen that the term ‘financial statements’ have been used often in the Bill although under International Financial Reporting Standards (IFRS), financial statements would include four major statements: Statement of Comprehensive Income, Statement of Financial Position, Statement of Changes in Equity, Statement of Cash Flows. These are very heavy accounts and require substantial input to be prepared. So, if the society has not got sufficient staff, sufficient skills within its team, it would be difficult for a small society to prepare financial statement under IFRS, although I have gathered from the presentation of the Minister that he intends to go for the small companies IFRS.

With regard to Audit, I personally think that the objective of an Auditor is not to assess the financial situation, this is not his role. The objective of an Auditor is to express an opinion, he is independent, he has to express an opinion and he gives his report. In this Bill, what we are trying to achieve is to expand on the responsibility of the Auditor by asking the Auditor to perform other tasks like, for instance, make an assessment, and ascertain whether the cooperative society is implementing its procedures. This is a separate responsibility, separate kind of task, trying to assess the efficacy of the implementation of the procedures, requires a different set of task. So, we have to be careful on that. I think certain other provisions would have helped like, for instance, trying to pre-empt what would be a reasonable penalty for those societies which fail to keep adequate records; which fail to prepare financial statements. Also, there should be a certain description of 'prohibited transaction'. We have listened to the presentation of hon. Uteem on the Vacoas Popular Multipurpose Cooperative Society whereby loans were given to Directors themselves. These are prohibited transactions and if it is unsecured, without any security and in a very huge amounts.

I am thinking also of certain provisions, like carrying out business fraudulently; certain cooperative societies may be involved in activities which are not in line with their constitution, not in line with their rules, so we have to define these kinds of fraudulent activities.

I will end, Mr Deputy Speaker, by saying that I am sure the Registrar may issue guidelines, will have the liberty to make regulations. However, if we could have included these provisions, it would have made the life of cooperatives much easier. On this, let me congratulate my friend, hon. Bholah, again, for the marvellous job he has done to modernise the cooperative sector and I am sure that this will give a real boost to this sector.

Thank you very much.

**The Deputy Speaker:** Hon. Boissézon!

(9.40 p.m.)

**Mr E. Boissézon (Third Member for La Caverne & Phoenix):** M. le président, merci de me permettre de participer au débat sur le projet de loi, *the Co-operatives Bill*. Je serais très bref parce que tout a été dit ou presque sur ce projet de loi. Mais je réalise que des deux côtés de la Chambre nous sommes d'accord sur l'objectif de ce projet de loi même si nous ne sommes pas

d'accord sur certains points techniques du projet de loi. Mais, d'un autre côté, je dirais que nous devons faire attention. En mettant trop de contraintes sur les coopératives, nous risquons d'anéantir cet élan de coopération, de *partnership*, qui existe dans les coopératives.

Aujourd'hui, nous rendons hommage aux pionniers, à ceux qui ont préparé le chemin des coopératives que nous voyons aujourd'hui et je suis triste de voir qu'en 2005 quand le projet de loi fut présenté le Premier ministre d'alors avait cela à dire concernant l'absence du *Leader* de l'Opposition, et je cite le Hansard -

«C'est pourquoi je trouve très triste qu'une fois de plus le *Leader* de l'opposition ait choisi de ne pas prendre la parole sur un sujet d'une telle importance historique, politique et sociale. M. le président, non seulement a-t-il choisi de ne pas prendre la parole mais il a choisi d'être absent alors que l'instance suprême du pays, le Parlement, a appelé d'abord à rendre hommage à ces pionniers, à ces héros du début du siècle et ensuite voter un texte de loi qui souhaite donner un nouveau départ aux mouvements coopératifs. »

M. le président, je ne fais que citer ce qui a été dit en 2005. Depuis la formation du mouvement coopératif dans le Lancashire en 1844 les émules de *Rochdale Pioneers* n'ont cessé de croître plus d'un million de membres dans le monde. En Inde 67 % des ménages en milieu rural s'approvisionnent dans des coopératives, 40 % des ménages africains adhèrent à une coopérative, les 300 plus grandes coopératives affichent un chiffre d'affaire de plus de 1.6 trillions de dollars.

Maurice n'est pas en reste. Depuis la déposition de M. Manilal Doctor devant la Commission Royale beaucoup a été fait à Maurice et depuis le premier *co-operative society* de Triolet beaucoup à changer. 1200 sociétés, 85 000 membres engagés dans 40 différentes activités économiques et des revenus dépassant R 5.5 milliards. La valeur des dépôts dans les *credit unions* avoisine les R 2 milliards et c'est là où nous devons faire bien attention parce que comme un orateur précédemment a dit, nous devons être très vigilant auprès de ces petites banques.

Si le mouvement a un avenir à Maurice elle ne fut pas exempte de mauvais souvenirs. Je me rappelle en 1996, lors de mes débuts dans cette auguste Assemblée comment nous avons voté la fermeture de la Banque Coopérative avec la conviction de la réouverture d'une autre banque dans les 72 heures. Plus de 720 heures ont passé, c'était mal connaître l'agenda du Parti

travailliste. J'ai voté la fermeture de la Banque Coopérative et je le regrette car c'était mal connaître l'agenda du Parti travailliste concernant le bien-être des petits entrepreneurs et des gens dans le besoin. Heureusement que d'autres que le Parti travailliste institueront le Mauritius...

**The Deputy Speaker:** Hon. Boissézon, I have allowed you the first time. Please come back to the provisions of the Bill. It is getting quite late! I will really appreciate.

*(Interruptions)*

**Mr Boissézon:** *That is the issue!* Mais heureusement que d'autres que le Parti travailliste institueront le *Mauritius Post and Co-operative Bank*. Nous avons encore en mémoire comment l'argent des petits épargnants fut utilisé pour l'achat de Maserati et autres emprunts non remboursés et là je parle du *Vacoas Popular Muti-Purpose Co-operative Society* qui se trouve dans ma circonscription. Et je connais la misère que les gens ont éprouvée. Certaines personnes qui avaient fait des épargnes pour pouvoir financer le mariage de leurs enfants durent y renoncer. Certaines études n'ont pu être payées et aujourd'hui nous savons la difficulté que certaines personnes éprouvent pour récupérer leur argent.

*(Interruptions)*

M. le président, je félicite le ministre de la Coopérative pour l'introduction de ce projet de loi, un projet de loi qui a pour but de réaffirmer la volonté de ce gouvernement dans la promotion et la modernisation des petites et moyennes entreprises et du secteur coopératif. Ce projet de loi mettra en valeur les sociétés coopératives et les propulsera sur l'orbite de la modernisation. Ce projet de loi va créer des entreprises stables, modernes, intelligentes et responsables capable de survivre dans cette jungle de compétition mondiale. Ce projet de loi va dans le sens de la détermination du gouvernement de demander à la nation de prendre conscience d'un besoin de démocratisation de l'économie où le gouvernement ne serait instrumental que pour pourvoir à l'environnement propice au développement des affaires.

Nous pensons que le mouvement coopératif est un des outils à ce nouvel élan. Le mouvement coopératif c'est le volontariat et l'ouverture, c'est la démocratie même. Un mouvement qui permet aux personnes d'avoir plus d'autonomie et d'indépendance dans la conduite de leurs affaires. Être membre d'une coopérative c'est être propriétaire, gestionnaire et consommateur et surtout de bénéficier des profits réalisés.

M. le président, je remercie le ministre qui a bien argumenté les différentes clauses du projet de loi. Je jetterai un coup d'œil sur certaines clauses. Nous avons parlé de la section 52 – *Duties of Directors* et là c'est avec plaisir que j'ai noté que le ministère a lancé *l'award* aux meilleures sociétés coopératives. De ce fait, les sociétés devront mettre l'art de produire des comptes et surtout de préparer des plans stratégiques. Je prends la section C, ils devront *exercise powers honestly in good faith* et là je crois qu'il faut faire bien attention à la protection des petits copains. Ils devront faire bien attention de voir leur devoir fiduciaire, de voir l'intérêt des constituants avant leurs besoins et surtout éviter les conflits d'intérêts comme nous avons vu à Vacoas.

Je note avec plaisir qu'aujourd'hui il y a des peines contre des contrevenants car avant les gestionnaires faisaient des actes répréhensibles tout en sachant qu'ils pouvaient agir en toute impunité. Je prends la section 55 – le *internal controller*. On a parlé beaucoup du rôle de l'auditeur, mais je pense que la personne qui est plus apte à voir les malversations, c'est l'*Internal Auditor*. Dans la section 55, on parle –

“(I) *Every society shall appoint at least one internal controller who shall not be a director of the society.*”

Mais lorsque nous voyons la tâche de l'*Internal Auditor*, et je cite -

- *ensure that all the activities follow approved policies and established procedures;*
- *carry out inspections of the money, stocks, books and other assets;*
- *examine the accounts of the society, and*
- *not disclose to any unauthorised person any matter which comes to his knowledge in the course of his functions.*

Je pense qu'une seule personne ne peut pas faire ces différentes tâches ; *Jack of all trades*. On devrait s'assurer qu'il y ait au moins deux *Internal Auditors* dans les sociétés coopératives, si cela est possible. Le choix doit être fait de façon professionnelle. Trop souvent avons-nous vu l'élection d'un vérificateur des comptes de façon complaisante pour faire plaisir à quelqu'un qui n'a pas été élu et qui aurait pu être un concurrent dans la course au poste de directeur. Nous devons s'assurer que les *Internal Controllers* soient qualifiés pour le poste.

Je passe à la section 102, le *Cooperative Development Advisory Board*. Ce *Board*, pour moi, est le pari sur l'avenir du mouvement coopératif. Ils doivent mettre les objectifs de la

coopérative. Aujourd'hui nous avons entendu parler certain orateurs. Ils voient grand lorsqu'ils parlent de technicités comptables, de technicités légales; ils voient grand, et je crois que ce Board doit lui aussi voir grand. Trop souvent, les sociétés coopératives sont traitées comme des petites organisations. Il faudrait un *paradigm shift*, afin que les sociétés coopératives s'engagent dans d'autres domaines. Et là, j'ai noté avec plaisir que, lors d'une réunion - je crois que c'était le jour de la remise des prix du *cooperative award* - vous avez dit, et je cite -

« Nous devons introduire de nouveaux secteurs tels l'énergie verte tout en ciblant les jeunes et les femmes. Nous devons créer des sociétés dans les secteurs comme l'énergie verte, le transport, l'agriculture biologique, les infrastructures, le recyclage, la production des sacs écologiques, les bateaux de plaisances, l'agriculture et les services de nettoyage. »

Je note avec plaisir que vous avez augmenté le nombre de membres du *Cooperative Development Advisory Board*, et c'est avec plaisir que je note que nous avons de nouveaux directeurs dans cet organisme.

M. le président, comme l'honorable Uteem a dit, c'est vrai qu'il y a un changement de nom entre le *National Cooperative College* et le *National Institute for Cooperative Entrepreneurship*. Moi je pense que oui, mais peut-être en faisant un collège, on pourrait donner un nouveau dynamisme à cet organe pour que nous puissions prendre en considération les suggestions des membres précédents quant à la qualité du besoin de formation, et peut-être que demain ce collège pourrait devenir un des plus grands collèges de formation de gestionnaires à Maurice. N'oublions pas que l'Amérique, on peut dire, s'est construite dans une librairie de sociétés coopératives quand les gens se sont rencontrés pour la première fois avant de formuler ce que nous voyons aujourd'hui : l'Amérique.

Je terminerai, M. le président, en remerciant le personnel du ministère des Coopératives. Beaucoup de travail a été fait, et bien souvent mal récompensé ou mal perçu. L'année 2012, comme vous avez dit M. le ministre, fut décrété l'année des coopératives.

**The Deputy Speaker:** Hon. Boissézon, you should address the Chair!

**Mr Boissézon:** Au cours de cette année, l'alliance coopérative internationale à Manchester a émis un plan d'action et a élaboré une vision 2020, et je cite –

«C'est de faire de la coopérative le chef de file reconnu de la durabilité économique, sociale et environnementale, un modèle privilégié de population, une forme d'entreprise qui connaît la croissance plus rapide. »

Avec ce projet de loi, cette vision sera une réalité.

Merci.

(7.59 p.m.)

**Mrs D. Selvon (Second Member for GRNW & Port Louis West):** M. le président, ce projet de loi vise à assainir la situation des sociétés coopératives à Maurice, et il est le bienvenu à un moment où le mouvement coopératif a connu certaines secousses très regrettables. Cependant, à un moment où il faut donner au mouvement coopératif un souffle nouveau et encourager l'esprit de l'entreprise libre, créatrice, et productive de richesses et d'emplois, je ne crois pas dans la nécessité de l'article 50 du projet de loi. La raison est que cet article prévoit la nomination d'agents de l'Etat comme directeurs des coopératives, et détruit ainsi le concept de '*free enterprise*'. Il instaure une gouvernance étatique forcée et imposée, une gouvernance qu'on sait toujours improductive, à des business, pour la simple raison d'emprunts contractés avec l'Etat. Même pas pour cause de non-remboursement de ces emprunts.

Le principe que les coopératives devraient être des entreprises libres, comme aux Etats Unis où le mouvement coopératif est très prospère, puissant et créateur d'emplois et de richesses économiques considérables, ce principe sera ainsi détruit. Je vais m'expliquer.

