



**SEVENTH NATIONAL ASSEMBLY**

**PARLIAMENTARY**

**DEBATES**

**(HANSARD)**

**(UNREVISED)**

**FIRST SESSION**

**FRIDAY 30 JULY 2021**

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**BILL (*Public*)**

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Hon. Teeruthraj Hurdoyal	Minister of Public Service, Administrative and Institutional Reforms

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**MAURITIUS**

**Seventh National Assembly**

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**FIRST SESSION**

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**Debate No. 28 of 2021**

**Sitting of Friday 30 July 2021**

The Assembly met in the Assembly House, Port Louis, at 3.00 p.m.

**The National Anthem was played**

*(Mr Speaker in the Chair)*

**PAPERS LAID**

**The Prime Minister:** Mr Speaker, Sir, the Papers have been laid on the Table.

**A. Ministry of Finance, Economic Planning and Development**

The Report of the Director of Audit on the Financial Statements of the Mauritius Ex-Services Trust Fund (MGSTF) for the year ended 30 June 2020.

**B. Ministry of Financial Services and Good Governance**

The Annual Report of the Financial Intelligence Unit for July 2007 to June 2018.

**C. Ministry of Gender Equality and Family Welfare**

The Reports of the Director of Audit on the Financial Statements of the National Women's Council for the years ended 31 December 2006, 2007, 2008 and 2009.

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

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

**The Deputy Prime Minister seconded.**

*Question put and agreed to.*

**PUBLIC BILL**

*Second Reading*

**The Finance (Miscellaneous Provisions) Bill**

**(No. XIII of 2021)**

*Order read for resuming adjourned debate on the second reading of the Finance (Miscellaneous Provisions) Bill (No. XIII of 2021).*

*Question again proposed*

**Mr Speaker:** Hon. Minister Maudhoo!

(3.03 p.m.)

**The Minister of Blue Economy, Marine Resources, Fisheries and Shipping (Mr S. Maudhoo):** Mr Speaker, Sir, I have to state that the world-wide pandemic has a very severe economic impact in all countries, and such is also the case for Mauritius. Today, the world is trying to define a new normal allowing the economic continuity, while preserving the health of the populations.

Amidst these turbulent waters, Government's strategy is to deploy a lot of efforts and actions to contain the COVID-19 pandemic and to activate *la relance économique*.

Mr Speaker, Sir, given the importance of this Bill, I feel obliged to be able to motivate this august Assembly today on the Finance Bill 2021, especially at a time when the global economy is being brought to its knees with the COVID-19 pandemic.

Undoubtedly, the fisheries sector is one of the important pillars of the Mauritian economy that not only generates employment, it also accounts for around 20% of our national exports. It is, therefore an important source of foreign income. Income generated by the fishing sector represents 1.5% of its GDP. Total export value from fish and fish products in



2020 amounted to Rs20.6 billion. This sector employs around 20,000 people directly and indirectly, and ensures food security for the population. This Government is aiming to maximise the potential of the fisheries sector through a number of measures and innovative initiatives to ensure it becomes one of the most promising pillars of our economy.

However, Mauritius is also facing various threats and challenges that jeopardise its planned growth of the fisheries and aquaculture sectors, such as the adverse impact of climate change on the country's marine ecosystem, and persisting illegal, unreported, and unregulated (IUU) fishing and maritime piracy.

Mr Speaker, Sir, in its wisdom, this Government created a new Ministry of Blue Economy, Marine Resources, Fisheries and Shipping, whose main objective was to consolidate the several different entities that existed with stronger coordination mechanism, as well as promoting a stronger ownership and accountability. In articulating its commitment to blue economy expansion, the Government has adopted a cluster approach, whereby selected blue economy sectors have been identified as having the highest potential to achieve and contribute to overall growth.

These sectors include both some traditional sectors such as fisheries and marine transportation services, as well as some new sectors, and inter-sectorial projects such as maritime digitisation, sea bed explorations, and ocean-based energy that appear to hold the potential for further development.

This Ministry will be one of the future contributors to the country's national income and in line with the Government's vision for a Blue Economy, the Ministry aims towards an integrated approach to the development, management, regulation and promotion of ocean-related economic activities in the ocean whilst improving ocean governance and ensuring proper ocean and coastal management, conservation, healthy marine eco-system and safety for all ocean-related activities. The Ministry has under its portfolio all ocean-related activities and various industries/sectors namely –

- a) fishing industry;
- b) maritime industry;
- c) research development and innovation, and
- d) promotion of ocean sector and governance.

In order to ensure a sustainable development of the fisheries sector, as well as the long-term viability of marine resources, it is important to have sound policies and legislations, with a view to domesticating international instruments, and also to keep pace with developments in the sector.

Mr Speaker, Sir, to operationalise the new measures as announced in the Budget 2021-22, the Finance Bill 2021 is catering for a number of amendments in the Fisheries and Marine Resources Act, namely –

- (a) section 57 – Implementation of international fishery conservation and management measures - to provide for the implementation of resolutions adopted in international conservation and management organisations and agreements;
- (b) section 70 – Offences and Penalties - to include penalties pertaining to offences committed in respect of different sections of the Fisheries and Marine Resources Act;
- (c) section 74 – Regulations - to introduce measures and conditions on the exploration of untapped resources in the Exclusive Economic Zone of Mauritius through exploratory fishing;
- (d) section 2 - Interpretation - to provide for registration of fiberglass vessels of 24 metres or more, intended to be used for fishing and related activities, and
- (e) section 22 – Import of fish and fish products – for the issue of a Trusted Trader Certificate compliant importers who have a good track record in terms adherence to norms and standards.

The Finance Bill 2021 is also making provision to repeal the Fishermen Investment Trust Act and the dissolution of the Fishermen Investment Trust (FIT) as it no longer serves its purpose.

Mr Speaker, Sir, as mentioned earlier, section 57 of the Fisheries and Marine Resources Act is being amended to incorporate international instruments that have been developed for the management of fisheries resources worldwide, namely –

- (i) the UN Fish Stock Agreement signed by Mauritius on 25 March 1997, which ensures the long-term conservation and sustainable use of straddling and highly migratory fish stocks by establishing general principles, including an

ecosystem approach for the conservation and management of the fish stocks. The Agreement requires compatibility between conservation and management measures adopted for areas under national jurisdiction and those established in the adjacent high seas, so as to ensure conservation and management of fish stocks in their entirety;

- (ii) the FAO Port State Agreement signed by Mauritius on 31 August 2015, which came into force on 05 June 2016, requires signatory nations to take a number of practical steps to deny port entry and access to port services to foreign fishing and transport vessels that have harvested fish illegally, that is, IUU fishing. In view of combatting IUU fishing, Mauritius has set up a Port State Control Unit and the Fisheries Monitoring Centre with the Vessel Monitoring System in 2005;
- (iii) the FAO Compliance Agreement signed by Mauritius on 27 March 2003. This Agreement seeks to encourage countries to take effective action, consistent with international law, and to deter the reflagging of vessels by their nationals as a means of avoiding compliance with applicable conservation and management rules for fishing activities on the high seas;
- (iv) the 1995 FAO Code of Conduct for responsible fisheries, which sets out principles and international standards of behaviour for responsible practices with a view to ensuring the effective conservation, management and development of living aquatic resources, with due respect for the ecosystem and biodiversity. The Code recognises the nutritional, economic, social, environmental and cultural importance of fisheries and the interests of all stakeholders of the fishing and aquaculture industries, and lastly
- (v) legally binding measures established by the Indian Ocean Tuna Commission (IOTC), such as data collection and sharing mechanisms, conservation and management measures, compliance and enforcement measures, flag states duties, port state measures and monitoring, control and surveillance and observer programmes. Mauritius is a member of the IOTC since 1996.

Mr Speaker, Sir, section 70 of the Fisheries and Marine Resources Act is also being amended to increase penalties being prescribed under the law. The aim is to ensure a better control on Illegal, Unreported and Unregulated (IUU) fishing activities and conservation

measures. Moreover, the penalties are being aligned with international conservation instruments.

Mr Speaker, Sir, besides, section 74 of the Fisheries and Marine Resources Act is being amended to provide for measures for conducting exploratory fishing activities. The new measures and conditions that are being introduced for exploration of untapped resources in the EEZ of Mauritius will allow better control of activities and the possibility of identification of new fishing grounds and improve knowledge on fish stocks and untapped resources. Untapped resources in our waters that have not been exploited include, amongst others, horse mackerels, squids, lobsters, deep water shrimps. So, exploratory fishing would have to be conducted to identify the diversity and distribution of these untapped resources.

Tapping into the economic potential of the ocean, while at the same time protecting this resource, requires thoughtful policy, planning, and management. With this in mind, Mr Speaker, Sir, Mauritius decided to bring necessary amendments to the Finance Bill to be in line with its economic development strategy, with an objective to double the contribution of the Blue Economy to GDP by 2025.

It created a Blue Economy Roadmap, which aims at making use of the untapped value of the country's ocean resources by sustainably coordinating the use of resources. In this connection, the country endowed a new Ministry for Blue Economy, Marine Resources, Fisheries, and Shipping with the authority to coordinate and manage, as I said, ocean-related activities.

Mr Speaker, Sir, in view of the crucial role played by the Port Louis Harbour in the economic development of the country, and in line with Government policy, this Government has embarked on the expansion, diversification and modernisation of the port infrastructure with a view to supporting its economic activities.

In this connection, as announced in the 2020-2021 Budget, Government would invest Rs2.2 billion into the construction of a Fishing Port, a Breakwater and the Cruise Terminal Building, with a clear vision to provide state-of-the-art infrastructure to the business community. The objective of this project is to ensure that Mauritius becomes a regional maritime hub in the Indian Ocean.

The construction of a fishing port at Fort William will definitely boost the fisheries sector as ports play a major role in the fishing industry, as well as give vessels and crews access to essential services and supplies, and enable vessel operators to land their catch.

Mr Speaker, Sir, the main types of fisheries in Mauritius, namely –

- (i) artisanal off-lagoon fisheries;
- (ii) semi-industrial fisheries;
- (iii) banks fisheries, for demersal, and
- (iv) industrial (long line and purse seine fishing).

Mauritius is already a seafood hub and one of the biggest tuna exporters to the European Union from the African Caribbean and Pacific (ACP) group of countries.

Mr Speaker, Sir, this Government is fully committed to making the ‘blue economy’ a key industry to sustain economic diversification, job creation and wealth generation. This is reflected by the Small Island Developing States (SIDS) identifying the ‘blue economy’ as a tool for sustainable development. Along with other countries in the region such as Seychelles and South Africa, we consider that marine-based economic activities such as fisheries, marine transport and potentially offshore mineral exploration, are crucial to growth.

Mr Speaker, Sir, in view of the significant marine living resources lying within the maritime zones of the Republic of Mauritius, investors are being encouraged to participate in the development of the local fishing fleet by registering and operating their vessels under the Mauritian Flag. Thus, the amendment brought to section 2 of the Fisheries and Marine Resources Act will enable the registration, survey and operation of fiberglass fishing vessels irrespective of their length under the aforesaid Act. There will no longer be the requirement for fishing vessels made of fiberglass of 24 meters and above to be registered under the Merchant Shipping Act.

This was a long-awaited measure by many stakeholders in the fishing sector. Since its announcement, local companies have shown keen interest for catch of both demersal and pelagic fish on such fishing vessels, and my Ministry has started receiving several applications and queries. A special desk has been set up to assist promoters who wish to benefit from this scheme. It is worth noting that worldwide, most fishing nations are using fiberglass fishing vessels as they are less costly in terms of maintenance and operations, including bunkering, and fishing campaigns tends to be of lesser duration.

I wish to inform the House that back in the 90’s, there were around 17 steel industrial bank fishing vessels, such as Talbot, those who remember, Sea Falcon. Presently, we are left with only 3. The more so, foreign labour has to be hired by these companies given that

Mauritian fishers are reluctant to undertake long fishing campaigns of 2-3 months. All these factors lead to that industry being at the brim of extinction.

I wish to point out that the paradox was that we have been issuing fishing licences to foreign flagged fibre glass vessels of 24 metres and above to fish in our Exclusive Economic Zone (EEZ) and local investors were deprived of this opportunity to use fibre glass vessels. With this measure, we are going to stop the discrimination against our Mauritian counterparts.

*Oui, M. le président, je réitère que cette mesure annoncée dans le budget pour l'année 2021/2022 sera une mesure phare qui va sans aucun doute booster le secteur de la pêche.*

Provision is also being made in section 22 of the Fisheries and Marine Resources Act for the introduction of a Trusted Trader Certificate to be issued to largely compliant importers who have a good track record in terms of adherence to norms and standards.

The new Trusted Trader Programme will facilitate trade for largely compliant importers of certain categories of products which are imported frequently, and for a defined validity period.

The Trusted Trader Certificate will act as an incentive for importers to comply with standards, thus reducing default rates, and aspire to becoming trusted traders. When an importer is certified a trusted trader, he will be exempted from the requirement from an import permit for a defined period.

In terms of operating mechanism, the importer would be requested to submit this certificate to customs at times of import and when the goods are cleared by customs, the latter will immediately inform the relevant authority, which may also carry out post controls on the goods cleared.

This programme is meant to facilitate trade, reduce administrative costs and eliminate demurrage charges; especially at a time when shipping costs are skyrocketing. The programme will also make provisions for cancellation and suspension of the certificate in case of non-compliance.

It is noteworthy that the certificate will not be a blanket approval to an importer for any product. The certificate will specify the product which is being certified, the validity period, and can be extended to mention the exporter as well as if an importer is used to

importing a particular product, of a particular brand, from a particular supplier, from a particular country, and without compliance issues, then only the certificate may be issued. My Ministry will also define the qualifying criteria for being eligible to a Trusted Trader Certificate.

Businesses complying with the provisions of the Trusted Trader Programme will be viewed as low risk and will benefit from priority treatment at the border, meaning faster customs processing and fewer interventions. Should a cargo examination be required, the particular trusted trader will receive priority processing, especially with the case of perishable goods. The Customs Department and other stakeholders have agreed to adopt the principle.

The intent of this budget measure is to promote ease of doing business by reducing administrative hassles in the import of fish and fish products, while at the same time, guaranteeing the supply of quality fish and fish products on the local market, so that the Mauritian citizens get value for money. The Trusted Trader Certificate will act as a barrier against fraudulent practices on the part of importers for fear of losing the status of trusted traders, who dump seafood products in Mauritius, especially those which reach their expiry dates.

Mr Speaker, Sir, as mentioned earlier, provisions have been made to repeal the Fishermen Investment Trust Act. On this issue, I would like to come back on the remarks made by hon. Mrs Navarre-Marie in the early morning of Wednesday and this morning on the radio.

M. le président, je réfute catégoriquement la remarque de l'honorable Mme Navarre-Marie sur le fait que la fermeture du FIT a été faite en catimini. Je tiens à préciser que la décision pour la fermeture du *Trust* a été prise lors d'une session spéciale du *Board* du *Trust* le 12 novembre 2018, soit dit en passant, un an avant que je fus assigné le portfolio du ministère de l'Économie bleue. Cette décision fut prise suite au rapport soumis par le *Office of Public Sector Governance* en mai 2015, comme mentionné dans ma réponse à la question parlementaire B/837. D'ailleurs, mention avait été faite dans le rapport du Directeur de l'Audit sur la gestion du FIT.

Je rassure que la fermeture du FIT se fait dans la transparence et que toutes les procédures nécessaires ont été enclenchées pour le transfert des deux employés du *Trust* ainsi que de ses biens.

Mr Speaker, Sir, I wish to remind my colleagues that the Fishermen Investment Trust was established in 2007 as a body corporate under provisions of the Fishermen Investment Trust Act of 2006, with a view to enhancing the socio-economic condition of the fisher community. However, the FIT failed to meet its objectives and to honour its mandate as the projects initiated were not successful, as a result of which the FIT stopped operating since 2015.

It is very sad to note that the business model adopted by the FIT under the Labour Party regime lacked any clear-thinking process or planning, and at the very outset, was bound to be a fiasco, *un bébé mort-né*. En principe, M. le président, *fin van rev avek nou ban peser*.

Mr Speaker, Sir, it is clear that those people who had conceived the project had no business acumen at all, and results in a waste of scarce public funds. Mr Speaker, Sir, I wish to inform the House that since the start of the Fishermen Investment Trust in 2007 up to 2014, the real revenue generated has been only Rs1,968,102 derived from -

- |  |               |
|--|---------------|
| 1. Sale of fish quota                                  | - Rs1,600,000 |
| 2. Commission on Sea Cucumber partnership              | - Rs158,000   |
| 3. Rent from lease of fishing vessels (MEXA 1 & FIT 1) | - Rs160,000.  |

While the following amount was paid for the same period to these officers/officials (during the period I want to say 2007-2014) –

CEOs(2)	Rs8,035,345
Chairman (2)	Rs1,958,199
Board Members	Rs723,199

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Rs10,618,778

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Actually, the income generated was approximately Rs2 m. and what was paid only to the CEO, Chairmen and Board Members was almost Rs10.6 m.

In a spirit of transparency, I am tabling the Consolidated Cash Flow Statement of the FIT and would request hon. Mrs Navarre-Marie to get enlightened by her colleague next to



her, hon. Ameer Meea, who is an Accountant – I am made to understand – before making all sorts of false and malicious allegations.

Anyway, I thank the hon. Member for raising this issue, which has given me the opportunity to reveal the Labour Party, PMSD and the Movement Rodriguais wrongdoings. FIT was clearly a special purpose vehicle set up by hon. Dr. Boolell, that is the Labour Party and others, for the benefit of a privileged few, meaning *les petits copains*, and obviously, not for that of fishermen.

In the year 2007/2008, the only revenue generated by FIT apart from obviously interest income on bank balance was Rs84,000. following sale of quota for fish. In the same year, the CEO, Mr A.K.B, was paid a total amount of Rs805,378. and the Chairperson, Mr J.D - this one is a PMSD - a total amount of Rs178,651. Just imagine, the revenue being Rs84,000 and look at the salaries of these people! Additionally, in the same period, the Board fees amounted to Rs79,107 and air tickets for Board members amounted to Rs48,943.

Mr Speaker, Sir, again, in the year 2008/2009, apart from interest income, income from Commission of Sea Cucumbers and others amounted to only Rs108,479. However, again, the CEO, Mr A. K. B., was paid a total amount of Rs1,022,464. Over and above, the Chairperson was paid a sum of Rs227,955 and Board fees amounting to Rs85,758 and air tickets again, Rs38,129.

In the year 2009/2010, again apart from interest income, revenue generated by the FIT from sale of quota was Rs253,000, again the CEO was paid a total amount of Rs1,037,000, and the Chairperson, an amount of Rs325,800.

Again, in the year 2010/2011, revenue generated amounted to approximately Rs500,000, and again, the CEO, Mr A. K. B. was paid Rs841,220 and, the Chairperson, Rs230,681 and this cinema went on and on.

In 2013, revenue generated by the FIT amounted to Rs450,000. Now, a new CEO, Mr S. H., was paid Rs1.17 m., and Mr G. S., this one again a new Chairman from *Mouvement Rodriguais*, I think. They were in alliance, of course. The Chairperson this time - the FIT was drowning - but the remuneration of the CEO and the Chairperson increased to, this time, Rs360,000.

Fees increased despite the fact that *FIT ti pe couler*. That was the Labour Government.

Finally, Mr Speaker, Sir, in 2014, revenue generated amounted to Rs400, 000, again, the CEO was paid Rs1.41 m., and the Chairperson, Rs360,000 again.

FIT was already dead by that time, but the Labour Party nominees kept on *boir di sang FIT*.

Mr Speaker, Sir, as from 2015, FIT has neither a CEO, nor a Chairperson. However, my Ministry has been providing monthly Grants to FIT from 2015 to meet up the staff costs and other office running expenses.

The revenue generated from 2007 to 2014 can be summarised as: Rs6,253,992 for the whole 2007 to 2014 and the payment effected for the CEO, Mr A. K. B., CEO, Mr S. H. and I think I have got also the names for two other members, the Chairman, the total amount of Rs10.6 m. represents more than 60%. Can you imagine? Hon. Ameer Meea is here, I will just give him this, he can advise hon. Mrs Navarre-Marie. The total amount of Rs10.6 m. represents more than 60% of the Rs17 m. grant provided by Government.

Mr Speaker, Sir, from this analysis, it becomes crystal clear that the FIT was set up with Government Funds so that a few people can enjoy. In fact, the CEO, the Chairperson and the board members were paid for doing nothing.

Since its setting up in 2007 up to 2014, the FIT has barely generated revenue from its expected normal activities. Up to 2014, the Government grant of Rs17 m. was mainly used to pay the 2 different CEOs, the Chairpersons and the Board members.

Mr Speaker, Sir, I can now sadly say that the FIT was a special purpose vehicle to *case les petits copains* and *pou met pêcheurs dan casiers* by luring them with 300 share certificates. FIT was, in fact, designed to fail with huge salaries for CEOs, Chairpersons and Board members and without any clear plan for FIT to generate revenue and to grow.

Mr Speaker, Sir, I feel sorry for all the 4,461 fishers in Mauritius and Rodrigues who were each allocated 300 shares at Rs10. Here, I must say, Mr Speaker, Sir, that *le Gouvernement d'alors fine couillonne bane kamarad peser*. They have been left only with a certificate, with no commercial or exchange value. The more so, the project regarding the lease of MEXA 1 and FIT 1 could never generate revenue that could have been used by the Trust to remunerate its shareholders in terms of the payment of dividend to shareholders.

To conclude, on the Fishermen Investment Trust, also known as FIT, Mr Speaker, Sir, I must say that the setting up of this institution was, as we say it in creole, *FIT dan badia* cooked by the Labour Party.

Nevertheless, Mr Speaker, Sir, I have to convey to this House the immense miseries and false expectations which fishermen of Mauritius and Rodrigues have been subject with the failure of the FIT. I also have to admit my feel for them.

However, I do assure the House that this Government will not leave any stone unturned to uplift their low morale. Innovative schemes will be given to them for a real benefit.

Mr Speaker, Sir, it is an undisputable fact that with developments in the Blue Economy sector, which is being called upon to reinvigorate as an important pillar of the Mauritian economy, there is need to have a modern, dynamic and robust legal framework to address emerging issues.

The proposed amendments are not only urgent but necessary to bring a boost to the fishing industry, and the existing administrative and legal framework will be reinforced through the making of a subsidiary legislation to further open up this sector of the economy.

It is an aberration that, as an island nation with such a vast EEZ, we are still heavily dependent on the import of fish and fish products, where we literally import about 60% of our consumption.

Therefore, the strategy adopted by the Government is two-fold –

- Firstly, it is high time for the fishing industry to increase export-led industries, thereby bringing more foreign income to the country, and
- Secondly, there is a need to reduce our dependence on the import on fish and fish products, especially during these uncertain times of economic downturn due to COVID-19.

With these words, Mr Speaker, Sir, I commend the Bill to the House as the above amendments will pave the way for accelerated development in this crucial sector, especially post COVID-19 era.