Dans les lois à Maurice, d'ailleurs, il existe déjà des provisions adéquates pour forcer le remboursement et la récupération des dettes, et il faut les appliquer avec plus de rigueur aux coopératives. Mais le gouvernement ne doit pas toujours faire preuve de '*over-reaction*' face à des allégations ou même des cas prouvés de mauvaise gouvernance. Il faut une réaction mesurée et raisonnable, mais efficace. Il ne faut pas détruire l'esprit de l'entreprise libre dont jouit notre pays et qui anime les petits et gros entrepreneurs mauriciens depuis très longtemps. Il ne faut pas étatiser l'entreprise libre et traiter les entrepreneurs comme des enfants.

Mon point sur cet article 50 c'est que nous devons, au contraire, maintenir l'esprit d'entreprise libre au sein du mouvement coopératif pour la création de nouvelles richesses et d'un grand nombre d'emplois et d'activités économiques supplémentaires. Je dis, inspirons nous du

modèle américain et utilisons les lois normales du pays au lieu d'imposer des directeurs étatiques pour la simple raison d'emprunt et de garantie financière par l'Etat.

Or, ici nous sommes en présence de l'article 50 qui dit que le gouvernement peut nommer des directeurs dans une coopérative pour la seule raison que l'Etat avance ou garantit un prêt à une société coopérative. Il n'est même pas question de remboursement. C'est tout simplement une menace d'étatisation de la propriété privée collectivement possédée et gérée par la communauté. On dit aux coopératives, on vous donne ou vous garantit un prêt, et on vous étatisé. C'est ce que vous dirait avec raison, Donald Trump, champion de l'entreprise privée et libre, s'il lisait l'article 50.

Je ne dis pas que ce projet de loi est mauvais dans l'ensemble. Il vient mettre de l'ordre et plus de rigueur et d'assurance de bonne gouvernance au sein des coopératives. Mais au 21<sup>ème</sup> siècle, cela peut paraître rétrograde et même un mauvais signal que d'avoir un gouvernement entrant comme directeur au sein d'une coopérative. Voici l'explication américaine, en laquelle je crois, concernant ce type de contrôle. Je cite -

« Il serait hâtif d'assimiler les coopérateurs directement aux actionnaires d'une entreprise traditionnelle. Une seule personne peut prendre le contrôle d'une société traditionnelle émettrice d'actions en achetant une majorité d'actions, gagnant ainsi un pouvoir de vote supérieur. Avec une coopérative, aucun membre ne peut acheter ou contrôler la part d'un autre. Chaque membre a le même pouvoir de vote et les décisions doivent être prises en conjonction avec les souhaits de la majorité. »

L'île Maurice s'est certainement inspirée des Etats Unis quand elle a réuni les coopératives et le *small business sector* sous un même ministère, le *Ministry of Business, Enterprise and Cooperatives*. Il y aux Etats Unis un *Small Business Administration*, la SBA et, ici, nous avons la SMEDA. La SBA américaine offre aux coopératives, sur son website, je cite –

“*The SBA Loan Programmes, et les possibilités suivantes - SBIC Investments, Surety Bonds.*”

Sur ce website, les sociétés coopératives peuvent vérifier leur crédit, analyser leurs besoins financiers et préparer toutes les informations nécessaires pour tout cela. Ils peuvent aussi

utiliser un *'loan tool'*. L'Etat est un facilitateur plutôt qu'un acteur. La SBA américaine offre aussi sur son site un accès au *'venture capital'*, à des *'research grants for small businesses'*. L'Amérique a fait un mariage réussi entre le capitalisme aveugle et la coopérative. Maurice devrait en faire de même pour aller vers un renouveau économique.

Dans un tel contexte, aux Etats Unis, la coopérative, hormis ce que je viens de dire, opère comme n'importe quel autre business et dans n'importe quel secteur du business. C'est un système qui donnerait beaucoup d'emplois et de richesses économiques à Maurice car le gros secteur privé est arrivé au bout du rouleau en termes de création d'emplois et de distribution de la richesse nationale. Le mouvement coopératif et les petites et moyennes entreprises sont, à mon avis, les deux piliers qui peuvent aider le nouveau ministre des finances pour peu qu'il accorde un peu d'attention aux propositions que je lui fais depuis son dernier discours. Aux Etats Unis, il existe des coopératives gouvernementales, dans une étude de l'Université de Wisconsin, mais elles ne sont pas à l'honneur dans cette études et leur rayon d'action et de business est limité et peu productif quand elles sont contrôlées par le gouvernement.

Cette étude dit ceci à propos des coopératives gouvernementales, je cite -

*"However, most of these organisations spend public revenue, and they typically have some mandated control or reporting requirements that are external to board control."*

Mais, ce qui est important selon cette étude c'est le vaste champ d'action des coopératives dans le secteur business et ici je fais allusion aux paroles de présentation du ministre qui parle de *'developing the cooperative movement'*. A ce sujet, il faut surtout étendre le mouvement coopératif à un maximum de secteurs. Je cite plusieurs ici mentionnés dans l'étude universitaire, à savoir les secteurs tels que, je cite -

- *Sales and Marketing*
- *Farm supply and marketing*
- *Bio-fuels*
- *Groceries*
- *Arts and crafts*
- *Social and Public Services*
- *Healthcare*

- *Childcare*
- *Housing*
- *Transportation*
- *Education*
- *Financial Services*
- *Credit Unions*
- *Farm credit system*
- *Mutual insurance*
- *Cooperative finance*
- *Electricity*
- *Telephone*
- *Water*

Une étude détaillée américaine constate ceci, je cite -

*“Cooperative businesses stabilise communities. They enable their owners to generate income, and jobs, and accumulate assets; provide affordable, quality goods and services; and develop human and social capital, as well as economic independence. Food co-operatives spend more revenues locally, buy more products locally, buy more organic produce, recycle more plastic, and create more jobs than conventional grocers. For every \$1,000 spent at a food co-operative, \$1,606 go to the local economy; for every \$1 million in sales, 9.3 jobs are created. Credit unions approve more mortgages for low to moderate income households, have lower denial rates for all non-whites, and have lower loan delinquencies while doing more lending than commercial banks during the great recession.”*

Pour les classes sociales pauvres, *“ownership in the co-operative has put their income higher than the national average for their ethnic group.”* La contribution des coopératives est chiffrée en trillions de dollars et leur impact sur l’emploi en des milliards de jobs, les salaires comptabilisés en centaines de milliards de dollars. Une autre étude sérieuse des coopératives aux Etats Unis démontre que les coopératives ont un taux d’échec bien moindre que les compagnies après leur création.

Alors, il est excessif de nommer des agents du gouvernement au sein de coopératives de planteurs, d'éleveurs ou de pêcheurs rien que, je répète, rien que pour un prêt ou une garantie. On a mis dans l'article 50 un éléphant pour écraser une fourmi, une petite coopérative de pêcheurs ou de planteurs de chouchous et de carottes. Cet article 50 pourrait même être une menace au principe sacro-saint de la propriété privée garantie par la Constitution.

Je vous remercie, M. le président, et je remercie tous les membres de la Chambre pour leur attention.

**The Deputy Speaker:** Hon. Rutnah!

(8.09 p.m.)

**Mr S. Rutnah (Third Member for Piton & Rivière du Rempart):** Thank you, Mr Deputy Speaker, Sir. Given the fact that so far all orators in this House have demonstrated that there is unanimity in relation to this Bill, I promise that I will not be very long and I will not hold people very long.

In fact, Mr Deputy Speaker, Sir, what is happening today in this House it is a promise that we made when our Programme 2015-2019 was read in Sir Harilal Vaghjee Hall. We promised that we are going to modernise this country and we promised that we are going to, amongst others, strengthen cooperative movement and set up modern legal framework. When I look at the objective in this Bill, it reflects what Government promised at Sir Harilal Vaghjee Hall. It says -

“The object of this Bill is to repeal, re-enact and provide for a reformed, modern – the operative word is ‘modern’ - and appropriate legislative framework for the co-operative sector in Mauritius.

2. The Bill will, inter alia –

- (a) provide for the setting up a Co-operative Audit Unit within the Ministry;
- (b) establish a National Co-operative College with the main object of developing the co-operative movement through education and training;
- (c) correct certain errors and omissions in the repealed Act, and
- (d) provide for matters related thereto.”

Mr Deputy Speaker, Sir, cooperative movement started in Europe in the 19<sup>th</sup> Century, primarily in Britain and France. First documented consumer cooperative was founded in 1769 in a barley cottage in a village called Fenwick in Scotland. In Mauritius, first cooperative society registered in the sugarcane sector was in 1913. Since the first formation of cooperative societies and after the struggle that my very able and learned friend, hon. Reza Uteem, outlined historically, the struggle of, amongst others, Manilal Doctor, thenceforth, we came up to the Co-operatives (Amendment) Act 2006. Soon, thereafter, we realised that the Co-operatives (Amendment) Act 2006 is now in today's world obsolete. Why? Because we have to modernise this country and give opportunities to small, medium size and any other sizes of business to grow up and to contribute positively towards the development of society, towards the development of our economy and the future of this country.

What is new in this Bill? I will go through a few of them, for example, clause 7, the setting up of the tertiary society. The new thing about it is that only one tertiary society will act as an apex and mouthpiece of the whole cooperative movement. Unlike it was in the previous legislation, they were represented by various organisations and thereby they could not operate at their full potential.

We also have, for example, clause 52 in relation to liabilities of Directors. I listened very intently to what my learned friend, hon. Uteem, said about the liability of Directors, that is, in relation to the Bill. It is not compliant with the Companies Act. We have to make a difference here. Hon. Sesungkur made the difference and explained the difference quite clearly. There is a huge difference between how a cooperative society operates and the way in which a company operates. A company operates by virtue of investment of their shareholders and a cooperative society operates by members. So, the obligations, liabilities cannot be compared with the obligations and the fiduciary duties that is owed by Directors of a company against that of a cooperative society. Therefore, I am going to be very brief to say that there is this huge gap between the way a cooperative society is viewed and a company is viewed.

Then, we have the definition of revenue. In clause 73(2)(a), there is the definition of revenue as opposed to turnover and how previously the term 'turnover' was used and now instead of turnover, the term 'revenue' will be used to show how much business has revolved within the cooperative society.

Then, we also have the setting up of the Cooperative Audit Unit. The Audit Unit, as I understand, is going to carry out functions independently, more accountable and with more transparency. This is what this Government is all about: good governance, accountability, transparency and modernisation. We promised lots of things. In the programme, we promised a college for the civil service, we promised a trade union for the Police and now we are coming up with a college. Can you image, we are coming up with a college! To do what? To train people to get involved into cooperative movement. The National Cooperative College!

Then, if I may say finally, on clause 118 which refers us to the Fifth Schedule of the Act whereby there is a list of protocol relating to good governance. Therefore, everything that this Bill comes up with is consonant with the philosophy of our Government, the principle of democracy. This clause also will make people realise that should they go foul like it happened in the case of the Vacoas Popular Multipurpose Cooperative Society, then the law is going to smoke out all those who are going to try to do things which are either illegal or against the principle of good governance.

Finally, Mr Deputy Speaker, Sir, just to clarify something for my very able and learned friend, hon. Mrs Selvon, who dealt specifically in relation to section 50 of the Act. She says she is of the opinion that there is going to be Government's interference and she used "*l'esprit de l'entreprise libre va être écrasé*" as argument, thereby also making reference to "*un éléphant pour écraser une fourmi*". If I may, that is not the case. What section 50 is all about, is this -

“(1) Where Government has -

- (a) guaranteed the repayment of debentures issued by, or loans, advances or overdrafts made to, a society; or
- (b) given financial assistance in any other form to a society,

the Minister may – not shall, it is not mandatory - in addition to the elected directors, appoint not more than 5 persons having wide experience in the field of co-operatives to sit on the Board as directors.”

It is normal, it is in line with good governance, it is in line with accountability, and it is in line with transparency that where Government's money is involved, it means money from the taxpayers' purse. The Government cannot for all intent and purpose give a blank cheque to

directors, and I am grateful that the hon. Minister has put such a clause, which is going to become an important section of the law when this Act will be voted.

On this note, I am grateful to my friend hon. Minister Bholah for bringing this modern, new legislation that is going to create a new atmosphere of cooperative business and cooperative entrepreneurship, and I congratulate him and all his staff who have worked towards such a piece of legislation that is going to be remembered years after years in this House.

Thank you, Mr Deputy Speaker.

**The Deputy Speaker:** Hon. Mahomed!

(8.21 p.m.)

**Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central):** Thank you, Mr Deputy Speaker, Sir. It is already quite late and much has been said; so I will try to be very brief. It has been said that Mauritius has come a long way since the very first cooperative credit society was created in 1913. It was first for the sugar sector at the material time. With passing years, things have evolved, and cooperatives today cover a lot of sectors.

Hon. Rutnah talks about the Government Programme 2015-2019. I will continue on what was said in the Government Programme. It is said that –

“Existing cooperatives will be consolidated and facilities for the emergence of cooperatives in new sectors, such as Green Energy (...).”

In fact, this is the only new sector that was proposed in that Programme, and after having gone through the Bill, I do not see the words ‘Green Energy’ at all. I have seen ‘Green Sectors’ being mentioned. I have even visited, for additional material, the Directory of Cooperative Products and Services for Mauritius and Rodrigues for 2015-2016, wherein the hon. Minister, in his message, mentioned a 3-year Action Plan for the re-engineering of the Cooperative Sector that was launched by the Cooperative Division in 2015.

All I found was in section 19 - Green Sectors, again - which provides for the particulars for three companies dealing with recycled glass and palmists plates. Nothing at all on Green Energy, and yet, this was the only sector that the Government Programme 2015-2019 singularly mentioned! Therefore, I thought I should mention this because I am a Board Member of the

Mauritius Renewable Energy Agency (MARENA), and time and again we have discussed about this there -cooperatives for renewable energy.

Mr Deputy Speaker, Sir, the Cooperatives Bill before us this evening seeks to achieve in a nutshell –

- (i) the setting up of a Cooperative Audit Unit, and
- (ii) establish the National Cooperative College, *inter alia*.

Now, from what I understand, it is a Government auditor or external auditor who has so far been doing the auditing of more than 1,000 of primary cooperative societies that operate in the country. From the long list of scandals the House is aware of, one can say the auditing job has indeed not been very good. While perusing sections 72 and 73 of the Bill regarding the Cooperative Audit Unit, I would like, however, to invite the hon. Minister to enlighten the House on some bolt and nut points as follows.

Firstly, it is not clear to me who shall appoint the person who is going to drive this Cooperative Audit Unit. Is it going to be the Registrar, the Supervising Officer, the hon. Minister or the Public Service Commission? The Bill mentions a Principal Cooperative Auditor who is a public officer. The point I am trying to make is if that appointment is not done correctly, it might, to my view, curtail or undermine the powers of the Registrar of Cooperatives. Well, this is my view. From now onwards, it appears that all cooperative societies are going to be under the control of the Principal Cooperative Auditor. Although the intention may be good, it is very important that we know who is going to appoint him or her because that person will be conferred with powers to enquire and investigate on each and every society in Mauritius.

Mr Deputy Speaker, Sir, I will now like to touch a little bit about the National Cooperative College. I am just wondering whether the International Cooperatives Alliance (ICA), the independent non-government association which unites, represents and serves cooperatives worldwide has been consulted on this proposition. As a matter of fact, I even wonder if cooperatives, co-operators and stakeholders have been consulted in the preparation of this proposition in this Bill where we are envisaging a complete repealing, re-enacting and providing for the sake of a reform legislating framework for cooperative sector in Mauritius.

On this note of consultation, I have a similar thought for the Cooperative Development Advisory Board. Have they been consulted in regard to this Bill? Was a copy of the Bill circulated to them and has the Board given its opinion? Is there a conclusive report from the Cooperative Development Advisory Board? I question.

Coming back to the National Cooperative College, up until now - and it has been said in this House - the National Institute for Cooperative Entrepreneurship (NICE) is touted to be the centre of excellence in capacity building for cooperative entrepreneurship that has all along been the body that had the responsibility of educating, providing quality and recognised human research development programmes for the benefit of cooperative societies and cooperative entrepreneurs. I am told that it was even in the process of obtaining MQA approved certification for its courses. The reason I am mentioning this, Mr Deputy Speaker, Sir, is very simple. As per the Bill, I see that the National Cooperative College and the National Institute for Cooperative Entrepreneurship (NICE) are more or less the same. It has been said again in this House. We are talking about promotion of education, research and training, and development of entrepreneurship. NICE was even concentrating on technical issues that were fundamental to co-operators like women co-ops. All we see is a change of appellation!

With the College, NICE is being dismantled and put away. Maybe the Minister can enlighten on this, because the question is what will become of the current staff of NICE. Are they going to become redundant at the expense of new recruits? Is this an exercise of more jobs for the boys and the girls? Hon. Boissézon has mentioned *petits copains*. Is this what we are talking about here? I should hope that the hon. Minister could clarify. Is this an exercise that will entail that we need to pay compensation for those staff that are going to be put away, I mean the NICE staff?

Coming to the Board of the College which shall comprise, according to the Bill, of nine members, including the Chairperson, most of them to be appointed by the Minister. Quite awkward, Mr Deputy Speaker, Sir, is paragraph 108. It is said there that the Council may appoint on such terms and conditions as it may determine such employees as it may consider for the proper discharge of its function and all of them are to be under the administrative control of the Director who himself shall be appointed by the Council with the approval of the Minister. No terms of reference for these employees have been mentioned. Now, I invite Members of the

House to think about this. Quite awkward as well is paragraph 106(3), which stipulates that the hon. Minister may determine the allowances to be paid to the Chairperson and members of the Council. Well, the moot point I am trying to make here is that the hon. Minister will determine the fees to be paid to his own appointees. To me, this is a bit awkward. I would like to hear from the hon. Minister later on this issue.

Now, the hon. Minister has talked about good governance and, I think, he has his reasons for saying so. It must be said that sometime back he tried to liquidate the Vacoas Multi-Cooperative Society because of alleged malpractices. As I have said, he had his own reasons. However, having gone through the Bill, I think, we need to be very careful. One last point I would like to mention here is about paragraph 5(3), Formation of societies, where two different words are mentioned. Well, I am an Engineer, I am not a Barrister, but I am trying to figure the difference. It is mentioned Membership of primary society and in part (b), the word used is ‘*société*’ and it is in italics. Well in French ‘*société*’ means company. It could mean company. In English when we say ‘primary society’, we are referring to cooperative society. Maybe the hon. Minister can enlighten us as to whether there is an issue or not because we are not talking about any kind of companies here, we are talking about cooperative societies.

Mr Deputy Speaker, Sir, I would like to end here. I should like to mention that over the years, many of our cooperative societies have become inactive and many of them, contrary to their main objectives of being united for the sake common economic, social, and cultural needs and aspirations, have instead got stuck in the quagmire of corruption. There are so many cases notwithstanding the fact that the vision of the Ministry is to have the best possible legal and institutional framework conducive to the development of diversified, competitive and innovative cooperatives for the benefit of their members.

I suggest that we be very careful in what we are doing because the last thing we would like to happen to this already fragile sector is to open up a Pandora’s Box.

I thank you for your attention.

**The Deputy Speaker:** Hon. Members, Madam Speaker, will now resume her seat.

*At this stage Madam Speaker took the Chair*

**Madam Speaker:** Yes, hon. Bholah!

**Mr Bholah:** Madam Speaker, allow me, first of all, to thank the hon. Members, from both sides of the House, who have participated in the debate on the Cooperatives Bill. The interests shown on the subject and the quality of the interventions show that there is unanimity *pour rendre aux coopératives ses lettres de noblesse*. In fact, one of the orators mentions that it goes beyond *parti politique* and I was quite thrilled and amazed by the quality of the debate.

I would like to reply to some points raised by the different Members regarding the appointment of Principal Cooperative Auditor. In fact, this appointment will be done by the Public Service Commission because eventually the holder will be a civil servant. The scheme of service is being worked out presently with the Pay Research Bureau. In as far as the accounts to be audited is concerned, the obligation is already incorporated in clause 73 at paragraph 3 as to which accounts and the obligation to file such accounts.

Now, regarding the threshold of turnover and the provision of audit services by the Government Auditors, presently in the Act it is the threshold of Rs10 m. Any society having a turnover of over Rs10 m. they have to seek for external Auditors, whereas those societies having up to Rs10 m. they may secure the services of the Government Auditors. In the new Bill, we have given the guarantee I said in my main intervention that all those societies, which are presently enjoying this facility, will be safe and, if ever there is any adjustment to be done by way of regulations so as to safeguard their interests, this will be done.

Regarding the National Cooperative College, well, it is true that the objectives are same, but by opening a new building and by having MQA approved courses, we are going to give a better image of the courses *et les formations qu'on va donner aux coopérateurs*.

As regard the issue of Cooperative Development Fund, it is true that this is where in this Fund all the registration fees, the annual fees and any proceeds coming from the liquidation of a cooperative society are banked. Well, there are a number of cases where applications of money, in order to promote the interest of different cooperative societies have been made. We have taken good note of the suggestion of hon. Uteem regarding helping those genuine small cooperative societies when they are in difficulty as a result of mismanagement. At the same time, there are so many ailing cooperative societies at this moment and we do not intend to open the doors to such a measure.

Madam Speaker, as to how many committees we do have, well, it was in the present law, but each of these committees has its objectives and I think it is good to maintain it for the time being.

With regard to the par values of shares and all that, you know, a cooperative society is a cooperative movement, it has a culture of its own. It has its values. Therefore, one of the main principles is that one man one vote, and everyone, irrespective of the number of shares they have, they have only one vote.

I have also taken good note of the different offences and all that, but there is a problem regarding enforcement. Even the present law prescribed for offences for different offences, there has hardly been any case that any person in breach of any section of the cooperative law has been brought to justice. It is a beginning with the different levels of offences or fines that we have prescribed here.

Regarding the employment of arbitrators, well, it is normally the officers of the Ministry who performed those duties and whenever there is any dire need for legal assistance, they turn to the State Law Office for this.

Hon. Sesungkur mentioned about the different cooperatives societies, well, there is a provision in law now, where any cooperative society may register with SMEDA and become a small or medium enterprise and as such they can benefit for all the other assistance and all the support that any other entity registered with SMEDA enjoys presently.

With regard to Article 50, I have no more to add to what hon. Rutnah said in reply to hon. Mrs Selvon.

Madam Speaker, I won't be long in my summing up, but needless to say that in line with the Prime Minister's vision, I wish to add here that with the view to giving visibility to the cooperative movement and boost the cooperatives in general, the following important measures have already been initiated -

- The post of Registrar of Cooperatives which was vacant since a decade now, that is, as far back as 2006, has been filled in September this year.

- Likewise, the post of Deputy Registrar of Cooperatives which was vacant since 2011 has also been filled. These are basic but important posts to ensure the smooth running of the Division.
- A Top 100 Cooperatives Magazine has been prepared and released for the first time ever. This will now become an annual feature to keep the cooperative movement vibrant and in the forefront to give them visibility.
- The Management of all Cooperative Federations have been reviewed and re-engineered. Moreover, with the support of the hon. Minister of Finance and Economic Development, the grant of the Mauritius Livestock Marketing Cooperative Federation and the Mauritius Agricultural Marketing Cooperative Federation has been reviewed and increased from Rs500,000 to Rs700,000 for the financial year 2016-2017.
- The St. Antoine Planters Cooperative Trust has been revived. Its initial fund of Rs25 m. in 1996 which has accumulated to Rs90 m. in 2015 was underutilised. As from this year, four grant schemes have been introduced to the great relief and benefit of the planters of Ex-St. Antoine factory area.
- In addition, the financial schemes which were available for Small and Medium Enterprises have now been extended to cooperatives to encourage societies, in particular our youngsters, to join business.
- A national sensitisation and awareness campaign for consolidation of existing societies and setting up of new ones, particularly in deprived regions, in line with the recommendation of the Truth and Justice Commission, is being carried out.

Madam Speaker, the Bill also lays the foundation for a favourable and conducive legal environment to facilitate the setting up as well as the development of emerging sectors such as bio-farming, aquaculture and green energy.

Madam Speaker, to sum up, I wish to mention that the new Bill, in line with the Government Programme 2015-2019, will lead the Mauritian Cooperative Movement towards the following -

- (i) empowerment of women and the youth as a strategy for poverty eradication, through cooperative entrepreneurship business models;

- (ii) promotion of good governance and ease of doing business;
- (iii) fostering accountability, control and transparency as well as combating suspicious and fraudulent transactions;
- (iv) professionalising the operations of cooperative societies;
- (v) segregation of the audit function from the Regulatory duties of the Registrar of Cooperative Societies, and
- (vi) widening the scope of doing business by allowing cooperatives to make joint ventures with national and international organisations.

Madam Speaker, last but not least, in line with the modernisation and transformation process, the Bill provides for computerisation and development of an e-culture in the cooperative movement. The young generation of co-operators will be empowered and encouraged to participate in the promotion of transfer of knowledge and latest technologies towards the professionalization of the cooperative movement in the Republic of Mauritius.

Madam Speaker, I hope that, with this Bill, all the lacunas and impediments in the previous legislation and Regulations have been addressed. I have no doubt that in the wake of rapid global changes and challenges ahead in the Cooperative Sector, the Bill will pave the way for a better future.

With your permission, Madam Speaker, I seize this opportunity to extend my thanks to the Chairperson and members of the Cooperatives Law Advisory Committee, for their commendable advice and contribution in the drafting of this legislation.

With these remarks, Madam Speaker, I thank you.

*Question put and agreed to.*

*Bill read a second time and committed.*

### **COMMITTEE STAGE**

*The Co-operatives Bill (No. XXII of 2016) Bill was considered and agreed to.*

*On the Assembly resuming with Madam Speaker in the Chair, Madam Speaker reported accordingly.*

*Third Reading*

*On motion made and seconded, the Co-operatives Bill (No. XXII of 2016) was read the third time and passed.*

### ADJOURNMENT

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Madam Speaker, I beg to move that this Assembly do now adjourn to Tuesday 22 November 2016 at 11.30 a.m.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo)** rose and seconded.

**Madam Speaker:** The House stands adjourned.

Hon. Members, I wish to draw your attention to the fact that I have a long list of Members who wish to intervene on Adjournment today. In fact, I have a list of 11 Members. As you know, we have got only 30 minutes for Adjournment Time, which means that we have less than three minutes for Members to intervene and for the respective Ministers to reply. So, I am asking for your indulgence to be very brief so that everybody can intervene.

### MATTERS RAISED

(8.54 p.m.)

### PARLIAMENTARY WRITTEN QUESTIONS - REPLIES

**Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière):** Thank you, Madam Speaker. I shall be very brief, but I have two issues.

The first one, on which I need your guidance as well as the hon. Deputy Prime Minister who is replacing the Prime Minister. As at to date, Madam Speaker, 32 Parliamentary Questions have not been replied; questions which we have asked from March to September. I think it is very serious. I am tabling a copy of the list which has been compiled by your Office. Therefore, I think this is very serious. We are here to ask questions, and I think, out of courtesy, we need to have replies.