Thank you.

**Mr Speaker:** Hon. Dr. Gungapersad!

(3.36 p.m.)

**Dr. M. Gungapersad (Second Member for Grand'Baie & Poudre d'Or):** Thank you, Mr Speaker, Sir, for giving me this opportunity to talk on the Finance (Miscellaneous Provisions) Bill (No. XIII of 2021).

Let me refer to section 30 of the Finance Bill, which is proposing to repeal the Fishermen Investment Trust Act. We have just heard the hon. Minister of Blue Economy, Marine Resources, Fisheries and Shipping, and was waiting him to reply to hon. Mrs Arianne Navarre-Marie on her multiple concerns regarding the repealing of the Fishermen Investment Trust Act but I will say, I am a bit disappointed that a hon. Minister of the Republic is talking about *badia*, is talking about *casiers* instead of coming and showing us the way forward, what his Ministry is going to do for these fishermen. He should not take fishermen for granted. He should not think that the fishermen cannot think. This is very important. He again shifted the blame to the period prior to 2014 but what did his Ministry do to support the Fishermen Investment Trust since 2015 to keep it afloat? We need a *bilan*! Where is the *bilan*?

I leave it to the fishermen of our country, of my Constituency and of the whole country to draw their own conclusions regarding the cavalierly. The Fishermen Investment Trust Act will be repealed with a deadly blow of a lethal harpoon, to use a marine metaphor.

Let me refer to the Budget Speech of my good friend, hon. Fabrice David on 14 June 2021 where, *inter alia*, he said that –

“The Fishermen Investment Trust was founded by the Labour Party in 2006 which became operational in January 2007. The Fishermen Investment Trust had a capital of Rs65 m. consisting of 6.5 million shares, valued at Rs10 each.”

We are proud and I am proud to say –

“It was the Government of Dr. Ramgoolam, then subscribed 1.5 million shares in the name of the registered fishermen of Mauritius and Rodrigues who are now therefore the shareholders of this Fund.”

I further refer to the PQ B/837 dated 27 July 2021 by the hon. First Member of Grand River North West and Port Louis West, hon. David, who asked the hon. Minister of Blue Economy, Marine Resources, Fisheries and Shipping, I quote –

“Whether, in regard to the Fishermen Investment Trust, he will state the total number of shares and of shareholders thereof prior to the repeal of the Fishermen Investment Trust Act, indicating the reasons why the Trust has not been operating since 2014?”

This PQ is still awaiting a written answer. I again ask the following question: ‘what is the amount of capital approved in the Trust?’ The population needs a formal guarantee that all the registered fishermen who are shareholders of the FIT, I will not call it *‘fit’*, as if in creole, *‘met fit dan baja’*. I will not do that. I respect that Institution. Shareholders of FIT will receive all their due. Thank you for detailing the amount paid to CEOs. For political reasons you have done that. But why didn’t you mention the amount due to shareholders? I hope you will consider it befitting to answer these questions for the benefit of the fishermen. I hope you do not *‘met peser dan kazie’*. I leave it to the population, again to judge, to evaluate how the Minister of this Government can bring the debate amounting to *frir baja* and *met fit* into it. I am told that the Government *‘pe met zanon ar peser’*.

*(Interruptions)*

**Mr Speaker:** Order!

**Dr. Gungapersad:** Mr Speaker, Sir, after the Fishermen Investment Trust, allow me to refer to section 50 of the Finance Bill where we are being asked to amend the Mauritius Cane Industry Authority Act, especially sections 2,4,5,17 and 39.

Mr Speaker, Sir, I thank my friends and well-wishers who are small cane planters who enlightened me on the amendments we are talking today. I talked to planters and producers from my Constituency and elsewhere and they appreciate that Government has announced in the Budget 2021-2022 a historic decision for the sugar industry with a guaranteed purchase price of Rs3.50 per kWh of electricity produced from bagasse. When something is good, Mr Speaker, Sir, I had kept it as a practice when something is good, I commend it. When something is not good, I analyse it critically and here I am saying it is good. Thus, all planters and producers will benefit from a remuneration of Rs3,300 per ton of sugar for bagasse.

I concur the view of the Minister of Agro-Industry and Food Security to abolish the Bagasse Transfer Price Fund and consolidate the Sugarcane Sustainability Fund and implement the National Biomass Framework under the Sugar Industry Efficiency Act. As

per Finance Bill 2021-2022, it is noted that the distribution of bagasse proceeds will be effected out of the Sugarcane Sustainability Fund; an amount equivalent to the sugar entitlement.

The following words in section 39(3) of the MCIA Act, No. 40 of 2011 is being deleted, I quote –

“every planter, shall, in addition, be entitled to receive out of the value of the bagasse so sold, transferred or utilised, an amount equivalent to the fraction represented by the quantity of canes supplied by him over the quantity of canes milled at the factory in that crop year.”

And replaced by, I quote –

“every planter or producer, as the case may be, shall, in addition, be entitled to receive out of the contribution made to the Sugar Cane Sustainability Fund in respect of the proceeds of bagasse an amount equivalent to his sugar entitlement.”

Mr Speaker, Sir, the real bone of contention is about the proposed distribution at the rate per ton of sugar. This distribution is detrimental to small planters whom I will refer as vulnerable planters. Generally, these small planters have lower extraction rate due to high percentage of extraneous matter in the canes supplied to the mills. The higher the percentage of fibre, the lower is the sucrose content. It is the producers, that is, the estates that will benefit from this method of payment and small planters will thus be doubly penalised for highly extraneous matter producing more electricity.

Let me inform the House that, I will mention an equation –

$\text{Sugar Accruing} = \text{Weight of Cane Supplied} * \text{Extraction Rate.}$

It is not a secret to anyone that small planters have lower cane yields and extraction rates than that of the producer of the corporate sector. Electricity is produced from bagasse, that is, the fibre from the cane. The higher the percentage of fibre, the lower is the sucrose content. Let me quote from page 114 of the Report 2015 of LMC International on the Economic, Social and Environmental Impact on Mauritius of Abolition of Internal Quotas in EU markets, I quote –

“Bagasse costs nothing, as all the costs to produce it are met by the sugar activity.”

Mr Speaker, Sir, sharing bagasse based on sugar entitlement, means giving 22% of the total bagasse proceeds to sugar mills, over and above the 22% of sugar representing the costs

of manufacture of raw sugar. The steam and electricity required for manufacture of sugar is provided by the power producers. The Mauritius Sugar Syndicate pays the millers for refining sugar and production of assorted special sugars. The existing provision of payment based on the quantity of cane supplied under section 39(3) of the MCIA Act, No.40 of 2011, is justified to these vulnerable planters.

Mr Speaker, Sir, with an extraction rate of 90kg per ton cane, around 11.110 tons' cane is required to produce one ton of sugar. Whereas with the extraction rate of 60kg per ton cane, around 16.670 tons' cane is required to produce one ton of sugar. The MCIA has to safeguard the interests of the 10,000 remaining small planters so that they continue sugar cane cultivations. The object of the MCIA is to monitor, oversee and coordinate all activities relating to and ensure a fair, efficient and effective administration and operation of the cane industry.

On behalf of these small planters, I am making an appeal to the hon. Minister of Agro-Industry and Food Security; I am making a request for a fairer and more equitable distribution of bagasse proceeds on the basis of tonne of cane supplied. This will immensely help these small cane planters to breathe amidst the economic suffocation they are currently undergoing.

Mr Speaker, Sir, I will now refer to section 52 of the Finance Bill, where the Mauritius Qualifications Authority Act is being amended. I will comment on section 5 (fa), which will confer the MQA the legal right, I quote –

“To approve non-award courses dispensed by training institutions and employers.”

And, section 18(2) (ca), I quote –

“For non-award courses dispensed by training institutions and employers, the approval and withdrawal of approval of such courses and any other matter relating thereto.”

The above sections 5 (fa) and 18(2) (ca) are a clear example of how this Government operates and functions, one step ahead and one step backwards. The Government is amending what it had itself amended; they are back pedalling on what they had proposed. Artful as they are, they will justify this move. They are going to back pedal because they have mastered what I call the ‘art of equivocation.’ There are some over there who love literature, so I will ask them to see the meaning of ‘equivocation.’ They are very good at, because many of these

equivocators, sometime back, they were on another side and now they have just joined this ship. I will not call them to turncoat.

Let me refresh the memory of everyone, especially those on the other side of the House. In 2019, the MQA used to approve non-award courses, which were under the HRDC and these courses were refundable. A registered training centre or a company or an approved MQA trainer could apply for the approval of non-award courses, and Accreditation Officers at the MQA would review and then approve or refuse the application.

Later on, through the Business Facilitation (Miscellaneous Provisions) Act on 25 July 2019, I think around 29 Acts were amended. One of those 29 Acts was the MQA Act, whereby the same section, regarding the approval of non-award courses was repealed. And then, HRDC took over and it was the HRDC which had the onus to approve non-award courses with its existing staff. The staff of the HRDC did not have the expertise to vet and approve of non-award courses. This change in 2019 created a lot of confusion and frustration in the training industry. The requirement of a trainer certificate was also repealed.

Mr Speaker, Sir, now with the amendment to the MQA Act, the MQA will henceforth have the right, I quote –

“To approve non-award courses dispensed by training institutions and employers.”

Mr Speaker, Sir, stakeholders have the following questions –

- (i) Will the trainer certificate be required again?
- (ii) How will the MQA approve these non-award courses?
- (iii) What will happen to the non-award courses which were approved by HRDC?
- (iv) What does the HRDC’s Annual Report show?
- (v) Doesn’t the Report reveal how badly this institution is being managed?

It is an institution where an estimated of Rs1 billion is collected through levy contributed by Mauritian employers and the Rs1 billion is transferred to the HRDC by the MRA. But, how much of this Rs1 billion is used? Only around 35% of it is used. What happens to the rest? What happens to the remaining Rs650 m.? At a time when we have to face the adverse effects of the COVID-19 pandemic, when we are looking for means and ways to support our unemployed youth and our unemployed population, a judicious use of



the Rs650 m. could have highly helped our training institutions and our workforce. But, who cares?

The private training sector employs over 5,000 people directly, but it is a pity that this sector has been neglected for the last 5 years. No meeting has been held by its representative despite several requests made the Association of Private Training Institutions. No facilities have been allocated to this training sector to boost it up. This private training sector is managing nearly on its own without any support. Many companies use non-award courses to bring international expertise to train their staff. Let me remind the House of that thanks to these non-award courses, many well-known Speakers such as Robin Sharma, Shiv Khera and others have come to Mauritius to deliver talks and help different companies in up-skilling their employees. Obviously, we Mauritians, we benefit a lot from such exposure.

However, these private training institutions help with positive forex in-flow as they cater international students as well. This zigzagging regarding policy decisions adversely impact on the training sector and let us hope that this amendment will not be repealed in the days to come.

Mr Speaker, Sir, after discussing the amendments of Fishermen Investment Trust Act and the Mauritius Cane Industry Authority Act, let me come to some less sweet but juicier amendments of the Finance Bill. Let us read because of the ramifications therein and juicier for those who try, on legal loopholes, to make millions at all point in time, be it during a pandemic or not. I am referring to the proposed amendments to –

- Section 6 of the Build Operate Transfer Projects Act,
- Section 72 of the Public-Private Partnership Act, and
- Section 73 of the Public Procurement Act, because they are related in one way or the other in the award of PPP and BOT projects.

By attracting private capital and expertise, such projects, if well-designed and selected, can boost investment for higher growth. However, they are also a means for Government facing high-debt ratios, to engage in off-balance sheet financing in order to limit their increase in indebtedness. The framework for the proper design, selection and evaluation of these projects is therefore critical. Principles of efficiency, fairness, transparency and accountability must be ensured for good governance. The proposed amendments dilute these principles.

Mr Speaker, Sir, now, I will refer to section 73 of the Finance Bill which requests as to amend the Public Procurement Act. As regard to section 25B - Competitive negotiations, I would like to point out that the Public Procurement Act makes provisions for special circumstances for negotiations where it may be carried out with a bidder or supplier.

Hence, Mr Speaker, Sir, the main objective of public procurement is to acquire goods and services and to undertake works that are required by Government for delivery of its services to the citizens in most economic, efficient and effective manner while adhering to the principles of good governance.

However, the introduction of the competitive negotiation without a proper competitive bidding exercise seems to be dangerous. Competitive negotiation without a bidding exercise can give opportunities to public bodies, hence public officials to bypass all necessary and transparent procedures.

**Mr Speaker:** Try to conclude!

**Dr. Gungapersad:** 30 minutes? Yes. This Government, through the amendment of the Finance Bill, section 25B, is merely sugar-coating Emergency Procurement and calling it competitive negotiation. However, they do not clearly or adequately define what competitive negotiations are. It is deliberately and intentionally left vague, open to interpretations. The word 'competitive' shall replace 'emergency,' but will be doing the same thing.

The Government will be able to choose any two companies, for example, for the sake of, I can mention, we can call one company *petit copain* Pack and the other company *petit copain* Blister, of its choice and act as if a competitive negotiation was done and the best was chosen.

Mr Speaker, Sir, let me quote what the Director of Audit said in his report –

“Lapses were noted in the procurement of medical equipment and supplies in the context of COVID-19 pandemic. These lapses included absence of proper documentation at the different stages of the emergency procurement process, non-compliance with the legal requirements and inadequate assessment of fairness and reasonableness of prices quoted by suppliers. As a result, there was inadequate assurance that the principles of value for money and transparency had been adhered to.”

Mr Speaker, Sir, the above remarks are not from a Member of the Opposition. This is what we can read in the audit report on page 8.

Let me refer to the report of the Director of Audit again, who, on page 43 writes –

“The lack of monitoring in the midst of the crisis has resulted in some Rs94 m. paid for defective ventilators, and Rs853.7 m. for medical disposables purchased from companies which had no history of providing medical products to Government...”

**Mr Speaker:** One minute left!

**Dr. Gungapersad:** Okay. Now, Mr Speaker, Sir, we should develop and devise an infallible monitoring mechanism to prevent loopholes, to open the gateway for prowling *Alibabas* from plundering public funds. I have been told that many *Alibabas* are prowling like salivating foxes when they read about this amendment regarding competitive negotiations.

I am concluding, Mr Speaker, Sir. What is the public expecting from the Public Procurement Act when it is being amended? Mauritians are expecting the amendment to lead to more transparency, more accountability in an urge to embrace good practices of good governance. There is no such urgency or emergency which can warrant the side-lining of accountability and transparency. Nothing justifies the flouting of good governance, especially when it involves public funds.

Thank you very much, Mr Speaker, Sir.

**Mr Speaker:** Hon. Quirin!

(4.01 p.m.)

**Mr F. Quirin (Third Member for Beau Bassin & Petite Rivière):** Merci M. le président. Mon intervention cet après-midi sur le *Finance Bill* concernera uniquement les modifications qui seront apportées à la *Gambling Regulatory Authority*, plus particulièrement la section 35 de ce texte de loi ; un texte de loi qui je dois le rappeler est amendé systématiquement chaque année depuis 2015 par ce gouvernement et pas nécessairement pour les bonnes raisons.

Au-delà du simple fait que les nouveaux amendements qui sont proposés à la section 35 du *GRA Act* vont effacer les deux siècles d'existence du *Mauritius Turf Club*, considéré comme un patrimoine national mais aussi reconnu dans cette partie du monde. Cette nouvelle section, M. le président, vient donc changer toutes les données dans l'organisation des courses à Maurice.

En effet, une fois que le *Finance Bill* sera voté, la *GRA* sera appelée à créer une *Horse Racing Division* qui selon la section 35 15C, sera responsable de l'organisation des courses à Maurice alors que jusqu'ici c'est le *MTC*, puis le *MTC Sports and Leisure* qui a cette responsabilité.

Toujours selon cette même section, la *Horse Racing Division* s'occupera aussi des prélèvements sanguins sur les chevaux, préparera le calendrier des courses, le programme officiel qu'on appelle la *race card*, contrôlera aussi l'achat des chevaux, la licence des jockeys et des écuries alors que depuis peu, la *GRA* s'occupe aussi du comité d'appel.

Je dois souligner, M. le président, que ce comité d'appel est déjà un échec à peine a-t-il commencé ses opérations, puisque ceux nommés par la *GRA* sont en situation de conflit d'intérêt.

Il est clair qu'avec ces amendements, le *MTC*, qui détient l'affiliation avec la Fédération internationale des autorités hippiques et de l'*Asian Racing Conference*, s'occupera uniquement de tondre le gazon et du bon fonctionnement des stalles de départ.

Ma première réflexion, M. le président, à propos de ces amendements est la suivante : que vont devenir les quelques 3500 employés directs et indirects du *MTC*, ne risquent-ils pas de perdre leur emploi en ces temps déjà difficiles ? Tout laisse croire que de la réponse c'est dans l'affirmative, car les amendements laissent entrevoir que les employés du *MTC* et du *MTCSL*, ne conserveront pas leur emploi à moins que l'honorable ministre des Finances vient nous démontrer le contraire.

Autre question, M. le président, qu'on est en droit de se poser dans le sillage de ces amendements est : si le gouvernement est vraiment en train d'appliquer les recommandations faites dans le rapport de la commission d'enquête sur les courses menée par trois britanniques, nommément, le rapport PARRY ?

Après avoir parcouru ce volumineux document, j'ai pris note que le rapport PARRY a beaucoup insisté sur la création d'une *Mauritius Horseracing Authority* totalement indépendante, et non un département qui opérera sous la tutelle de la *GRA*. Drôle d'indépendance, pourrait-on dire, M. le président.

À la page 50 de ce même rapport, les trois britanniques indiquent et je cite –

« *The Commission strongly recommends the creation of a new body – 'The Mauritius Horseracing Authority' (MHA), which separates 'regulation' and 'governance' from*

*race-day functions and which introduces an important element of independence to such matters. No employee of a new MHA should be allowed to be a member of the MTC. »*

En clair, M. le président, le rapport PARRY a recommandé la création d'une instance dotée de son propre conseil d'administration, indépendante et composée d'experts et non des proches du pouvoir.

Or, M. le président, la plupart des amendements qui sont proposés à la section 35 ne se trouvent pas dans le rapport PARRY. Ils ont été proposés par ceux qui ont un agenda caché et des intentions obscures qui ne serviraient que leur propre dessin et non ce du sport hippique.

Les faits, M. le président, nous ont démontré comment depuis 2015 ce gouvernement bafoue les règles en matière de gestion et d'ingérence politique dans les affaires des entités qui tombent sous sa responsabilité. Et, la *GRA* que certains journalistes ont qualifié de cirque, n'échappe pas à cette règle.

Le dernier exemple qu'on peut citer, c'est le choix délibéré de la *GRA* de ne pas accorder au Président du *MTC* sa *personal management licence*. Et maintenant, M. le président, imaginez-vous ce qui pourrait se passer lorsque la *GRA* à travers la *Horse Racing Division*, aura le droit absolu de choisir ceux qui opèreront dans cette industrie. Et le cas du *bookmaker* A. J. et son catamaran *party*, en compagnie des jockeys, sont encore frais dans les mémoires. *Mo* rappelle le *MTC* avait objecté à ce que sa licence soit renouvelée mais la *GRA* avait sommé le *MTC* de le laisser opérer, et si ce n'est pas de l'ingérence, M. le président, cela y ressemble beaucoup.

Loin de moi, M. le président, l'idée de vouloir dire que rien ne doit changer au sein de l'industrie hippique. Un secteur qui brasse des milliards de roupies et qui ramène plus de R 800 millions annuellement dans les caisses de l'État, mais le public et les turfistes, en particulier, peuvent-ils faire confiance à la *GRA*, alors qu'ils savent et sont parfaitement conscients que cette loi était modifiée pour servir certains intérêts personnels ?

M. le président, où se trouvent la séparation des pouvoirs et la bonne gouvernance comme il est recommandé dans le rapport PARRY, et je me demande si avec ces amendements la *GRA* ne se contredit pas elle-même ?

En 2018 et 2019, M. le président, la *GRA* n'avait pas autorisé le *MTC* de mettre en place un comité d'appel sur la base que le club ne pouvait être juge et partie. De ce fait, la

*GRA* avait donc créé un nouveau comité d'appel en vertu de la section 7 de la *GRA Act*. Mais aujourd'hui, avec introduction de la section 35 dans la *GRA Act*, cette dernière devient de surcroît, à la fois organisatrice et régulatrice de courses à Maurice.

Pire encore, M. le président, c'est cette même *GRA* qui accorde des licences pour toutes les activités concernant les paris. Ce qui veut dire qu'il n'y aura pas de séparation de pouvoir et que plus que jamais la notion de juge et partie sera appliquée dans tous les sphères de cette industrie. Tout, absolument tout, va donc passer par la *Gambling Regulatory Authority* et sa *Horse Racing Division*. Encore une fois, M. le président, c'est contraire à la bonne gouvernance et contraire aux recommandations des Britanniques.

M. le président, même si je ne suis pas un spécialiste de la chose hippique, je me pose néanmoins certaines questions –

- Comment un département, a division, peut-il remplacer une autorité?
- Comment sera constitué le personnel de la *Horse Racing Division*?
- Comment fonctionnera-t-elle et est-ce que toutes les décisions prises par la *Horse Racing Division* devront être approuvées par le conseil d'administration de la *GRA*?
- Et, finalement, avec quelle facilité et rapidité les décisions seront-elles prises?

Ce qui est bien plus grave dans ces amendements, M. le président, c'est qu'il n'existe pas de réelles actions mises en œuvre pour protéger le public des bookmakers qui font des paris clandestins. Aucune mesure concrète pour réduire le blanchiment d'argent provenant de l'industrie des courses et des jeux en général. Où en est le projet de la *GRA* pour des paris sans argent liquide, c'est-à-dire le *cashless betting*? Celle qui avait préconisé cette formule a été forcée à la démission parce qu'elle était devenue gênante pour ceux qui tirent les ficelles derrière les rideaux. Tout comme l'anglais Paul Beeby, M. le président, l'ancien *Integrity and Compliance Officer* de la *GRA*, qui pourtant avait dénoncé ceux qui étaient impliqués dans les courses truquées.

M. le président, chaque année, nous constatons la démarche pernicieuse du gouvernement qui amende la *GRA Act* à travers le *Finance Bill* pour cacher ses intentions de ne pas mettre en place un système de surveillance centrale des opérateurs de jeux, les bookmakers entre autres, ni aussi pour contrôler la fluctuation des codes des courses et contrôler les revenus des activités liées à cette industrie. Et dans une réponse à une question

parlementaire le 7 juillet 2020, l'honorable ministre des Finances avait indiqué que depuis 2017, la *MRA* travaille sur une nouvelle plate-forme appelée la *Central Electronic Monitoring System* pour assurer l'enregistrement, la surveillance et le contrôle en ligne et en continu de toutes les activités de pari. Plus de 3 ans après, M. le président, nous sommes toujours à la case départ alors que ce serveur aurait dû être une priorité.