Secondly, which is more serious, you will remember, when we were discussing at Committee of Supply, Ministers said they would be circulating the reply. Just a quick look at this

morning, Madam Speaker, before seeking your guidance, about 44 questions have not been replied and all the Ministries are here, starting from the Prime Minister's Office, Tourism, Sports, Energy and so on. I think this is serious. Ministers have taken commitment in the House to circulate their reply, and we have agreed. I still remember when I raised the issue as well as hon. Baloomoody. You then gave the guarantee, taking what the Ministers said, that this is on record and it will have to be circulated. I am appealing through you, that, out of courtesy to Members of the House, at least, Ministers should honour their commitment to circulate PQs and also the commitment they undertook to circulate the replies during Committee of Supply while discussing the Budget.

Thank you.

**Madam Speaker:** Hon. Bhagwan, in fact, I am taking note regarding the replies to PQs, but I do recall that this issue was raised by yourself during the Committee of Supply last August. I also recall having stated that, since Ministers undertook to circulate the information which was requested by Members of the Opposition, the information would have to be circulated. I have been apprised that several Ministers have so far not laid information required from them in the Library. I am, therefore, requesting Ministers who have not circulated the required information to kindly do so as soon as possible, but, at the same time, I am also requesting the Clerk of the Assembly to follow up the matter and to officially remind Ministers and Ministries concerned to do the needful. Hon. Uteem!

### **VALLÉE PITOT – STATE LAND – LEASE AGREEMENT**

**Mr R. Uteem (First Member for Port Louis South & Port Louis Central):** Thank you, Madam Speaker. I have two items to raise. They both concern the hon. Vice-Prime Minister and the people living in my constituency on State land.

The first one is the people living in Vallée Pitot...

*(Interruptions)*

I apologise; the Minister of Housing and Lands.

The first one relates to the 35 families who live on State land in Vallée Pitot near Eidgah. In April 2016, the hon. Vice-Prime Minister gave them a letter of intent and told them that they would be getting Rs75,000 for concrete roof and Rs65,000 for construction material. This is all on

the Internet. It has been seven months now. These people have still not received their lease agreement and they are still not able to get the funding for the slab and construction materials.

### **TRANQUEBAR – SQUATTERS - RELOCATION**

The second issue concerns this time squatters in Tranquebar. Following the matter raised at Adjournment on 19 July of this year, the Vice-Prime Minister gave the assurance that he will look into the matter regarding the 82 squatters, at Tranquebar and Camp Manna in particular, who had to be relocated to Pointe-aux-Sables. Now, these people have already paid for the connection fees to CEB, CWA. They are even receiving bills. This is totally unfair. They are receiving bills to pay and they still have not got the keys for the apartment.

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Madam Speaker, concerning Vallée Pitot, I can say that next Wednesday, we are going to issue the lease.

I would like to thank the hon. Member concerning Tranquebar. Madam Speaker, I will take a few minutes just to explain the situation because what has been said is very important. I refer to the statement I made, as rightly pointed out, on the relocation of squatters of Tranquebar to Pointe-aux-Sables on Tuesday 19 July 2016.

The House was informed that the exercise of drawing of lots for 82 squatters had been effected on 30 November 2015. In view of the complexity of the situation, the State Law Office was requested to advise on the possible options for the drawing up of the Lease Agreements given that State Land Development Company (SLDC) had constructed the housing units for the National Empowerment Foundation and the National Housing Development Company (NHDC) had been mandated to sell those housing units which stand on State land.

A Memorandum of Understanding (MoU) was prepared for the signature of my Ministry and the NHDC. An amortization schedule annexed to the MoU specifies that the NHDC has to repay a loan of Rs16,762,640 at 5% interest rate half-yearly up to March 2036 which it will have to collect from the beneficiaries.

In that connection, the NHDC requested the Ministry of Finance and Economic Development (MOFED) to consider that refund of the said loan be limited to the amount collected from the house buyers after accounting for NHDC's administrative fee.

An amortization plan to improve the affordability of the beneficiaries to pay back their loan is being finalized by MOFED and the NHDC, following which the housing units would be sold to the squatters.

It is to be noted that beneficiaries deriving an income ...

*Interruptions)*

I am nearly finished, this is the last point.

**Madam Speaker:** Est-ce que j'aurais à appliquer la guillotine?

**Mr Soodhun:** Madam Speaker, it is a very important issue. It is to be noted that the beneficiaries deriving an income of Rs10,000 or more will have to pay Rs251,000 and those deriving less than Rs10,000 will have to pay Rs225,000 for one housing unit.

Thank you.

(9.02 p.m.)

**KENSINGTON, POINTE-AUX-SABLES – SEWERAGE SYSTEM**

**Mr V. Baloomoody (Third Member for GRNW & Port Louis West):** Madam Speaker, I will be very brief. I will raise an issue which I raised before regarding the inhabitants of Kensington at Pointe aux Sables. They are still facing hardships due to the fact that they are not connected to the main sewerage system. I understand that the wastewater station is not very far from Kensington. Therefore, I am asking the hon. Vice-Prime Minister where matters stand with regard to the connection of the Kensington inhabitants. Thank you.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo):** Madam Speaker, I must just place on record that, from time to time, all five Members of this constituency have raised this matter with me, including hon. Baloomoody and hon. Barbier, but also the others.

Kensington is 110 households. They have on-site sewers with leaching fields. This is blocked. I personally have looked at the situation with the engineers - I think I am going to become an engineer very soon - and instead of waiting for their original plan, it was so easy to draw a line from this to the Montagne Jacquot sewage plant which is 700 metres away and this is what has been done. I have pressed on the Board to do something about it.

In August 2016, they published their projects which include project No. 11 which is Kensington and last week the Board approved the launching of tenders. The invitation for tenders is going to be published next week. The works are going to start in January 2017, completed in June 2018. The cost - it is not good that I give the prices, but it is published - is about Rs80 m. but the tender exercise will emerge.

Let me thank the hon. Members of that constituency who have been doing their work very well, whether on Government side or on the Opposition side to help to relieve the situation of the inhabitants of Kensington.

**Madam Speaker:** Hon. Ameer Meea!

### **LOCAL TEA – SHORTAGE**

**Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East):** Madame la présidente, je vais évoquer ce soir un problème qui, à mon avis, est sans précédent et c'est le problème de pénurie de thé qui existe sur le marché local. Actuellement, il y a une pénurie du thé qui est produit localement sur des étals des supermarchés. Au fait, le thé est disponible en petits sachets mais pas en vrac. Donc, cela coûte plus cher aux Mauriciens et parallèlement il y a un marché noir qui s'est développé même si c'est à petite échelle. Il y a aussi des informations qui circulent à l'effet que des étrangers venant d'un pays de l'Asie de l'Est ont acheté du thé en grande quantité pour l'exporter vers leur pays.

Madame la présidente, je profite pour adresser un appel au ministre du Commerce pour faire une enquête pour savoir les raisons réelles de cette pénurie et aussi pour prendre les actions nécessaires pour remédier à cette situation dérangeante.

Merci, Madame la présidente.

**The Minister of Industry, Commerce, and Consumer Protection (Mr A. Gungah):** Indeed, Madam Speaker, officers of the Consumer Affairs Unit of my Ministry conducted a survey throughout the island at the retail outlets and the shortage of tea was noticeable. The matter has been referred to the Ministry of Agro-Industry and Food Security for remedial actions and I am informed that a programme to revitalise the sector has already been initiated by the Ministry of Agro-Industry and Food Security. Thank you.

### TEA SUPPLY - SHORTAGE

**The Minister of Agro-Industry and Food Security (Mr M. Seeruttun):** Madam Speaker, if you will allow me. I will supplement to what my colleague just stated with regard to that problem of shortage of tea on the market.

Indeed, we have had a prolonged winter season this year and there is a shortage of tea leaves following the harvest and, apparently, this has caused a shortage of tea supply on the market. We have met the manufacturers of tea last week and we have agreed to allow them to import a certain quantity of tea to blend with our local tea to supply the market. We have asked them to provide us with their necessary required quantities so that we can proceed with the award of permit. We are concerned about this issue but, it is good to note also that this shortage is for tea *en vrac* as we say and not for tea bags because we all know that when they sell tea in tea bags the margin is higher. Therefore, that is also another question that we have to look at, but we are tackling the problem.

Thank you.

### RESIDENCE VUILLEMIN - SECURITY MEASURES

**Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière):** Madame la présidente, ma requête ce soir s'adresse au Premier ministre et je demanderai au Vice-premier ministre, l'honorable Soodhun, de la lui transmettre. Cela concerne l'insécurité qui règne dans un quartier de Beau Bassin, connu comme Résidence Vuillemin.

La situation a dégénéré, Madame la présidente, ces dernières semaines avec des bagarres entre résidents de longue date et des nouveaux venus dans la région. Ce problème, comme je vous l'ai dit, a débuté quand le propriétaire d'une maison à étage a converti ce bâtiment en six mini studios loués à des personnes louches qui se comportent mal jusqu'à fort tard le soir, perturbant ainsi la tranquillité de ce quartier et il paraît aussi que la drogue circule librement. Les habitants de Vuillemin sont tellement exaspérés par cette situation. Ils ont fait circuler une pétition qu'ils ont remise aux autorités concernées ainsi qu'aux députés de la circonscription, la police, la municipalité entre autres. Ils sont au courant de ce problème mais rien de concret n'a été fait jusqu'ici pour mettre bon ordre et rétablir la paix et l'harmonie dans ce quartier de Beau Bassin autrefois si paisible.

Je fais, donc, un pressant appel à l'honorable Soodhun d'agir promptement et de régler ce problème qui n'a que trop duré. Merci.

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Madam Speaker, definitely I am going to pass on the request of the hon. Member to the Commissioner of Police. The hon. Member can rest assured that they will keep in touch with him to get all the information concerned so that they can react accordingly.

### **STATE-OWNED ENTERPRISES - GOVERNANCE**

**Mr S. Rughoobur (Second Member for Grand'Baie & Poudre d'Or):** Madam Speaker, my request is addressed to the hon. Minister of Financial Services, Good Governance and Institutional Reforms. Actually, it relates to the governance issue in State-owned enterprises, the recent cases of Air Mauritius. I have actually submitted a copy of the request to the hon. Minister.

The recent cases of governance that we have had in those State-owned enterprises which relate to differences in the understanding of the roles and responsibilities of Chairman and its Board of Directors on the one hand, and scope of intervention of the CEO on the other hand.

Second, the appointment and composition of sub-committees, *qui est une émanation du* board, scope and powers of such committees. Third, a clear definition and understanding of the role of the State in ensuring transparency and good governance in the day-to-day management of these State-owned enterprises. I took the case of Namibia where there is a State-Owned Enterprise Act and a State-Owned Enterprise Governance Council.

I am requesting the hon. Minister of Financial Services, Good Governance and Institutional Reforms, to please look into this whole issue of governance in these State-owned enterprises and come up with suggestions. Of course, we have to optimise on the investment of the Government in these SOEs which amounts to almost billion of rupees annually.

Thank you.

**The Minister of Financial Services, Good Governance and Institutional Reforms (Mr S. Bhadain):** Madam Speaker, I am fully appreciative of the points which have been raised by the hon. Member. He is absolutely right. I mean, everything he is saying today of structures which have already been put in place. If we look at one of the first Cabinet's decisions relating to the

work of my Ministry that was as far as back as January 2015 when we came into office; what we said was that there must be clearly defined roles between Chief Executive and Chairpersons.

We abolished the position of Executive Chairman because we have seen the abuse in BPML and other organisations before. It cuts across Government; we have to be honest. At Air Mauritius, we had a Chairman who was sitting on the Hedging Committee and then we had massive losses. We know that; we have seen what happened.

Concerning SICOM, this morning I could not answer the question which was put to me because the management decided that the legal adviser's fees should not be revealed. They are looking at it as personal data. I mean, there are so many issues. BPML! There have been so many cases in the past which we all know and which we have seen. So, the question is: do we come up with more laws? Do we come up with more Regulations? We already have a code of corporate governance which is applicable to private sectors enterprises and also State-owned enterprises. After 12 years, we worked and we have enhanced this code. We are coming with a new revised code.

**Madam Speaker:** Hon. Minister, please excuse me, but I have to draw your attention to the fact that on Adjournment matters, usually when an issue is being raised, you say what you will do. You just give a reply as to what you will do because it is not Statement time. If you want to make a statement, then you will do it during Statement time. At this point in time, for Adjournment matter you just say what you will do and you reply to the hon. Member.

**Mr Bhadain:** Thank you, Madam Speaker. I was just explaining where we have reached so that we can say what to do. We can impose fines. We can change the Financial Reporting Act and make sure that all these companies when their CEOs and their Chairmen do not comply, then they will be fined. I mean, we got solutions and we can come up with those solutions. Nevertheless, is this going to address the problem because it is not a hardware problem, it is a software problem. It is about people. It is not about structures. Thank you.

### **TRANQUEBAR – INHABITANTS - RELOCATION**

**Mr O. Mahomed (Third Member for Port Louis South & Port Louis Central):** Madam Speaker, last Sunday, the 82 families of Tranquebar who live on the alignment of the Ring Road have made a request to meet me. On my way, I even met hon. Uteem. This morning, I

had the chance to discuss with the hon. Vice-Prime Minister and that is why he could make a comprehensive brief just now. So, the matter has been explained. These people are facing real hardship. They are living in dire conditions and they have given me all the documents that there need to be given, including a Press statement that the hon. Vice-Prime Minister made last year to the effect that they would get their keys in a few days. That was in 2015. They have also given me bills. I can see now that one Mrs Cupidon is paying nearly Rs200 per month for a house at Pointe aux Sables where she is not even living because she does not have the key.

Therefore, my plea to the hon. Vice-Prime Minister this evening is for him to expedite the matter. He has already been given the brief and, if possible, to meet these people or some of their representatives as soon as possible because they are really bewildered. They do not know where to go and what will happen to them and they are paying bills. Thank you.

**The Vice-Prime Minister, Minister of Housing and Lands (Mr S. Soodhun):** Madam Speaker, I have explained the difficulties that we are facing for this problem. Both hon. Members can rest assured, I am going to look into the matter and I am ready to meet the people of this region. There is no problem. Thank you.

#### **PAILLES – WATER SUPPLY**

**Mr J. C. Barbier (Fourth Member for GRNW & Port Louis West):** Madame la présidente, mon grief est adressé au ministre des Utilités Publiques et il concerne l’approvisionnement en eau potable dans la région de Pailles. Madame la présidente, depuis plusieurs années maintenant, et depuis l’ancien régime, cela continue de plus bel jusqu’à maintenant. Je dois dire que répétitivement l’approvisionnement en eau potable dans la région de Pailles est souvent, et pendant des jours, interrompu pour la même raison, en l’occurrence une panne de la pompe de la station de traitement de Pailles.

Selon mes renseignements, c’est une pompe qui coûte dans les R 250,000 ; cela est en service actuellement à Pailles. Alors pourquoi est-ce que ce problème se répète régulièrement? Ce n’est sûrement pas le coût de la pompe qui est un problème ! Donc, pourquoi la région de Pailles est souvent sous pression pour les mêmes raisons, que je dirais même un peu banal à chaque fois.

D’autre part, comparé aux autres crises qu’on a eues pour les mêmes problèmes dans le passé, cette fois-ci cette crise a été très mal gérée, vu qu’aucun officier de la CWA – comme dans

le passé - n'est descendu sur le terrain pour contrôler, rationaliser et équilibrer la distribution par les camions citernes et, conséquemment, calmer aussi les esprits.

Certains ont fait pression sur les chauffeurs des camions citernes et ils ont été bien servis alors que d'autres citoyens disciplinés ont eu beaucoup de difficultés pour pouvoir avoir ne serait-ce qu'un seau d'eau.

Je voudrais savoir du ministre s'il est au courant de la situation et comment la CWA compte faire pour éviter le pire à l'avenir ?

Merci, Madame la présidente.

**The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavello):** Je suis parfaitement au courant de la situation, Madame la présidente. Je suis intervenu ensemble avec le *General Manager* de la CWA. Pour cet incident de la panne de la pompe, l'affaire fut résolue en 24 heures et au moment où je vous parle, mes informations - parce que je n'habite pas à Pailles - sont que l'affaire a été résolue. Bien sûr, il y a le problème à long terme de la pompe qui coûte cher et qui pour remplacer va priver les habitants encore plus de l'eau. C'est un problème à long terme, mais la panne a été réparée.

*(Interruptions)*

Pour l'affaire de la citerne, oui, c'est un problème national. Tout le monde veut avoir de l'eau en même temps des citernes et en plus on s'en prend à ce pauvre chauffeur de la CWA qui ne fait que venir livrer de l'eau. Merci.

*At 9.18 p.m., the Assembly was, on its rising, adjourned to Tuesday 22 November 2016 at 11.30 a.m.*

## WRITTEN ANSWERS TO QUESTIONS

### METRO EXPRESS PROJECT – COMMITTEES – SET UP

**(No. B/882) Mr Osman Mahomed (Third Member for Port Louis South & Port Louis Central)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the Metro Express Project, he

will state if any committee/company has been set up at the level of his Office to chart across the implementation thereof and, if so, indicate –

- (a) the composition and remit thereof, and
- (b) if any similar committee/company had been set up at the level of his Office prior to 2014 and, if so, indicate the composition and remit thereof.

**Reply (The Minister of Public Infrastructure & Land Transport):** With regard to part (a) of the question, I am informed as follows -

Two committees, namely a Steering Committee and a Technical Committee, have been set up at the level of the Prime Minister's Office to chart across the implementation of the Metro Express Project.

The Steering Committee was set up on 24 May 2016 and its purpose is to provide overall guidance in policy matters relating to the Metro Express Project and to monitor its overall implementation.

The functions of the Technical Committee, set up on 12 September 2016, are to -

- (i) advise the Government of Mauritius on any aspect of the Consultancy in respect of the Metro Project;
- (ii) examine claims for fees, as submitted by the Consultant, and advise/recommend to Government as to the payments thereof;
- (iii) monitor and review the work plan;
- (iv) undertake such project management duties on behalf of the Government of Mauritius, as may be required, for the Consultancy;
- (v) ensure the timely completion of tasks which any relevant person, authority or Government Department is required to perform in connection with the Consultancy, and
- (vi) ensure the involvement of appropriate resources (both human and capital) from the relevant authority or Government Department for the timely completion of the Consultancy.

The members of the Steering Committee are as follows –

<b>Names</b>	<b>Designation</b>
Hon P. K. Jugnauth	Minister of Finance and Economic Development (Chairperson)
Hon N. Bodha, GCSK	Minister of Public Infrastructure and Land Transport
<b>Prime Minister's Office</b>	
Mr N. K. Ballah	Secretary to Cabinet and Head of the Civil Service
Mr K. Beekharry	Senior Adviser to the Prime Minister
Mr G. Chung Tik Kan	Senior Economic Adviser to the Prime Minister
Mr S. Seebaluck, GOSK	Special Adviser to the Prime Minister
<b>Ministry of Public Infrastructure and Land Transport</b>	
Mr J. M. Simonet	Senior Chief Executive
<b>Ministry of Finance and Economic Development</b>	
Mr D. Manraj	Financial Secretary
<b>In attendance</b>	
Mrs S. D. Gujadhur- Nowbuth	Deputy Permanent Secretary
Mr V. Soondram	Director, Economic and Finance
Mr A. Ramdhany	Analyst/Senior Analyst

The Technical Committee consists of the following members -

<b>Names</b>	<b>Designation</b>
Mr G. Chung Tick Kan	Senior Economic Advisor, Prime Minister's Office (Chairperson)
Mr V. Poonye	Engineer, TMRSU, Ministry of Public Infrastructure and Land Transport
Mr A. Sembhoo	Principal Surveyor, Acquisition Unit, Ministry of Housing and Lands
Mr R. Hemoo	Land Use and Planning Executive, Ministry of Local Government

Dr P. M. K. Soonarane	Director, Technical Services, Ministry of Energy and Public Utilities
Mr K. Heeramun	Ag. Deputy Director of Environment, Ministry of Environment, Sustainable Development and Disaster and Beach Management
Mr A. Ramdhany	Analyst/Senior Analyst, Ministry of Finance and Economic Development

Furthermore, a company, the Metro Express Ltd has been set up as the implementation agency for the Metro Express Project. The Metro Express Ltd will be responsible to develop, construct and operate the railway system in Mauritius.

With regard to part (b) of the question, I am informed that similar arrangements existed prior to 2014 in relation to the implementation of the MLRT project.

A Steering Committee was set up in October 2010 under the Chairmanship of the then Secretary to Cabinet and Head of the Civil Service to examine the modalities for the proposed Light Rail System. The composition of the Steering Committee was as follows -

SN	NAME	DESIGNATION
1.	Mr S. C. Seeballuck (Chairperson)	Secretary to Cabinet and Head of the Civil Service
2.	Mr K. Ruhee	Senior Adviser/Chief of Staff, Prime Minister's Office
3.	Mr D. Manraj	Financial Secretary, Ministry of Finance and Economic Development
4.	Mr D. K. Dabee	Solicitor General
5.	Mr S. K. Pather	Supervising Officer, Ministry of Public Infrastructure, National Development Unit, Land Transport and Shipping
6.	Mr N. K. Ballah	Permanent Secretary, Ministry of Public Infrastructure, National Development Unit, Land Transport and Shipping

7.	Mr L. Aujaheb	Assistant Parliamentary Counsel, Attorney General's Office
8.	Mrs G. Topsy-Sonoo	Assistant Solicitor General, Attorney General's Office
9.	Dr K. Reesaul	Chief Executive Officer, Mauritius Land Transport Authority
10.	Mr V. Soondram	Lead Analyst, Ministry of Finance and Economic Development
11.	Mr S. Petit	Chief Executive Officer, Airports of Mauritius Ltd
12.	Mr A. Pursonon (Secretary)	Deputy Permanent Secretary, Prime Minister's Office

In addition, a Technical Committee was set up to look into all technical matters related to the above project. The composition of the Technical Committee was as follows -

SN	NAME	DESIGNATION
1.	Dr K. Reesaul (Chairperson)	Chief Executive Officer, Mauritius Land Transport Authority
2.	Mr R. K. Bunjun	Deputy Permanent Secretary, Ministry of Public Infrastructure, National Development Unit, Land Transport and Shipping (Land Transport Division)
3.	Mr P. Purmessur	Deputy Permanent Secretary, Ministry of Local Government and Outer Islands
4.	Mr D. Jowahir	Analyst, Ministry of Finance and Economic Development
5.	Mrs G. Rusunee	Principal Planner, Ministry of Housing and Lands
6.	Mr J. Aujaheb	Probity Auditor, Attorney General's Office
7.	Mrs D. Mahomudally	Acting Assistant Manager Financial Operations, Mauritius Land Transport Authority
8.	Mrs Y. Banymandhub (Secretary)	Office Management Assistant, Mauritius Land Transport Authority

### AUTO CYCLES/MOTORCYCLES – REFLECTIVE JACKETS

(No. B/892) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the auto cycles/motorcycles, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number thereof which have been booked for failing to wear reflective jackets over the past three years, division-wise, indicating if additional measures will be taken to address this issue.

**Reply:** I am informed by the Commissioner of Police that the Road Traffic (Use of High Visibility Clothing) Regulations 2013 are effective as from 01 January 2014. During the period 01 January 2014 to-date, 6,175 riders of auto cycles/motorcycles have been booked for the offence of failing to wear reflective jacket as follows -

(i)	Northern Division	1,945
(ii)	Metropolitan North	715
(iii)	Metropolitan South	939
(iv)	Eastern Division	734
(v)	Western Division	642
(vi)	Central Division	212
(vii)	Southern Division	190
(viii)	Rodrigues	789
(ix)	The Port Area	9

The law on the use of High Visibility Clothing was introduced with the objective to protect riders. In fact, Government considers that wearing of the High Visibility Clothing both during the day and at night, is one of the measures to address the safety risks associated with riding an auto cycle or motorcycle. There is evidence in the international technical reports that motorcyclists wearing High Visibility Clothing are less involved in accidents.

Since the coming into force of the legislation, the Police has implemented the following measures to encourage riders to wear their High Visibility Clothing and act against defaulters –

- (i) a “Hot Spot Policing” Scheme has been put in place by positioning of Police vehicles with “Gyrophare” at strategic locations round the clock. Vehicles including auto/motorcycles are checked both by day and night, and the state of sobriety of drivers/riders are assessed;
- (ii) ‘Info-route’ is carried out daily on all radios and road users are sensitised on road safety measures. On a regular basis the public is also informed on the factors that may lead to road accidents and imparted with defensive driving techniques. On every Thursday, in conjunction with MBC, a special program is broadcast after the news bulletin laying emphasis on road safety issues;
- (iii) the Police Road Safety Unit regularly organises exhibitions at various locations whereby the public are exposed to the various equipment use by Police to enforce road traffic laws;
- (iv) lectures are delivered to children, secondary school students, elderly persons and private sector employees on Road Safety;
- (v) prior to the restoration of driving licences to disqualified drivers, the latter are sensitised on road traffic offences on which they have been disqualified and are informed about the severity of the penalty in cases of recidivism, and
- (vi) the Police carries out Intelligence-led Operations regularly to target irresponsible or reckless riders on public roads.

In addition to the measures implemented by Police, I am informed that the Traffic Management and Road Safety Unit of the Ministry of Public Infrastructure and Land Transport is also envisaging the following measures –

- (i) sensitisation and education campaigns would be carried out targeting the motorcyclists in general on the importance of inter-visibility between road users during both daytime and night time. The Campaigns will comprise proper vehicle maintenance, the use of brakes and tyres pressure among others. This is considered as a priority in view of the number of road crashes involving

motorcyclists. A communication strategy has been elaborated and this campaign will start soon;

- (ii) strict enforcement by Police of daylight running headlight by motorcycles with engine capacity greater than 50cc;
- (iii) a “*moto-école*” project will be launched during the course of this month to enhance the training component for safer motorcycling on our roads;
- (iv) a motorcycle driving instructors’ training programme will start as from 17 November 2016;
- (v) the road Traffic Driving instructors and school Regulations for motorcyclists has been worked out by the Ministry of Public Infrastructure and Land Transport. These are being finalised by the Attorney General’s Office and Government approval will be sought accordingly, and
- (vi) the granting of provisional and full driving licence is being reviewed in the proposed amendments to the driving licence Regulations.

Notwithstanding the above, I have, on several occasions, drawn the attention of the Commissioner of Police on the need to strengthen checks on autocycles and motorcycles travelling at night without lights and riders not wearing reflective jackets at night.

### **POLICE OFFICERS – DRUG TRAFFICKING – ARREST**

(No. B/893) Mr G. Lesjongard (Second Member for Savanne & Black River) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to drug trafficking, he will, for the benefit of the House, obtain from the Commissioner of Police, information as to the number of Police and Prison Officers respectively who have been arrested since January 2016 to date in relation thereto, indicating the number thereof who have been suspended from duty.