Lorsqu'il s'agit du contrôle des paris, il y a toujours des excuses toutes trouvées pour ne pas mettre en place un serveur central. Et aujourd'hui, M. le président, l'arrogance du gouvernement se reflète dans ces amendements car il est clair que le processus de réflexion des spécialistes du secteur ne sont pas prises en compte. Et dans un autre ordre d'idée, je me demande si le gouvernement peut donner des informations précises, surtout transparentes, sur le fond créé en vertu de l'article 11A de la *GRA Act*. En effet, ce fond pour le jeu responsable avait été créé pour protéger le public et pour la formation du personnel de la *GRA*. Tous les opérateurs de jeux à Maurice, sauf la Loterie Nationale, contribuent à hauteur de 2% de leur revenu brut et selon mes informations, ils contribuent depuis 2016 à ce fond, et il serait bon de savoir comment cet argent est dépensé et j'espère que le ministre des Finances viendra avec des réponses lors de son *summing-up*.

Par conséquent, M. le président, n'est-il pas juste de demander qu'un comité composé d'experts des courses soit mis en place afin d'étudier le rapport Pari et de mettre en œuvre les recommandations de manière efficace plutôt que de procéder dans le désordre. Par exemple, M. le président, la *British Horse Racing Authority* est complètement indépendante de *UK Gambling Commission* qui est l'équivalent de la *GRA*. La *British Horse Racing Authority* est très impliquée dans l'organisation des courses incluant la question de l'intégrité, mais elle n'est pas engagée au niveau du *betting*.

M. le président, la *British Horse Racing Authority* a certes énormément de pouvoir au sein de l'industrie hippique en Angleterre mais cet organisme a démontré, tout au long de son existence, qu'il fonctionne dans une transparence la plus totale. S'il faut, M. le président, revoir le fonctionnement de l'industrie hippique locale dans son ensemble, il est important que l'avenir de cette industrie soit placée entre les mains des personnes compétentes qui ont fait leurs preuves. Et au risque de me répéter, je dirais encore une fois ce qui s'est passé dans le cas de M. Paul Beeby, donne à réfléchir sur les valeurs réelles qui animent les personnes qui sont actuellement à la tête de la *GRA*. Et personnellement, j'ai des doutes qu'il puisse travailler sans l'ingérence des personnes aux intentions occultes.

Pour conclure, M. le président, je suis d'avis qu'il est important d'avoir tous les acteurs, incluant le gouvernement, autour d'une table ; établir une vision, une stratégie, un plan de travail ; se fixer des objectifs clairs et réalisables dans un délai défini. Il n'y a que de cette façon qu'on pourra faire avancer cette industrie, au cas contraire, c'est la mort assurée.

Je vous remercie.

**Mr Speaker:** Hon. Callichurn!

(4.16 p.m.)

**The Minister of Labour, Human Resource Development and Training, Minister of Commerce and Consumer Protection (Mr S. Callichurn):** Mr Speaker, Sir, thank you for providing me with the opportunity to clear the air on some misconceptions or misinterpretations being circulated concerning some amendments to the Workers' Rights Act being made through the Finance Bill before the House today. I have recently heard a few trade unionists being critical on the changes being brought to the Workers' Rights Act. However, I hasten to say that majority of the trade unionists have welcomed the amendments being proposed. And let me remind the House, especially hon. Uteem, who has been the only one who has formulated critics on one or two amendments last Tuesday.

Mr Speaker, Sir, it is our Government since 2015, which made great leaps forward in terms of protecting the workers' rights. And, we shall not deviate from our philosophy. It is the same Government which has introduced ground-breaking social measures like the minimum wage and the Portable Retirement Gratuity Fund (PRGF), thus giving a long-overdue and most deserved dignity to the Mauritian workers.

The amendments proposed to the Worker's Rights Act in this Bill are in line with the same philosophy which was enacted in 2019. They are mainly aimed at –

- (i) clarifying the provisions of some sections of the Act for a more effective application, thereof, so as to ensure that no person is left behind in the application of the law, and
- (ii) by reinforcing the protection of the rights of the workers in respect to their remuneration, income support, conditions of employment and job security in the present socio economic context marked by the adverse effect of COVID-19 pandemic on the economy and the labour market.



Well, Mr Speaker, Sir, some amendments are purely of a technical nature. There are also amendments that will reinforce the rights of the workers in the existing provisions and other new provisions granting workers new rights and benefits that are also aimed at facilitating the recovery of unwarranted payments.

Mr Speaker, Sir, I shall not dwell on the technical amendments, which in a sense do not alter the substance of the provisions concerned, but which are aimed at further clarifying the provisions to avoid ambiguity and also facilitate the application of the law. I shall therefore, focus my intervention on the main amendments today.

Mr Speaker, Sir, Section 2 - Interpretation and Section 3 - Application of the Act, presently, the definition of worker in Section 2 and the scope of the application of the Act in Section 3 does not cover the workers that would be concerned by the new provision of Section 51A.

This Section, that is 51A, relates to provisions to be made by regulations as regards to conditions to have access to a workplace for workers who are not vaccinated or do not have a negative PCR test result.

Thus, for the purpose of Section 51A, Section 2 and Section 3 are being amended to cover and include, in the definition of worker, any worker or atypical worker, that is, who is not employed on a standard contract, for example, a freelance worker, irrespective of their salary cap and any employee in the statutory body or in the public service, other than a public officer, whose conditions of employment are specified by the PRB.

Mr Speaker, Sir, the concept of compromise agreement which was introduced two years ago in the Workers' Rights Act to protect workers who were made to sign an agreement which was unfair, the compromise agreement ensures that a worker be informed of his rights and be advised whether a settlement proposed by an employer in resolution to a dispute is reasonable and acceptable before the worker signed an agreement. Otherwise, the agreement is considered to be null and void. It has been observed that some employers are circumventing this provision and are making workers accept an unfair agreement by way of a transaction under the Civil Code.

Mr Speaker, Sir, some employers are even imposing upon workers' agreements by way of a transaction, which often are at the disadvantage of the workers. Since transaction made under the Civil Code is deemed to be a final discharge and thus it cannot be subject to any vetting by a *tierce partie* and most importantly cannot be challenged in Court. The

amendment being proposed today aims at reinforcing the application and enforcement of the compromise agreement.

Thus, with disagreement, a compromise agreement will be made mandatory in so far as it concerns a worker and a transaction made under the Civil Code will not apply where a compromise agreement has been reached.

Mr Speaker, Sir, we have introduced the concept of protective order in the Workers' Rights Act to increase the chance of workers to recover any amount owed to them as remuneration in a more expeditious manner.

The section on protective order provides that, and it is good that I remind the House of the existing provision, that –

- (i) the Supervising Officer of my Ministry may apply to a Judge in Chambers for a protective order in the amount of remuneration due to a worker, and
- (ii) a Judge in Chambers may order that the property of an employer shall not be disposed, be mortgaged, attached or sold in execution and vested in the liquidator, when the property of the owner is sequestrated, without an order of the Judge.

Mr Speaker, Sir, it is of common knowledge that the process for the recovery of an unpaid remuneration in Court is a long and tedious one. *C'est un véritable parcours du combattant.*

It has also been observed that when a judgement or an order is delivered in favour of workers, some employers still do not pay them their dues. These workers are thus penalised a second time and as a result they have to apply for a warrant to levy at their own expense to have the judgement executed. This process is costly and very complex, very often poor workers simply give up. Justice is therefore not done to these workers.

Workers are even more penalised when it comes to recovery of their dues when an enterprise is placed under receivership, under administration or is placed in liquidation. Since the process of realisation of assets takes time, my Ministry in most of the cases cannot ascertain if payment is effectively done. Also, very often, they are paid only a small proportion of the amount they would normally be entitled to.

We have also observed in the recent past, that some unscrupulous employers disposed of several of their assets before their enterprises are placed under receivership, administration or liquidation and resources are consequently not available to pay workers their dues.

Mr Speaker, Sir, henceforth with the amendment proposed, the application for a protective order will apply where –

- (i) an employer has failed to pay wages in lieu of notice and severance allowance to a worker following an order made by the Redundancy Board or a judgment of the Industrial Court;
- (ii) in circumstances where an employer has failed to pay an amount due under the PRGF, and
- (iii) where a receiver-manager, an administrator or a liquidator has not paid a worker his or her remuneration.

The process to be followed before an application for a protective order has also been simplified. Legal action can now also be initiated after the completion of an enquiry. This process takes less time than the recourse to a compliance notice.

Thus, for example, an application for a protective order can be made after an enquiry has confirmed that a worker has not been paid the gratuity payable under the PRGF. Mr Speaker, Sir, this is surely another step forward in the protection of the fundamental rights of the workers of this country.

I shall now come to Section 40: Wage Guarantee Fund Account. Under the existing provision, the Wage Guarantee Fund provides for a payment of up to Rs50,000 to a worker, who has not been paid his dues when an enterprise which employed him is considered to be insolvent by the Supreme Court.

Mr Speaker, Sir, actually, there are other cases where workers whose employment have been terminated on ground of insolvency, and do not benefit from the financial support from the Wage Guarantee Fund. These cases concern, for example, enterprises which are declared insolvent following a resolution of the creditors during a watershed meeting, in accordance with the provisions of the Insolvency Act. These workers are penalised and are deprived of their basic means of subsistence. Their situation is even more precarious when an enterprise is in liquidation. The amendment will address the issue by extending the

entitlement under the Wage Guarantee Fund to other circumstances where an enterprise is considered to be insolvent, as I mentioned earlier.

Mr Speaker, Sir, pursuant to COVID-19 (Restriction of Access to Specified Institutions) Regulations 2021 made under the Quarantine Act 2020, provision is made in the Act for the Minister to make Regulations to cater for conditions regarding payment of remuneration or grant of leave in relation to absences.

The regulation would apply to a worker, employed in the specified health and training institution, or in other such institutions as may be prescribed, where the worker cannot have access to his workplace as a result of him/her not being vaccinated or not being able to produce a negative test result.

Section 59 of the Workers' Right Act. The existing legislation limits the refund of transport expenses only to workers travelling by public bus transport. With the introduction of the Light Rail Transit (LRT) system, many workers who have adopted this new means of transport are presently being penalised in as much as they are not being refunded transport fares when commuting by metro. The amendment proposed will, henceforth, cover this category of workers as well.

Mr Speaker, Sir, presently, there are workers who are employed on one or more fixed term contracts, drawing a salary of exceeding Rs600,000 annually, who are paid a gratuity at the end of their contract. These workers are actually using a loophole in the law to make a claim for severance allowance in Court despite being paid a gratuity at the end of their contract.

With a view to addressing this issue of double payment for these contractual workers, provision is now being made for this category of workers to refrain from claiming severance allowance on expiry of their contract, thus avoiding double payment.

The Redundancy Board was introduced in the Workers' Rights Act in 2019 to protect workers from abusive termination of employment for economic reasons. Nearly two years after it was set up, I must say, I am amply satisfied that the Redundancy Board has upheld to the challenge. The statistics show that the Board is a shield against mass and unfair termination of employment, Mr Speaker, Sir.

Members on the other side of the House shall recall that in 2008, in the wake of the economic crisis, the Labour Party and the PMSD Government replaced the Labour Act by the

Employment Rights Act and abolished the Termination of Contracts of Service Board to facilitate the termination of employment at will.

Here, Mr Speaker, Sir, in spite of the heavy impact of the pandemic on economy and the labour market, our Government has maintained all the safeguards set in the Workers' Rights Act to protect jobs.

I wish to remind the House that Regulations made in June 2021 for the interdiction to lay off workers has been extended until December this year. I would also like to emphasise on the fact that the new amendment will apply only to distressed enterprises intending to reduce their workforce on the ground of restructuring for financial reasons.

The objective of the amendment is not to encourage massive laying-off as it is being portrayed, as it was mentioned by hon. Uteem. The aim is to protect as many jobs as possible. It will only apply in circumstances where financial assistance would not help to salvage distressed enterprises, which are already over-indebted and which will eventually may become insolvent and lay off all of its workers.

Mr Speaker, Sir, here, I would like to reassure the workers that –

- firstly, employers shall continue to notify the Redundancy Board of any case of intended reduction of workforce, or closure, and
- secondly, employers will still have to seek financial assistance before referring a notification to the Board. It is only when an application has been turned down that an employer may refer a case of intended reduction of workforce to the Board.

Mr Speaker, Sir, the amendment provides for very stringent procedures. For example, an employer opting for this procedure will be required to satisfy the Redundancy Board that –

- (i) the enterprise is over indebted and any further debt would increase the risk of the enterprise being insolvent;
- (ii) the enterprise has a restructuring plan approved by the Board of Directors, and
- (iii) the employer would have to state the number of jobs to be saved.

This amendment will therefore not affect in any manner the safeguards set out to protect jobs. Indeed, by allowing enterprises in these particular situations to restructure, we are avoiding a massive termination of employment and securing as many jobs as possible.

Furthermore, the amendment also provides that a termination of employment shall be deemed to be unjustified where the employer has failed to submit information justifying its difficult financial situation. Thus, the Board may order either reinstatement or payment of severance allowance at the rate of 3 months per year of service.

Mr Speaker, Sir, with a view to ensuring that enterprises in strategic and vulnerable sectors, such as airport and port, facing financial difficulties, may continue their activities, provision is made so that an enterprise, which has recourse to the Redundancy Board to reduce its workforce, may rely on a quality and competent workforce to meet its operational challenges as a result of reduction of workforce.

I now come to the Function of the Board. Mr Speaker, Sir, with a view to promoting an early settlement as is presently the case at the Industrial Court, the mandate of the Redundancy Board is being reviewed in as much as it is being broadened to empower the Board to formally conduct conciliation and mediation in the best interests of the parties, especially in borderline cases.

The conciliation and mediation shall be conducted on the following principles –

- (i) there should be consent of both workers and employers.
- (ii) the Board shall, during a conciliation or mediation meeting consider the following options –
  - (a) reinstatement of workers or their re-engagement in other enterprises;
  - (b) training to be provided at the cost of the employers to develop the employability of the laid-off workers who will be engaged in other enterprises and in other trades, or
  - (c) payment of a compensation of not less than 15 days' remuneration for every period of 12 months of continuous employment, where reduction is considered to be justified.

Provisions are also being made so that the Board continues its normal proceedings where no settlement has been reached at the conciliation and mediation meeting.

Mr Speaker, Sir, it has been brought to my attention that there are several cases where laid-off workers cannot benefit from the payment of a TUB due to the fact that they could not make their applications within the prescribed delay on account of their state of health. I am introducing a new provision in Section 84 for this category of workers so that they are

entitled to benefit from the Transition Unemployment Benefit (TUB). The only condition they have to satisfy is that they have to produce a medical certificate to prove their state of health at the time they could not apply.

Moreover, it has also been observed that many workers who are refusing job placement offers related to their job competencies and instead, prefer to continue benefitting from the TUB under the Workfare Programme, with a view to encourage workers to return to the labour market, where jobs relating to their competencies are available, provision is being made in this new section to stop the payment of TUB where a worker declines, for 3 consecutive times, a job or a training offer in line with his profile and qualifications.

Mr Speaker, Sir, as regard to the recovery of overpayment in Section 86, with a view to recover overpayment of TUB made to a worker, a new provision appears where it concerns a worker who fails to notify the Ministry that he has been gainfully employed or continues to be paid the TUB during that period. That worker would thus be committing an offence and on conviction, the Court may order the worker to refund the amount of TUB he or she received. My Ministry has also been apprised of cases where some unscrupulous employers who regularly lay off and re-employ workers on new contracts after a break of more than 28 days. In such cases, it is the Workfare Programme Fund (WPF) that is funding the remuneration of these workers, each time, during these short periods of unemployment. And I was quite surprised to learn that big companies, conglomerates are practicing this abuse.

Hence, Mr Speaker, Sir, a new provision is being made whereby these employers would be required to refund the total amount of the Transition Unemployment Benefit paid to the workers. It is good to know that for non-compliance of this section, an employer shall on conviction, be liable to a fine not exceeding Rs100, 000. So, be on your guard.

Mr Speaker, Sir, this new amendment will better protect workers against precarious employment. We are also providing for a procedure for recovery at source, in cases of non-payment of contribution to the Workfare Programme Fund. A new amendment is being provided for the sharing of information between the Supervising Officer of my Ministry, that is, the Ministry of Labour, Human Resource Development and Training and the Director-General of MRA for the purpose of collection and recovery of contribution (TUB) made under the National Savings Fund Act.

I now come to the PRGF. At Section 87, a new provision is made for a jockey or a track-rider, providing services in the horseracing sector or any such category of worker as

may be prescribed, to be entitled to the payment of a gratuity under the PRGF. This was not previously the case. It has been considered appropriate to explicitly specify that this category be entitled to the payment of a gratuity under the PRGF in view of the uncertainty of their occupational status since they may not fall within the definition of worker or that of an atypical worker.

In Section 89, Mr Speaker, Sir, a new provision has been made to specify that the worker whose retirement benefits are payable under the Sugar Industry Pension Fund (SIPF) are not eligible to join the Portable Retirement Gratuity Fund, as is presently the case, for a private pension scheme. I wish to point out that a safeguard has been provided in Section 109 which provides that an employer shall not require an employee to retire before the age of 65 and to guarantee the retirement benefit paid under the Sugar Industry Pension Fund which shall not be less than the gratuity payable on retirement under the PRGF, that is, 15 days' remuneration per year of service. Mr Speaker, Sir, furthermore, I wish to state that workers of the sugar industry who are members of the SIPF, shall continue to be entitled to the total amount of gratuity payable under the Sugar Industry Remuneration Regulations plus the retirement benefits under the SIPF.

With a view to protecting the health and security of workers and the rights of workers to be provided with information to prepare their defence in Court, the issues listed in section 123 to be considered as an offence have been broadened to cover situations such as –

- (a) where an employer fails to convey a worker who suffers from injury or illness at workplace to a medical institution; and
- (b) where an employer fails to submit to a worker a copy of minutes of proceedings of the disciplinary committee.

Mr Speaker, Sir, I took the time to come up with all these pertinent amendments that concern the Workers' Rights Act because we, as a responsible and caring Government, will not accept misinterpretations by some with the clear objective of casting doubts on our will to protect workers of this country.

We have responded promptly to the COVID-19 pandemic as from March 2020 by granting wage assistance so as to protect a maximum number of jobs. This Government, Mr Speaker, Sir, thus remains the shield against hire and fire and I am sure that the amendments that are being proposed today will act as an additional protective net.



M. le président, ce gouvernement sera toujours du côté de la classe des travailleurs et je vous dis merci pour votre attention, M. le président.

**Mr Speaker:** Hon. Dr. Aumeer, you have 30 minutes!

(4.48 p.m.)

**Dr. F. Aumeer (Third Member for Port Louis South & Port Louis Central):**

Thank you, Mr Speaker, Sir, for giving me the opportunity to briefly take the time of the House to comment on a few clauses of the Finance Bill, particularly, the –

- Civil Status Act;
- Dangerous Drugs Act;
- Foundations Act;
- Pharmacy Act, and the
- Gambling Regulatory Authority Act.

Keeping in mind the essence of time and the voluminous nature of the Bill, I have restricted myself briefly to each part I have just mentioned.

Mr Speaker, Sir, with regard to the Civil Status Act, section 13 after sub-section (1)(a), there is a new subsection which is being inserted and I do welcome the move of registering sex as undetermined, particularly due to ambiguous genitalia of new-borns, be it at live or still birth. As a Consultant Gynaecologist by profession, I have witnessed the trauma and distraught of so many expecting parents and I am sure this amendment will bring certainly some comfort.

Mr Speaker, Sir, but the Bill could have gone a little bit further. Interestingly, only two weeks ago, the American Medical Association recommended that sex should be removed as a legal designation on the public domain of birth certificates, probably that goes a bit too far. Yet, they still maintain that it could be mentioned under notification of birth.

In the world that we live today, one has to anticipate the unnecessary burden on individuals whose current gender identity, does not align with their designation at birth when they register for school, sports, adoption or even get married or for personal recourse.

Mr Speaker, Sir, therefore, the Bill should make provisions to cater for the foreseeable future where lawmakers in time must consider the right to allow people to amend

their gender identities that reflect the physical characteristics of either male or female, should there have been genuine ambiguity at birth or early in neonatal period.

Therefore, the consideration of a gender neutral, a new concept, a new term, designation on birth certificate will probably be justified alternate options in the future.

Mr Speaker, Sir, I will now make brief comments on the Dangerous Drugs Act. Section (2) of Part I deals with interpretation of various entities and considering the scourge of synthetic drugs that prevails in many regions of our country, it will help lawmakers and enforces alike if the definition of synthetic drug was included so that there would not be any ambiguity or doubts as to the toxic mix of harmful materials used.

Mr Speaker, Sir, where the contents of synthetic drugs, well-defined in terms of its composition, the insertion of new Section 4(a), Agency Cooperation, particularly at subsection 2(b) would help further to tighten those online dealers, which is a new group of people who bypass Customs Department and trying to evade the strict requirements of which types of chemical materials that can come in the country, they do import various substances and precursors that are used in the manufacture of synthetic drugs and evade listed items on Schedule 4.

Mr Speaker, Sir, Section 4(a) which is being inserted in this amendment for the purpose of Agency Cooperation has at subsection (a) –

“Any substance listed in the First, Second, Third and Fourth Schedule.”

Therefore, Mr Speaker, Sir, information regarding these substances needs to be precise. The latest Audit Report is categorical. These Schedules were not properly updated and thereby restricted the application and enforcement of laws. Alignment of these particular Schedules; First, Second, Third and Fourth of the Dangerous Drugs Act to the updated United Nations Tables of Narcotics, psychotropic substances, precursors must be precise and not in an *ad hoc* manner.

Mr Speaker, Sir, amendment at Section 25 is to include subsections (3) and (4), which focus on specified persons to handle dangerous drugs. The Audit Report was, once again, adamant that ‘the Ministry of Health and Wellness and the Pharmacy Board did not effectively meet its mandatory licensing role to screen, track and ensure accountability for all dangerous drugs handling persons under the Dangerous Drugs Act.’ Mr Speaker, Sir, therefore, such new amendment will only make sense if only the regulator authority, the

Ministry of Health and Wellness, the Pharmacy Board discharge their responsibilities effectively.

Mr Speaker, Sir, Section 27 of Section 3 of the same Act is being repealed and replaced by a new subsection. Will this new subsection answer the very important issue of monitoring consumption trends of dangerous drugs and its precursors that need to be submitted to the International Narcotics Control Board? Strangely no! Consumption patterns have more than doubled in two years and, surprisingly enough, the Ministry of Health and Wellness authorises their imports without questioning the increase in consumption.

Mr Speaker, Sir, I will now comment on Section 28 of the Act which refers to the inspection by a designated officer. I note that the Dangerous Drugs Act already stipulated for mandatory inspection of dangerous drugs operators' premises at least once every two years, which was not carried out. Will this amendment to have Police Officer, Customs Officer or any other persons designated by the Permanent Secretary to ensure regular inspections or what is really needed if a full review of the role of the Ministry of Health and Wellness, Pharmacy Board as regulators of dangerous drugs to ensure that those responsible do discharge their duties effectively.