**Reply:** I have to inform the House that section 41(4) of the Dangerous Drugs Act provides that “a person shall be deemed to be a drug trafficker where the street value of the drugs, the

subject-matter of the offence, exceeds one million rupees or such other value as may be prescribed.”

I am informed by the Commissioner of Police that since January 2016 to date, two Police Officers have been arrested for drug trafficking and both of them have been suspended from duty. There is no Prison Officer who has been arrested for drug trafficking over the said period.

### **RODRIGUES – ELECTORAL REFORMS**

**(No. B/894) Mr G. Lesjongard (Second Member for Savanne & Black River)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the proposed electoral reform in Rodrigues, he will state if –

- (a) he has received representations from the Rodrigues political parties and the civil society respectively, and
- (b) additional consultations will be held prior to the proposed amendments in relation thereto being introduced in the Assembly.

**Reply:** As the House is aware, a Ministerial Committee on Electoral Reforms was set up in January 2016 under my Chairmanship to make recommendations on electoral reforms including amendments to the electoral system in Rodrigues.

As regards part (a) of the question, the Committee had received representations and held consultations with the different political parties, workers’ organisations, Non-Governmental Organisations and individuals in Rodrigues, on the proposed changes to the electoral system of the Island.

The Ministerial Committee has met on five occasions to discuss the proposed amendments to the electoral system in Rodrigues and in light of the consultations held, it has submitted its main recommendations to Cabinet which has agreed that same be forwarded to the Rodrigues Regional Assembly for concurrence. A copy of the proposed Bill has already been forwarded to the Rodrigues Regional Assembly to that effect.

As regard part (b) of the question, it would be preferable to await the outcome of the deliberations at the level of the Rodrigues Regional Assembly, on the Bill, prior to deciding on any future course of action.

### **BAGATELLE DAM WATER TREATMENT PLANT PROJECT - IMPLEMENTATION**

**(No. B/920) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the implementation of the Bagatelle Dam Water Treatment Plant Project, he will, for the benefit of the House, obtain from the Central Water Authority, information as to where matters stand.

**Reply:** I am informed by the Central Water Authority that on 10 November 2016 it awarded the contract for the construction of the Bagatelle Water Treatment plant to the bidder approved by the Central Procurement Board - JV HWPC-First Bureau – HUDP.

Works will start by mid-December and will be completed in 20 months.

### **CEB – SUGAR ESTATES IPP - CONTRACT**

**(No. B/921) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the contract of the Independent Power Producers from sugar estates, he will, for the benefit of the House, obtain from the Central Electricity Board (CEB), information as to –

- (a) if same have been renewed and, if so, indicate the terms and conditions thereof, and
- (b) where matters stand as to the negotiations with regard to the Power Purchase Agreement between ALTEO and the CEB.

*(Withdrawn)*

### **TYACK – STADIUM - CONSTRUCTION**

**(No. B/922) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Minister of Youth and Sports whether, in regard to the proposed construction of a stadium at Tyack, he will state where matters stand.

**Reply:** I wish to inform the House that a plot of land of the extent of 6 hectares 3,315m<sup>2</sup> at Tyack, Rivière des Anguilles was vested by the Ministry of Housing and Lands in my Ministry on 02 July 2014 for the construction of a stadium and sports complex.

The Ministry has not yet proceeded with the implementation of the project in view of budgetary constraints. However, the football ground of Rivière des Anguilles State College, on completion of upgrading works undertaken thereat, will be made available to the inhabitants of the locality in the context of the Memorandum of Understanding signed with the Ministry of Education and Human Resources, Tertiary Education and Scientific Research for the use of school football grounds by the public after school hours and during weekends.

I would also like to inform the hon. Member that my Ministry is implementing a project for the construction of a swimming pool in Rivière des Anguilles.

### **WORKERS (FOREIGN) – WORK PERMITS**

**(No. B/923) Mr B. Jahangeer (Third Member for Rivière des Anguilles & Souillac)** asked the Minister of Labour, Industrial Relations, Employment and Training whether, in regard to the expatriates, he will state the –

- (a) maximum number of years they are allowed to work in Mauritius, and
- (b) measures taken to monitor the period of employment thereof.

**Reply:** With regard to part (a), foreign workers are normally issued work permits for a maximum period of four years, except for those employed in export-oriented enterprises, where the latter may work up to eight years or more depending on the human resources requirements and level of scarcity of skills in these sectors.

In relation to part (b), the Monitoring and Enforcement section of my Ministry conducts frequent inspections and investigations to ensure compliance with the law and approved duration and conditions of employment of foreign workers. Enforcement measures have been strengthened by blacklisting employers violating the regulations and cancelling work permits where appropriate.

My Ministry also operates an IT-enabled work permit system to enable safeguarding and tracking of work permit data in an effective and efficient manner. This also enables the management of information related to the dates of arrival, validity of work permits and departure of foreign workers.

Accordingly, to minimise the incidence of illegal foreign workers, notification is sent to companies for the renewal of work permits three months prior to the expiry of such permits.

Concurrently, my Ministry collaborates with the Passport and Immigration Office and relays regular reports for the tracking and repatriation of workers who have overstayed.

### **SC & HSC - EXAMINATION FEES – SPONSORSHIP SCHEME**

**(No. B/924) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Minister of Education and Human Resources, Tertiary Education and Scientific Research whether, in regard to the School Certificate and the High School Certificate examination fees respectively for the year 2016, she will state -

- (a) the number of candidates who sat therefor who
  - (i) will have to effect payment thereof and
  - (ii) have submitted medical certificates in order to satisfy the present requirements, and
- (b) if consideration will be given to dispense the candidates from having to refund same.

**Reply:** The scheme for the sponsorship of SC/ HSC examinations fees through the MES applies to school candidates sitting for these exams for the first time and meeting the eligibility requirements.

As regards part (a) (i) of the question, I am informed by the Mauritius Examinations Syndicate (MES) that for the year 2016, some 13,578 such school candidates sat for the School Certificate and 8,768 sat for the HSC Examinations, making a total of 22,346.

On the basis of information received, out of the 22,346 candidates, some 3,983 candidates from 68 State and 102 Private Secondary Schools will have to pay the fees on account of not meeting the attendance requirements.

Hence, the percentage of candidates not meeting the requirement is around 17.8 %.

As far as part (a) (ii) of the question is concerned, I am informed that some 2,331 students from State Secondary Schools and 1,204 students from Private Secondary Schools have submitted medical certificates in respect of their absences.

Regarding part (b) of the question, candidates not satisfying the eligibility requirement have been given up to end of December 2016 to do the needful. It is our considered view that it will not be fair to dispense those who have not complied with the eligibility conditions, taking into account the fact that the majority of candidates (around 83 %) have made it a point to satisfy the attendance criteria.

### **TAXIS – HOTEL STANDS – SPECIAL DESK**

**(No. B/925) Mr J. N. Aliphon (Third Member for Beau Bassin & Petite Rivière)** asked the Deputy Prime Minister, Minister of Tourism and External Communications whether, in regard to the proposal to have a special desk for the taxis licensed to operate at the hotel stands, he will state where matters stand.

**Reply:** On 12 July 2016, in reply to PQ B/726, I informed the House that the deadline for the setting up of the taxi desk had been extended to 15 September 2016 to give hotels ample time to finalise the modalities and the Tourism Authority had issued a correspondence to all hotels concerned requesting them to comply with Government decision by the given deadline.

It is worth pointing out that the space and layout vary from one hotel to the other. As such, there need to be some flexibility in identification of the location and implementation of the taxi desk with regard to each hotel and, in line with the Government decision; the taxi desk should be set up in consultation with respective hotel management and taxi operators.

The Tourism Authority also had follow-up meetings with the stakeholders such as Hotel Management, Taxi Operators and the Police for implementation of the taxi desk at certain hotels during the past months.

I am informed by the Tourism Authority that as at October 2016 –

- (i) 25 hotels out of 80 have already complied with the measure;
- (ii) A further 19 hotels informed that taxi operators licensed to operate in their region were satisfied with an alternative arrangement which has been agreed upon by both parties involved, and
- (iii) The remaining 36 hotels are either still in process of negotiation regarding the modalities for setting up of the desk or are not willing to proceed further in view of constraints such as lack of space.

I am also informed by the Tourism Authority that several complaints against taxi operators have been received from Hotel Management with regard to the implementation of this project. One of the main complaints pertains to the selling of excursions at the taxi desk which was not the objective of this measure.

I also deplore the action by some taxi drivers who have participated in demonstrations outside hotels, and have adopted an aggressive attitude unbecoming of operators in the tourism industry.

It appears that such actions have discouraged the remaining members of AHRIM to implement the taxi desk at their end.

#### **IMPASSE BELVÉDÈRE, BEAU BASSIN – SEWERAGE SYSTEM**

**(No. B/926) Mr A. Aliphon ( Third Member for Beau Bassin & Petite Rivière)** asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether he will state if he is in presence of a petition signed by the inhabitants of Impasse Belvédère, 5<sup>th</sup> Mile, in Beau Bassin, for the provision of an adequate sewerage system thereat and, if so, indicate if consideration is being given thereto.

**Reply:** On 12 October 2016, I received an e-mail with a petition as attachment signed by 20 persons requesting for the installation of sewer system at Impasse Belvedere, 5<sup>th</sup> Mile, Beau Bassin.

I requested the Wastewater Management Authority to look into the matter. On 25 October 2016, a technical team visited the site and found that there was need for extension of the sewer line.

On 27 October 2016, a survey team started preliminary field investigations, which it could unfortunately not complete because a few residents did not want the sewer line to be routed through their premises and did not allow access to the team.

The WMA is proposing to hold consultations with the petitioners in order to complete the investigation and work out the technical feasibility and the cost.

### **ST MARTIN & BLACK RIVER ROAD A3 - TRAFFIC JAMS**

**(No. B/927) Mr A. Aliphon (Third Member for Beau Bassin & Petite Rivière)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the junction of the roads coming from St Martin/Bambous/Albion/Petite Rivière, he will state if consideration will be given for traffic lights to be installed thereat, having regard to the traffic jams occurring in the morning and in the evening thereat on a daily basis.

**Reply:** I wish to inform the House that the junction of the road from St Martin joining the Black River Road A3 is a T-junction equipped with traffic islands and appropriate lane splitter to segregate traffic heading in different directions. It is also provided with a right turning lane with appropriate stacking length for traffic along the Black River Road A3 heading towards St Martin. The junction is well designed to cater for the vehicular traffic that uses both the Saint Martin Road also known as the Raymond Rivet Street as well as the traffic along the Black River Road A3. The traffic islands are placed and designed to reduce traffic conflicts and improve road safety at that intersection. Furthermore, there is adequate visibility for traffic that uses the intersection due to the visibility splay provided.

There is another junction nearby of approximate length of 280 m for traffic from Albion that join the Black River Road A3. This intersection is already equipped with a traffic signal equipment and is operating satisfactorily. This junction was signalised to solve the poor visibility problem that traffic from Albion was encountering whilst joining the Black River Road A3.

I have been advised by the Traffic Management and Road Safety Unit that the Junction Raymond Rivet Street and Black River Road A3 is operating satisfactorily from a traffic and road safety point of view. The junction is located along a slope on the Black River Road A3 and this road is being used by many heavy vehicles that travel towards Saint Martin and La Chaumière region where there are several heavy polluting activities such as stone crushing plant, water treatment plants, farms, garbage transfer station and so on.

I am further advised that the provision of a traffic light at that junction will compel the heavily loaded trucks to stop on a slope when the light is red and this may result in a very hazardous situation if a truck fails to restart when the light is green. Moreover, this will even increase the traffic congestion at that junction because heavy goods vehicle will take longer time to gain speed from a stationary position while travelling along an uphill slope forcing other vehicles to platoon behind it thereby increasing the queuing length.

The Traffic Management and Road Safety Unit is also of the view that the provision of a traffic light at the junction of Raymond Rivet Street and Black River Road A3 will not solve the problem of congestion occurring during peak hours and can in fact deteriorate the actual situation from a traffic and road safety point of view.

I wish to inform the House that my Ministry will, by the end of this year, commission a Road Safety Audit and priority of consideration will be given to this area, amongst others. Following recommendations of the Audit, improvements will be brought accordingly.

### **AQUACULTURE PROJECTS - IMPLEMENTATION**

**(No. B/928) Mr E. Jhuboo (Third Member for Savanne & Black River)** asked the Minister of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands whether, in regard to the proposed 1.7 billion rupees worth investment in the aquaculture sector, as announced in the last budget speech, and the 33 sites that have been identified in respect thereof, he will give a list of the projects earmarked for implementation thereat, indicating the respective location thereof.

*(Withdrawn)*

**POMPONETTE & ST FELIX - HOTEL PROJECT**

(No. B/929) Mr E. Jhuboo (Third Member for Savanne & Black River) asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the proposed implementation of a hotel project in the region of Pomponette and St Felix, he will state where matters stand.

*(Withdrawn)*

**PUBLIC SECTOR - RECRUITMENT**

(No. B/930) Mr S. Rutnah (Third Member for Piton & Rivière du Rempart) asked the Minister of Labour, Industrial Relations, Employment and Training whether, in regard to the public sector, he will state the -

- (a) number of posts created over the period 2005 to 2010, 2010 to 2014 and 2014 to date respectively, indicating the number of recruits sector-wise, and
- (b) expected number of posts to be created by the year 2018.