Mr Speaker, Sir, if full compliance of regulation that is applicable under the Pharmacy Act and the Dangerous Drugs Act are not put in practise, then all these amendments that have been proposed will be a futile exercise with an already escalating drug problem in the country.

Mr Speaker, Sir, the amendments to the Foundations Act, particularly the insertion of new Section 30(a) is welcomed, as it goes to raise awareness of its vulnerability of being used as a means to terrorist financing abuse and terrorism financing risk.

Mr Speaker, Sir, however, it is also noted that at Section 39, new subsection (4) (b) gives power to the registrar to remove the name of the 'Foundation' from the register. There is, unfortunately, no information as to whether such evidence and what evidence are we referring to here. The nature of evidence is to be ascertained by which authorised, Mauritian or foreign law enforcement agencies, institutions because one is too aware of the bias of certain international law agencies against *bona fide* donors from certain parts of the world and easily labelled as terrorists organisations to suit their interests.

Mr Speaker, Sir, at subsection (4B) (ii), I strongly suggest that the Registrar must make available to all foundations a list of terrorist organisations and these organisations that

are listed as terrorist ones are labelled by the Government of Mauritius so that secretaries of foundations registered in Mauritius are well informed of the potential removal of the name of the foundation from the register should they have any dealings with them.

Mr Speaker, Sir, I will, now, briefly comment on the amendment of the Pharmacy Act, particularly inserting Section 25B, the trusted trader certificate for importation of pharmaceutical products. The Pharmacy Act, at Section 7, already for Trade and Therapeutics Committee at its Section 1(a) clearly stipulates that it does advise the Board on matters relating to manufacture, importation of pharmaceutical products. And now, what do we see? We see a new version, Mr Speaker, Sir. A new version to bypass stringent criteria as to quality, safety, efficacy of drugs which were before, due to the Trade and Therapeutics Committee, had to comply with the certificate of good manufacturing practice and good manufacturing products.

Today, if these amendments were true, any person can now apply directly to the Board for a trusted trader certificate and once the Board approves same to be delivered, the Board will recommend the Trusted Trader Committee for the applicant to import any specified pharmaceutical product from the specified supplier in the specified country during a specific period of time.

Mr Speaker, Sir, the famous question is: who are those who are going to benefit and who will sit on the Board and who nominated them to issue the trusted trader certificate?

Mr Speaker, Sir, the backdoor entry will allow many blue-eyed comrades, as I call them, to import pharmaceutical products respective of country of origin, quality, safety and efficacy. The Pharmacovigilance which has been dormant and not fully active must ensure that the standard of these pharmaceutical products are fit for public consumption.

Mr Speaker, Sir, will these new holders of trusted trader certificate ensure that their products are fully accredited or certified? I am sceptical as those measures are meant to bypass these international standards criteria.

Mr Speaker, Sir, such amendment is dangerous and I suggest that safeguards be put in place for the safety and wellness of our population. Proper quality control is paramount before any such pharmaceutical product ends on the shelves of our companies. I beg to note that these amendments are more geared to ease business for some importers but nothing in the amendment has been mentioned with regard to quality, once again efficacy and safety of the products.

Mr Speaker, Sir, I will now comment on the proposed amendments in the Finance Bill to the Gambling Regulatory Act. I am not a specialist of horse racing but I am concerned to see how through this Act, Government through the GRA, is trying to have a *mainmise sur les courses hippiques à Maurice*.

Mr Speaker, Sir, first I intend to speak, if time allows, about the taking over of the rules of the racing for the MTC Sports and Leisure Ltd. Secondly, I shall comment on the institution of a new Horse Racing Division and a purported new Racing Committee all under the aegis of the Board of the GRA and lastly, the diminishing role of the horse racing organiser.

Mr Speaker, Sir, the Finance Bill, at Section 35 (a) (i), proposes to delete the word ‘a horse racing organiser’ and for it to be replaced by “the Horse Racing Division”. On paper, this is only a change of word, in practice the consequences are far more reaching. One should understand the effect of the change. Horse racings are governed by rules of racings for the parameters of how the sport shall be administered in practice.

Mr Speaker, Sir, it has been the practice of horse racing that the horse racing organiser prepares and updates the rules of racing at the beginning of each season and same get approved by the GRA as approved under the GRA Act of 2007.

Mr Speaker, Sir, what the Finance Bill proposes today is that these rules of racing will no longer be prepared and drafted by the horse racing organiser altogether, but rather by a new Horse Racing Division, which will be accountable to the GRA.

Mr Speaker, Sir, it cannot be by any stretch of imagination to say that the amendment will implement an independent body under the aegis of the GRA, because it is accountable to the same Board, where sits political nominees. There is no longer a regulator-licensee relationship, but a master and servant relationship by the manner in which the GRA wants to run the show.

Mr Speaker, Sir, Section 4(c) of the Act speaks of promoting confidence in public integrity of the gambling industry and horse racing industry. The hon. Minister of Finance must review and rethink in it as much it will not achieve public confidence if same regulator regulates gambling and horse racing.

This brings me to the second part of this intervention on horse racing which concerns the setting of a new Horse Racing Division at section 15A. of the Finance Bill.

Mr Speaker, Sir, at this point I want to refer to the Commission of Inquiry on horse racing of 2015, which was chaired by Mr Richard Parry together with two assessors Dennis Gunn and John Paul Scotney to which I will refer the Parry Report. And, on September, Mr Speaker, Sir, 2014, it is apt to remind the House that it was the Labour Party, under the Prime Ministership of Dr. Navin Ramgoolam who took the decision to set up this Commission of Inquiry. The inquiry was completed six months after the investigation and was submitted to the Government of what was then called *l'Alliance Lepep* in December 2015.

Mr Speaker, Sir, the amendments in the Finance Bill, unfortunately distort the propositions of the Parry Report, twist and misrepresent those recommendations in an attempt to take over the organisation of horse racing from the horse racing organiser. The Parry Report states at chapter 6 paragraph 16, and I quote –

“The Commission considers there is a lack of leadership within the GRA and little or no evidence of any strategic plan to ensure that the Authority’s responsibilities under the Gambling Regulatory Authority Act are carried out.”

Mr Speaker, Sir, the Parry Report, in fact, proposes the setting of a Mauritius Horse Racing Authority and I stress upon the word ‘authority’, that is completely a separate entity from the Gambling Regulatory Authority, which shall separate the regulation and governance aspect of horse racing from race defunction. The aim of this proposal was to introduce an important element of independence to horse racing matters similar to British Horse Racing Authority in UK and the Hong Kong Jockey Club in the United Kingdom, two very good examples, which could have been followed.

Mr Speaker, Sir, may I refer to section 15 (b)(i) of the Finance Bill which proposes that the Horse Racing Division shall be administered and managed by a Horse Racing Committee which will be appointed by the board of GRA. The GRA will have the Horse Racing Committee, the Horse Racing Committee will have Horse Racing Division and then they will *inter alia* issue directions and instructions to whoever will be, if there is not the death of the Mauritius Turf Club then *inter alia* they are all within themselves, giving instructions. Who will be the sole authority? Who will be giving instructions when it comes to licence? Which authority? Will it be the board or will it be the Horse Racing Division or the Horse Racing Committee? What is clear, however, is that the board of the GRA wants to have total control of the committee, as it requires under that provision that is the board which will appoint the committee.

Mr Speaker, Sir, I wish to point out to the House that in December 2015, the *l'Alliance Lepep* Government had retained two external Consultants: Mr P.S. and Mr P.B. to advise them on how to implement the recommendations of the Parry Report. And a second report has been submitted to the Government. So far, we have heard nothing about this.

Mr Speaker, Sir, section 15(c) (i) (f) of the Finance Bill is proposed that the new Horse Racing Committee shall be responsible for the preparation of the racing calendar, fixtures, listing, nominations, and race cards. If that happen, the licensee may well have a claim for a breach of its constitutional rights to protection of his property. The preparation of racing calendar, fixtures lists, nominations and race cards is an intellectual property that the Mauritius Turf Club and the Mauritius Turf Club, newly formed company, has acquired and developed over 200 years and can legitimately expect that no government will come and strip them of such property. Mr Speaker, Sir, the manner in which the provision is couched, does exactly this and it opens the stake to, once again, a further claim before the Supreme Court of Mauritius for a breach of, probably, constitutional rights.

Mr Speaker, Sir, if we look further at sections 15(c) (i) (o), it is proposed that the new Horse Racing Committee shall set up the panel of racing stewards. Racing stewards are those responsible to ensure that rules of racing are enforced. Mr Speaker, Sir, I have demonstrated earlier how key responsibilities have been snatched from the MTCSL and today these amendments come as to the last nail in the coffin for a 200 years old institution which the Mauritius Turf Club has been as a horseracing organiser.

Mr Speaker, Sir, to conclude, let me put those amendments in context, the Government, through the GRA, currently have full control on gambling activities, a purpose for which the GRA had initially been legitimately set up. If those amendments are passed, the regulator will now have full command and influence on horse racing and gambling activities, a dangerous, toxic cocktail for wrongdoings and malpractices in the sport of Mauritius. Clearly, these amendments have a hidden agenda. Thank you very much.

**Mr Speaker:** Thank you. I suspend the sitting for 30 minutes.

*At 5.11 p.m., the Sitting was suspended.*

*On resuming at 5.49 p.m. with Mr Speaker in the Chair.*

**Mr Speaker:** Please be seated. Hon. Bhagwan!

**Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière):** *Mr Speaker, Sir,* j'aborderai moi aussi, c'est tellement à l'actualité, le volet consacré aux courses et à la *GRA*, sans trop se répéter et prendre les arguments des autres et je ne compte pas m'attarder sur tous les amendements que le gouvernement veut apporter à la loi réagissant à cet organisme de contrôle.

Je pense qu'il est important, M. le président, de faire une réflexion sur l'utilité de ces amendements dans le contexte actuel. M. le président, je crois qu'il y a anguille sous roche et la population ce qui fréquentent, sont les amateurs de courses, ne sont pas dupes et ce serait bon, beaucoup de parlementaires, l'honorable Dr. Aumeer a mentionné le rapport de PARRY. Ce serait bon de revenir un peu en arrière ; comment on a eu ce rapport? Moi, je suis ici depuis de nombreuses années, continuellement ça fait 38 ans, je ne vais jamais aux courses, mais j'assiste aux courses à travers la télévision. Je suis amateur de course à travers la télévision et je ne joue pas. Je ne suis pas *zougader*. M. le président, j'ai entre mes mains pas mal de questions ; une dizaine, une vingtaine de questions.

Au fil des années, moi-même en tant que parlementaire, en tant que *taxpayer*, je suis ce qui se passe, je lis, j'entends et je me fais une opinion et nous étions arrivés à une situation avant 2014 et je me rappelle - j'étais de l'autre côté - il y avait l'honorable Nita Deerpalsing de ce côté-ci et il y avait mes autres amis, l'honorable Ameer Meea. Semaine après semaine, nous venions, nous tapions fort sur cette mentalité de *zougader* qui ruinait cette population. Et c'est alors que le Premier ministre d'alors, le Dr. Navin Ramgoolam, avait accepté et est venu au Parlement pour annoncer que le gouvernement allait nommer cette commission-là. C'était, je crois, en fin de 2014 si je ne me trompe pas et il y'a eu cette commission d'enquête, et là je me réfère et je ne vais pas entrer dans les détails comment ce rapport a été déposé ; comment ce rapport a été perdu ? Il y a un certain monsieur qui est en train de s'écouter, c'est sûr, le Al Capone du Champs de Mars, je suis sûre qu'il est devant la télévision et je lui demanderai d'écouter bien ce que je vais dire.