*(Withdrawn)*

**DEVELOPMENT BANK OF MAURITIUS LTD. - SCHEME FOR THE ACQUISITION OF COMPUTERS - DEBTORS**

(No. B/931) Mr S. Rutnah (Third Member for Piton & Rivière du Rempart) asked the Minister of Finance and Economic Development whether, in regard to the Loan Scheme for the Acquisition of Computers of the Development Bank of Mauritius Ltd., he will, for the benefit of the House, obtain from the Bank, information as to the –

- (a) total quantum of the loans granted since the introduction thereof to date, and
- (b) number of debtors in respect thereof, indicating the –
  - (i) total amount of money in arrears, and
  - (ii) actions taken for the recovery thereof, if any.

*(Withdrawn)*

### **MHC, NHDC & MCSMAA – DEPOSIT TAKING ACTIVITIES**

**(No. B/932) Mr D. Sesungkur (First Member for Montagne Blanche & GRSE)** asked the Minister of Finance and Economic Development whether, in regard to the Mauritius Housing Company Ltd., the National Housing Development Company Ltd., the Mutual Civil Service Mutual Aid Association Ltd. and the Co-operative Credit Unions, he will state if these institutions carry out deposit taking activities and, if so, indicate –

- (a) if they are subject to the supervision of the Bank of Mauritius, and
- (b) how the interests of the depositors thereat are protected.

*(Withdrawn)*

### **JUVENILE OFFENDERS ACT - AMENDMENT**

**(No. B/933) Mr V. Baloomoody (Third Member for GRNW & Port Louis West)** asked the Minister of Gender Equality, Child Development and Family Welfare whether, in regard to Article 4 of the United Nations Convention on the Rights of the Child, she will state if consideration will be given for the introduction of proposed amendments to the Juvenile Offenders Act to ensure that Mauritius complies therewith, indicating the other appropriate administrative measures taken, if any, in the same direction.

**Reply: (Minister of Social Security, National Solidarity and Reform Institutions):** At the very onset, I wish to inform the House that the protection of fundamental rights and freedoms of the individual and the rule of law are principles which are already enshrined in our Constitution.

With regards to Article 4 of the United Nations Convention on the Rights of the Child, I wish to point out that due consideration is being given to bring the Juvenile Offenders Act in line with the said Convention and other international instruments on juvenile delinquency.

It is worth highlighting that, prior to April 2016, female child offenders and female juveniles beyond control were kept within the same premises at the Rehabilitation Youth Centre for girls. Since April 2016, a Correctional Youth Centre for female child offenders has been made operational. This administrative measure has been taken with a view to segregating female child

offenders from female children with behavioural problems in an attempt to creating an environment which is more conducive to the overall development and rehabilitation of both categories of children.

As far as the rehabilitation of uncontrollable juveniles (male and female) at the Rehabilitation Youth Centre is concerned, I wish to underline that the prevailing system is based on a correctional rather than a therapeutic approach. In order to better cater for the needs of children with behavioural problems, we are adopting a purely therapeutic model through the setting up of small homes. An amount of Rs3 m. has been allocated to the Ministry of Social Security, National Solidarity and Reform Institutions in the last budget 2016/2017 to kick-start this project.

I wish to reassure the House that due consideration will be being given to the provisions of the United Nations Convention on the Rights of the Child in all our projects pertaining to juvenile justice and rehabilitation.

#### **FOOD WASTAGE - STUDY**

**(No. B/934) Mrs D. Selvon (Second Member for GRNW & Port Louis West)** asked the Minister of Agro-Industry and Food Security whether, in regard to the problem of food wastage, he will state if consideration will now be given for the carrying out of a study in relation thereto with a view to taking a decision as to the possibility of introducing a legal framework to address same.

**Reply:** The problem of food wastage is today of worldwide concern. It forms part of food loss and has been defined by the FAO as the removal from the food supply chain of food which is fit for consumption, by choice, or which has been left to spoil or expire as a result of negligence. Food loss or wastage occurs throughout the food supply chain from initial production down to final household consumption. This may be attributed to a number of reasons such as problems in harvesting, storage, packing, transport, infrastructure or market/price mechanisms as well as institutional and legal frameworks.

According to the Food and Agriculture Organisation (FAO), around one third of the food produced in the world for human consumption gets lost or wasted every year. In Mauritius

according to the Digest of Statistics 2015, around 0.34% of the total food produced including imports was wasted in 2015.

At the level of my Ministry, we are mainly concerned with the food loss or wastage which occurs during and after agricultural production, that is post-harvest losses. Currently there are no statistics regarding such losses. However, officers of my Ministry are regularly assisting farmers to adopt good pre-harvest agricultural practices to minimize the losses and also by encouraging them to shift to agro-processing activities. In addition, farmers are being trained on techniques for the proper handling and storage of agricultural products.

Prior to considering the introduction of a legislative framework to address the problem of food wastage, a holistic survey should be carried out on food losses throughout the whole food supply chain. Meetings have already been held with a Non-Governmental Organisation (NGO) which is already involved in a benevolent project on food wastage in hotels, restaurants, caterers, hypermarkets and bakery shops. However, this NGO has expertise in wastage of food at consumption level only.

Since the FAO through its *Save Food: Global Initiative on Food Loss and Waste Reduction* has the expertise and experience in carrying out studies on the problem of food losses and wastage, I am envisaging the possibility of requesting the technical assistance of the FAO to carry out such a study in Mauritius. The study will have to highlight the losses which occur along the entire food chain, assess their magnitude, identify the causes and recommend ways of preventing them.

The introduction of a legislative framework can only be considered only after such a study has been carried out.

### **RICHELIEU - EX-CHA HOUSING UNITS - UPGRADING**

**(No. B/935) Mrs D. Selvon (Second Member for GRNW & Port Louis West)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the ex-CHA housing units at Richelieu which are in dilapidated states and still occupied, he will state where matters stand as to the proposed pulling down and replacement thereof, following a recent visit thereof of officers of his Ministry.

**Reply:** I wish to refer the hon. Member to my reply to PQ B/763 of 12 July 2016 wherein I informed the House that during a site visit effected by officers of my Ministry in March and April 2016, the inhabitants were made aware of the various Government schemes available for the upgrading of their housing units.

I have been informed by the NHDC that following a request from the hon. Member, a site visit by officers of the NHDC was effected at Cité Richelieu on 06 October 2016.

During the site visit, it has been observed that 13 housing units are in bad state. However, it was also noted that most of the inhabitants of the housing estate have already upgraded their housing units and carried out extensions, either laterally or vertically.

As I mentioned in my reply to PQ B/763, all the 550 houses at Cité Richelieu have been sold at a nominal price of Rs500 more than 20 years ago. Accordingly, the inhabitants are full-fledged owners of their housing units.

Given that these housing units are now privately owned, the responsibility of upgrading these housing units rests on the owners. The inhabitants may apply to -

- (a) the NHDC to benefit from the grant for the casting of roof slabs or the grant for the purchase of building materials to start construction;
- (b) the Mauritius Housing Company Ltd for a housing loan at low interest rate, and
- (c) the National Empowerment Foundation for any assistance regarding reconstruction/upgrading of their housing units.

### **PUBLIC HOSPITALS – MEAL SUPPLY**

**(No. B/936) Mrs D. Selvon (Second Member for GRNW & Port Louis West)** asked the Minister of Health and Quality of Life whether, in regard to the public hospitals, he will give a list of the caterers for the supply of meals to the patients thereof, indicating in each case the –

- (a) annual contract value thereof, and
- (b) date of signature thereof.

**Reply:** I wish to inform the House that my Ministry does not have recourse to private caterers for the supply of meals in the public hospitals. In fact, all meals for inpatients are prepared in-house.

#### **NATIONAL LIBRARY - HISTORICAL DOCUMENTS & PUBLICATIONS**

(No. B/937) Mrs D. Selvon (Second Member for GRNW & Port Louis West) asked the Minister of Arts and Culture whether, in regard to the precious historical documents and publications being damaged, many beyond repair, found at the National Library and at other public historical and cultural databanks, he will state if measures are being taken for the safeguard thereof and, if so, give details thereof and if not, why not.

**Reply:** I am informed that as at today, there has been no damage to any precious historical documents and publications, found both at the National Library and at the National Archives, except for some newspapers.

As regards measures being taken for the safeguards of historical documents at the National Library and the National Archives, I am informed that the following actions are being undertaken

-

1. Ongoing digitization process;
2. Environmental control to slow down any process of deterioration by controlling the temperature, humidity and light;
3. Regular dusting and insect control ;
4. Binding for preservation and conservation;
5. Encouraging appropriate handling of fragile documents by users and providing gloves to handle brittle documents, and
6. Capacity building for our technicians in the restoration of documents with friendly countries under our Cultural Exchange Programmes.

Furthermore, during the visit of the Director and Chairman of the National Library in China in August 2016, a Memorandum of Understanding had been signed with the National Library of China for cooperation and sharing of expertise. The National Library of China has also been approached to extend its help to provide the service of digitisation to the National Library.

**APPOLLO BRAMWELL HOSPITAL (FORMER) – BEDS & STAFF**

**(No. B/938) Dr. Z. Joomaye (Second Member for Rivière des Anguilles & Souillac)** asked the Minister of Health and Quality of Life whether, in regard to the former Appollo Bramwell Hospital, he will state the number of –

- (a) beds available thereat, and
- (b) medical, paramedical and support staff in post thereat.

*(Withdrawn)*

**HOSPITALS - PREREGISTERED DOCTORS - RECRUITMENT**

**(No. B/939) Dr. Z. Joomaye (Second Member for Rivière des Anguilles & Souillac)** asked the Minister of Health and Quality of Life whether, in regard to the recruitment of preregistered doctors, he will state the –

- (a) time frame for the next intake thereof, and
- (b) number thereof to be recruited.

*(Withdrawn)*

**DIABETES TYPE 1 - PEDIATRIC CASES**

**(No. B/940) Dr. Z. Joomaye (Second Member for Rivière des Anguilles & Souillac)** asked the Minister of Health and Quality of Life whether, in regard to Diabetes Type 1, he will state the –

- (a) present number of paediatric cases thereof, and
- (b) general strategy of his Ministry for the prevention, education and treatment thereof.

*(Withdrawn)*

### ST HUBERT – STATE LAND - BENEFICIARIES

(No. B/941) Mr J. C. Barbier (Fourth Member for GRNW & Port Louis West) asked the Minister of Agro-Industry and Food Security whether, in regard to the plots of State land in the region of St Hubert, he will state the number thereof which have been allocated for the carrying out of agricultural activities, indicating -

- (a) the extent thereof in each case, and
- (b) if the beneficiaries thereof have been issued with their respective lease agreement and, if not, why not.

**Reply:** I wish to inform the House that State land St Hubert covers an extent of 34 A 76 P which has been subdivided into 22 plots and allocated to co-operative societies or other agro-based companies as well as individual farmers.

With regard to part (a) of the question, the House would note that plot size ranges from 0A10P for individual farmers to a maximum of 9 A 54 P in case of co-operative societies or agro-based companies.

Regarding part (b), I wish to inform the House that my Ministry has duly issued lease agreement to all beneficiaries who were allocated State Land at St Hubert. However, in two cases, lease agreement was cancelled because land leased was not being effectively utilised.

### NATIONAL SOCIAL REGISTER - ELIGIBILITY CRITERIA

(No. B/942) Mr J. C. Barbier (Fourth Member for GRNW & Port Louis West) asked the Minister of Social Integration and Economic Empowerment whether, in regard to the National Social Register, he will –

- (a) state the eligibility criteria for registration thereon, and
- (b) give a list of the offices where registration is being carried out therefor, country-wise.

**Reply:** In the reply made to the Private Notice Question on 05 August 2016, mention was made to the review of the threshold for absolute poverty, which stood at Rs6,200 per household per month for Mauritius and Rs5,000 for Rodrigues. The new income poverty threshold is currently Rs2,720 per adult per month and the maximum threshold is Rs9,520 per month, depending on the family size.

A new survey would have to be carried out to register households living in absolute poverty based on the new criteria so as to establish a new Social Register of Mauritius.

A registration exercise was undertaken by the National Empowerment Foundation from 16 August to 17 September 2016 in 35 Citizens Advice Bureau in Mauritius. The same exercise was carried out by the Foundation from 05 to 13 September 2016 in 15 Centres in Rodrigues.

A total of 28,388 applications were received, including 5,399 for Rodrigues. Home visits have been completed. The Proxy Means Test is currently being undertaken by the Ministry of Social Security, National Solidarity and Reform Institutions with a view to calculating the assessed income. Those persons whose assessed income would be less than the poverty thresholds would be registered in the Social Register of Mauritius.

### **RIGHT MANAGEMENT SOCIETY – ROYALTIES - PAYMENT**

**(No. B/943) Mr J. C. Barbier (Fourth Member for GRNW & Port Louis West)** asked the Minister of Arts and Culture whether, in regard to the Right Management Society, he will, for the benefit of the House, obtain therefrom, information as to the mechanism put in place for the distribution of royalties for the end of year 2016, indicating the formula applicable therefor.

**Reply:** With regard to the mechanism put in place for the distribution of royalties, I wish to refer the hon. Member to the reply I made to PQ B/69 at the sitting of the House of 29 March 2016 wherein I stated that royalties collected are paid to artists based on the log sheet provided by users of copyright works. In case no log sheet is available, a sampling list is used for payment of royalties in line with international practice. The percentage is as follows -

- i. Author – 25%
- ii. Composer – 25%
- iii. Musical Arranger – 16.6%
- iv. Publisher – 33.4%

I wish to inform the House that the same formula will be used for the forthcoming distribution exercise of royalties in early December 2016.

The computation is still ongoing.

### **MUNICIPAL COUNCIL OF PORT LOUIS - RECRUITMENT**

**(No. B/944) Mr J. C. Barbier (Fourth Member for GRNW & Port Louis West)** asked the Minister of Local Government whether, in regard to the low grades posts at the Municipal Council of Port Louis, he will, for the benefit of the House, obtain from the Council, a list of the new recruits therefor, indicating in each case the –

- (a) residential address, and
- (b) age thereof.

**Reply:** I am informed by the Municipal City Council of Port Louis that 55 employees have been recruited by the Council recently.

I am arranging for the information requested for in respect of these new recruits to be placed in the Library of the National Assembly.

#### **MOTORWAYS – ROUNDABOUTS - ROAD SAFETY AUDIT**

**(No. B/945) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the roundabouts situated along the M1, M2 and M3 Motorways respectively, he will state if –

- (a) Traffic Impact Assessments are carried out thereat/in the vicinity thereof, especially, having regard to the present number of road accidents occurring thereat;
- (b) they meet the established international norms, and
- (c) modifications to the original layout thereof are being envisaged and, if so, give details thereof.

**Reply:** I am informed by the Road Development authority that there is a total of 38 roundabouts along the M1(14), M2(14) and M3(10) Motorways. From the accident database available at the Traffic Management & Road Safety Unit of my Ministry, it is noted that some 144 accidents have been reported along the 3 Motorways during the period January 2013 to December 2015, of which 3 were fatal and in 25 cases the injury was serious. I am further informed that in most of the cases the accidents were a result of either wreckless driving, over-speeding or poor visibility at night.

With regard to part (a) of the question, I am informed that a Traffic Impact Assessment is normally carried out at the time of designing new roads and related infrastructure, including the roundabouts.

Moreover, as part of the National Road Safety Strategy, my Ministry is in the process of hiring a Consultant for the purpose of carrying out Road Safety Audit along classified M, A and B roads with a view to identifying roads safety deficiencies and areas of risks that could lead to road accident, and to propose remedial measures. The Road Safety Audits will cover the various roundabouts found along M1, M2 and M3. In the light of the findings and recommendation of the Consultant, appropriate modifications will be made to further ensure the safety and security of road users.

With regard to part (b) of the question, I am further informed by the Road Development Authority that the roundabouts are designed according to international norms, either British or American standards.

As regards part (c) of the question, I wish to inform the House that my Ministry is about to embark on two major projects under the Road Decongestion Programme (RDP) –

- firstly, the existing roundabouts at Pont Fer, Dowlut, and Jumbo at Phoenix will be converted into a grade separated junction; and
- secondly, a Link Road A1-M1, including a bridge, will be constructed to connect Coromandel to Soreze.

In this connection, a contract for Consultancy Services has been awarded to the Korean Expressway Corporation (KEC) under a G to G Agreement for the Design Engineering, Project Management and Supervision of the two projects.

Moreover, with a view to alleviating traffic congestion in the city centre, action has been initiated for the design and construction of a Grade Separated Junction along M1 at Decaen Street, Port Louis. Invitation of bids has been issued on 10 November 2016 with the deadline for submission of proposals being 17 January 2017.

**(No. B/946) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)** asked the Minister of Public Infrastructure and Land Transport whether, in regard to the bus route 137, Curepipe-Carreau Acacia, he will, for the benefit of the House, obtain from the National Transport Authority, information as to if consideration will be given for a re-engineering thereof for the benefit of the travellers and of the bus operators thereof and, if so, when and, if not, why not.

**Reply:** I am informed by the National Transport Authority (NTA) that there are six buses owned by individual operators which are licensed to operate along route 137, that is, Curepipe-Carreau Acacia via J. Nehru Hospital and Carreau Esnouf. These bus operators are members of the Grand Port Savanne Bus Owners Cooperative Society Ltd. On this bus route, transport services are provided to inhabitants of Mon Desert Mon Tresor, Camp Carol, Carreau Esnouf, Carreau Acacia, Kenya, Le Bouchon and Union Vale.

Following the closure of Mon Desert Mon Tresor Sugar Estate in 2007 and the pulling down of the Sugar Estate Camps, many inhabitants have left the region. Unfortunately, this has caused a decrease in the number of passengers thereby making this bus route unprofitable.

The individual operators have complained that their daily income have considerably decreased and requested the National Transport Authority to consider their situation and bring remedial measures. Hence, on 01 November 2016, the NTA met with the bus operators with a view to improving the situation and various proposals were discussed.

The operators were not agreeable to the proposals for the merging of route 137 with route 10A (l'Escalier-Curepipe) and to the introduction of an Express service between Carreau Acacia and Port Louis.

However, the Grand Port Savanne Bus Owners Cooperative Society was agreeable to the introduction of an Express service between Carreau Acacia and Curepipe via La Vigie. They also agreed to the re-routing of the itinerary of route 137 between Plaine Magnien and Carreau Acacia. This is expected to attract more passengers while proceeding through the developing localities of Desplace and Holiday Inn Hotel. The Cooperative Society has accordingly submitted an amended plan for the re-routing of bus route 137.

The agreed proposals are being worked closely by the NTA with the operators. The bus time table of operation along route 137 is being amended by the NTA and would be effective as from Monday 21 November 2016, to cater for the introduction of an Express Service. Additionally, the re-routing of route 137 will be implemented by March 2017.

### **PLEIN BOIS - FOOTBALL GROUND**

**(No. B/947) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien)** asked the Minister of Youth and Sports whether, in regard to the Plein Bois region, in Constituency No. 12, Mahebourg and Plaine Magnien, he will state if consideration will be given for the setting up of a football playground thereat and, if so, when and, if not, why not.

**Reply:** I have to inform the House that my Ministry does not have any project for the construction of a football ground in the Plein Bois region in Constituency No. 12, Mahebourg and Plaine Magnien for the time being.

The hon. Member may invite inhabitants of Plein Bois to make use of the football grounds at La Sourdine Govt. School, Jugnarain Roy Govt. School and Burrenchobay Govt. School which are being opened for use by the public after school hours and week-ends as well as during school holidays.

### **ST FÉLIX AND BEL OMBRE - PUBLIC BEACHES**

**(No. B/948) Mr G. Lesjongard (Second Member for Savanne & Black River)** asked the Vice-Prime Minister, Minister of Housing and Lands whether, in regard to the public beaches found in the regions of St Félix and of Bel Ombre, he will state the extent thereof having been de-proclaimed, indicating the reasons therefor.

**Reply:** In 2003, an “Integrated Plan for Tourism and Leisure Development at St. Felix” was prepared, and subsequently a land exchange mechanism between Government and St-Felix S.E. was approved by the then Government.

The Integrated plan involved the assembly of the public beaches, the former grazing lease sites, a bungalow complex site called Villa Pointe aux Roches and freehold land of an extent of

some 73 Arpents belonging to St. Felix Sugar Estate with a view to provide a better configuration for different activities. The said freehold land was transferred to Government within a land exchange mechanism that went through the appropriate consultation procedures with the relevant authorities. The Integrated Plan also necessitated a realignment of the coastal road.

Prior to the implementation of the Integrated Plan for Tourism and Leisure Development for St Felix, the area had 2 declared public beaches, namely -

- (i) The St. Felix Public Beach of an extent of 6A47 declared under G.N. 495 of 1991 but was found to be of an extent of 4A05 after fresh survey.
- (ii) The Pomponette Public Beach of an extent of 16A57 declared under G.N. 608 of 1991.

An extent of 2A56 of the St Felix Public Beach was deproclaimed as per GN 213 of 2005 and was included in the extent earmarked for hotel project. A new public beach of the total extent of 15A74 was proclaimed as per GN 214 of 2005.

The Integrated plan also made provision for the deproclamation of the Pomponette Public Beach of an extent of 16A 57 to be included in Hotel site 3 in 2003. However, the public beach had not been deproclaimed at that material time.

It is only in August 2016 that an extent of 16 Arpents has been deproclaimed as per GN 1246 of 2016 and has been included in the hotel site 3 as initially planned in the Integrated layout. A letter of intent has already been issued to Clear Ocean Hotel and Resorts Ltd for hotel development on hotel site 3 of the extent of 31A49P which includes the deproclaimed public beach and freehold land obtained in the land exchange deal with St Felix S.E.

The benefits of the integrated plan are as follows -

- (i) The realignment of the coastal road has resulted in obtaining 3 hotel sites with more reasonable depths and extents when including the adjoining lands of St. Felix Sugar Estate.
- (ii) An extent of 5A29 has already been vested in the Ministry of Social Security, National Security and Senior citizen's Welfare & Reform institution for the construction of an elderly centre. This project is in the implementation phase.
- (iii) A new public beach of the total extent of 17A24 has been obtained. Provision of

the necessary amenities has been made by St. Felix S.E pursuant to the conditions of the land exchange deal.

- (iv) In addition to the 17A24 of public beach, a plot of land of the extent of 15,271m<sup>2</sup> (3A62P) obtained in the exchange deal, has also been vested in the Ministry of Local Government for the upgrading of a jogging track and football ground as well as the construction of a children's playground.

### **TEA - SCARCITY**

**(No. B/949) Mr G. Lesjongard (Second Member for Savanne & Black River)** asked the Minister of Industry, Commerce and Consumer Protection whether, in regard to the Mauritian tea, he will state if he has received complaints from consumers concerning the scarcity thereof on the local market and, if so, indicate if remedial measures will be taken in relation thereto.

**Reply:** I am informed by the Consumer Affairs Unit of my Ministry that no complaint has been received from consumers concerning the scarcity of tea.

However, my Ministry has effected a survey to determine the existence of shortage of tea on the market. Thus, during visits effected by officers of my Ministry on 14 and 18 October 2016 in retail shops around the island, the shortage was noticeable. When queried about the reasons for the shortage, retailers replied that suppliers are not in a position to meet the normal demand.

The matter was referred to the Ministry of Agro-Industry and Food Security for remedial action.

I am informed that the Ministry of Agro-Industry and Food Security has already initiated a programme to revitalise the sector.

### **MINISTRY OF HEALTH AND QUALITY OF LIFE - PHARMACEUTICAL PRODUCTS - TENDERS**

**(No. B/950) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière)** asked the Minister of Health and Quality of Life whether, in regard to the public hospitals, he will, for the benefit of the House, obtain from the Pharmacy Board, information as to the quality control procedures carried out to ensure that only safe pharmaceutical products are dispensed thereat, indicating if the same procedures are carried out with regard to the pharmaceutical products dispensed in private pharmacies.

**Reply:** I wish to inform the House that my Ministry procures its requirement of medicines through bidding processes as stipulated under the Public Procurement Act 2006.

We already have in place all procedures and protocols to ensure that all pharmaceutical products meet the required standards of safety and quality, namely –

- tenders are launched on the basis of specifications and standards. Tenders are subsequently approved after proper evaluation provided that the pharmaceutical products meet the required specifications and standards;
- all bidders should submit a certificate of Good Manufacturing Practice (GMP) and a Certificate of Pharmaceutical Products (CoPP) issued by the Regulatory Authority of the country of origin;
- each consignment of medicines received should be compulsorily accompanied by a batch analysis certificate from the Quality Control Department of the company, which has to certify that the products have passed all the tests of quality;
- in addition, we have regular random sampling on consignments received and samples are sent for analysis both at the Government Analyst Division and to a level 3 private laboratory, that is Mauritas accredited namely Quanti Lab, and
- regular feedback is requested from user departments on the quality of drugs during the weekly Drug Monitoring Committee.

In 2014, there were some questions raised regarding quality of pharmaceutical products. Measures were thus taken by my Ministry to further improve quality control and pharmaceutical products are now being purchased only from –

- manufacturers of Pharmaceutical Inspection Convention (PIC) countries;
- manufacturers of the Gulf Cooperation Council (GCC), and
- manufacturers from Non PIC Countries whose manufacturing sites have been inspected by one of the Drug Regulatory Authority of the European Union zone.

Furthermore, these manufacturers need to demonstrate that they have at least 2 pharmaceutical products registered and marketed in a PIC country or in Mauritius.

With regard to pharmaceutical products dispensed in private pharmacies, I am informed that the following measures are being followed by the Pharmacy Board –

- only registered pharmacy wholesalers, under the supervision of a Pharmacist, are authorised to import pharmaceutical products for sale in the private sector;
- all pharmaceutical products in the private sector have to be registered by the Pharmacy Board prior to import and sale. To this effect, Regulations were made in April 2016 for the payment of registration fees of all pharmaceutical products before being marketed in the country to ensure quality and traceability of the products;
- the Pharmacist is required to submit a written application to the Board accompanied with a Registration Dossier with all relevant documents including the Good Manufacturing Practice Certificate, Certificate of Pharmaceutical Product and the Quality Analysis Certificate for registration of pharmaceutical products for sale on the local market, and
- on receipt of an application, the Board refers it to the Trade and Therapeutics Committee and in the light of the recommendations of the Committee, the Board may approve or reject the application for registration of the pharmaceutical product as the case may be.

I can reassure the House that my Ministry is taking all necessary measures to ensure that only safe pharmaceutical products are available at public hospitals as well as private pharmacies.

### **TAMARIN – BLACK ROAD – REHABILITATION**

**(No. A/38) Mr E. Jhuboo (Third Member for Savanne & Black River)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister for Rodrigues and National Development Unit whether, in regard to the black road in the village of Tamarin, he will state if consideration will be given for the rehabilitation thereof.

**Reply:** Works order for the upgrading of Black Rock Road in Tamarin has been issued on 10 November 2016 by the National Development Unit. It also includes the provision of a road-side drain.

The project is scheduled to start on 21 November 2016 and is expected to be completed by 27 February 2017.