M. le président, il y a eu des questions parlementaires sur comment ce rapport a été déposé, comment ce rapport a été perdu, ce rapport normalement est déposé au président de la République et qui avait eu ce rapport en fin de 2014-2015. Et nous avons fait pression au Parlement, moi-même, l'honorable Quirin, mon collègue, pour rendre ce rapport public et là, j'ai un *statement* de l'ancien Premier ministre, *late Sir Anerood Jugnauth*, et je vais citer, le 31 mars 2015, *Sir Anerood Jugnauth*, au Parlement, dit –



« *Government has taken a strong commitment towards the nation to tackle the problematic issue of 'nasion zougader ...'.* »

qui faisait rage. Tout le monde à l'île Maurice condamnait ce problème de *nasion zougader* –

« ... *especially as it relates to the addressing of illegal activities, serious and widespread concerns of corruption linked to horse racing* »

et là il fait mention du Commission de PARRY et ce jour-là le rapport allait être déposé au Parlement et il dépose en tant que Premier ministre le rapport au parlement. Et il dit –

« *the commission has made damning criticisms towards the institution* »,

etcetera, et il parle de *illegal betting* surtout et *proliferation of betting in Mauritius* et surtout les paris illégaux. Mais qu'est-ce qui s'est passé à partir de 2015 ? Là aussi il y a eu le *GRA*, l'institution c'est le *Gambling Regulatory Authority*. Nous sommes appelés aujourd'hui à amender le *GRA Act* sous différentes sections. M. le président, qu'est-ce qui s'est passé après 2014 avec le nouveau gouvernement *Lepep* ? Ils ont nommé quelqu'un à la tête du *GRA* ; il y a eu des membres du *Board* dont un est toujours membre – c'est le grand manitou, un *special adviser* au bureau du Premier ministre, monsieur D.B. – je ne vais pas mentionner de nom comme vous allez m'arrêter tout de suite et ce que je ne veux pas. Je veux rester jusqu'à la fin aujourd'hui.

**Mr Speaker:** Thank you for your cooperation!

**Mr Bhagwan:** I do not want to be named, unless after what I have to say.

**Mr Speaker:** Thank you for your understanding!

**Mr Bhagwan:** M. le président, un certain monsieur D.B., le grand manitou, le *Special Adviser* du Premier ministre, alors semaine après semaine encore une fois il y a eu prolifération et rien de changé et un de ces jours on annonce que le président du *GRA* *then* a soumis sa démission. Moi-même j'avais intervenu à l'ajournement. Je ne vais pas mentionner son nom lui, il va se reconnaître lui-même et rien de changé sauf à partir de *l'appointment* de ce *Special Adviser*, Mr. D.B. – *kan linn koumens konn lakour, rentre dan lakour, rentre dan lakaz, koumens konn lakour* du *GRA* – il y a eu une mainmise, je le dis, M. le président, d'une mainmise de monsieur D.B. sur la *GRA* à partir de quelques semaines après sa nomination et nous sommes arrivés aujourd'hui où il n'y a rien de changé. Tout le monde sait et j'ai eu l'occasion de dire dans le Parlement, en dehors du Parlement, au ministre des Finances, il faut changer ce *Board*, il faut revenir et changer tous les membres du *Board*! Et c'est ça que la

population, les *taxpayers*, attend. Je ne vais pas entrer dans ce que mon ami l'honorable Quirin, lui et moi nous avons posé des questions, comment le problème de *server*, etc. Alors voilà où on n'en est, où on n'en était en 2014 et 2015, le rapport déposé et maintenant, aujourd'hui, après nous sommes en 2019, c'est maintenant qu'on parle de restructuration, etcetera.

M. le président, il était important de faire une réflexion sur ces amendements dans le contexte. Voilà le contexte, le Al Capone du Champ de Mars, monsieur J.M.L.S. – que les gens du gouvernement ne le veulent ou ne le veulent pas, c'est comme ça – il veut avoir une mainmise sur l'organisation des courses à l'île Maurice et le temps va nous dire si j'ai raison ou nous avons raison.

M. le président, alors que le gouvernement devrait consacrer toute son énergie pour apporter des solutions aux graves problèmes auxquels le pays est confronté, économique, sociale, la pandémie. Quel est la priorité de ce gouvernement en ce moment-là ? Il veut, à travers un de ces organismes, le gouvernement veut devenir un organisateur de courses ! Il faut que les gens comprennent bien lorsqu'on parle de la GRA, section, etc., c'est le gouvernement ! La GRA c'est le gouvernement ! Oui M. le président, d'après les amendements, c'est cette section qui va, aussitôt que la loi va être approuvée, –

- établir le calendrier des courses - *comier* les courses ? *Zisca* sixième septième les courses ;
- décider de la programmation - si c'est le soir ou si c'est le jour ou si c'est congé public, samedi, dimanche ;
- recevoir les entrées, et
- publier le programme officiel.

Et ce n'est pas tout, M. le président, c'est elle qui va octroyer les licences à tous les *Stakeholders*, les jockeys, les *track riders*, entraîneurs, même les commentateurs hippiques et j'espère que certains ne vont pas être en plus. C'est toujours elle qui décidera de la composition, oui, M. le président, du panel des commissaires des courses, c'est ce qu'il y a dans la loi. Mais, si tel est le cas dans les autres pays qui se respectent, je n'aurais rien trouvé à redire sur les intentions de ce gouvernement mais tel n'est pas le cas à travers le monde. Je me suis mis à lire, j'ai pris des renseignements et je me fais un devoir de dénoncer fortement en tant que parlementaire, ces manœuvres sinistres et malsaines.

M. le président, oui, les intentions du gouvernement sont de natures sinistres et malsaines. Le gouvernement veut tout simplement accaparer, pour ne pas rentrer ce que mes amis ont dit sur la *MTC*, l'histoire, 200 ans d'histoire, etc., le nombre d'employés 3,500, ça a été dit.

M. le président, je suis honnête. Je ne dirais pas que la *MTC* est exempte de tout reproche mais d'ailleurs la perfection n'est pas de ce monde mais il faut aussi admettre que la *MTC* a toujours contre vents et marées – ce qui est particulièrement le cas depuis 2014 – *deliver the goods* à la satisfaction de la grande majorité de turfistes. On a vu les gens, les commentateurs, ceux qui ont manifesté etc., la satisfaction sauf ceux qui veulent accaparer.

M. le président, depuis 2014, je l'ai dit, le gouvernement n'a pas cessé, la *GRA* - on a été témoin, il y a eu des réponses dessus au Parlement, ce n'est pas moi qui le dis je ne vais pas citer les *PQ Numbers*, ce n'est pas des faux documents, M. le président j'allais fouiller pour les faire, ce sont des *reply to Parliamentary Questions which I have asked and my colleagues also*.

M. le président, depuis 2014 la *GRA* n'a pas - depuis que monsieur D. B a mis les pieds au niveau de la *GRA*. Donner des directives insensées, des décisions irrationnelles pour réduire la marche du *MTC* dans le but d'asphyxier financièrement cette organisation.

M. le président, il ne faut pas être devin pour savoir les motivations. Le gouvernement peut à tout prix procéder à la mort du *MTC*, pour ensuite avoir une mainmise totale sur l'organisation des courses et surtout à quel profit, à qui ? Au profit de son principal financier politique, monsieur 'Marye-pike'. Tout le monde le sait, monsieur 'Marye-pike', *alias* loterie Blanc !

M. le président, c'est le *Horse Racing Division* qui va tout décider et cette division est taillée sur mesure pour accueillir les valets, pour ne pas dire, j'aurais utilisé un autre mot ailleurs, M. le président. Si je le prononce, vous allez me dire de ne pas le prononcer, *Chatwa* ! Le *Chatwa*, je le retire parce que peut-être vous allez me dire que ce n'est pas *parliamentary*. C'est un mot commun aujourd'hui, je crois que c'est venu dans le *Diksioner Morisien* ; *Chatwa* !

Ce qui est grave, M. le président, il y a beaucoup et beaucoup et au gouvernement, ils le savent, celui qui a financé les élections. Je le sais – par chez moi ils sont venus, *selman kot mwa inn galoupe ! Dan numero 20 pena zess sa, ploye alle !* Surtout de ceux qui sont sur le *payroll* et je le dis et j'attends son truc de *Mazavaroo* là, il va écrire contre moi sûrement.

Je l'attends de pied ferme. Moi, je ne suis pas de ceux qui *ava donn Rs5 millions pou vinn rod dimounn ki vinn soi disan atak mwa.*

**Mr Speaker:** Now you are going out of subject ...

**Mr Bhagwan:** No, no, this is...

**Mr Speaker:** ...please come back to the Bill!

**Mr Bhagwan:** De ceux qui sont sur le *payroll* de ce magnat des jeux.

**Mr Speaker:** No, no! This has nothing to do...

**Mr Bhagwan:** No, but *je suis là-dessus...*

**Mr Speaker:** ...with Parliament, please!

**Mr Bhagwan:** No, *mais je...*

**Mr Speaker:** Let us be serious!

**Mr Bhagwan:** Non, mais bien sûr. M. le président, ce n'est pas la première fois qu'un gouvernement veut mettre le grappin sur *MTC*. Il y a eu des tentatives dans le passé mais comme une telle démarche ne peut pas avoir des conséquences néfastes pour l'image du pays, à l'international, je le dis compte tenu des affiliations de la *MTC* à ce niveau et ceux qui ont essayé, n'ont pas persévéré.

Aujourd'hui, M. le président, l'image de notre pays est au plus mal au niveau international. Avec sa présence dans les listes grises, noires, à un moment où le ministre des Services financiers essaye de faire sortir l'île Maurice, notre pays, notre République de ces listes et voilà que ce projet lui jette une peau de banane sous les pieds en proposant ses amendements à la *GRA Act*. Je suis sûr que ces organisations internationales sont en train de suivre parce qu'on parle des courses, on parle de *illegal money*, on parle de blanchiment, on parle de la drogue aujourd'hui ; la drogue vous avez vu il y a des cas là il y a eu des cas où la drogue s'est infiltrée au niveau de cette organisation.

M. le président, je suis sûr, comme je l'ai dit, la *MTC* n'est pas exempte de tout reproche, je suis franc. Il y a certainement des choses à améliorer en ce qui s'agit de l'organisation des courses, je suis honnête, j'ai posé des questions mais il faut procéder d'une manière civilisée si on veut permettre à nos courses de franchir un palier. Il faut que la *MTC* et la *GRA* se mettent autour d'une table pour discuter de la situation et apporter des changements qui s'imposent. On m'a laissé entendre, j'ai lu quelque part, aujourd'hui même,

que le président, monsieur J. M. G a fait le premier pas dans cette direction que les grands manitous de l'instance régulatrice ont fait et font toujours la sourde oreille aux multiples tentatives de la *MTC*, de son président de s'asseoir et de discuter et j'espère que le ministre des Finances est en train de m'entendre ce que je suis en train de dire.

Au début de mon intervention, j'avais avancé, M. le président, que la *MTC* fait partie du patrimoine, ça a été dit par mes amis, je ne vais pas le répéter. Mais, ce gouvernement s'en fout au niveau du patrimoine, M. le président, à voir l'ancienne imprimerie du gouvernement. Je suis un enfant de Port Louis, l'ancien Collège de Royal, l'école Beaujard.

M. le président, vous allez m'arrêter sûrement, c'est mon opinion. Le MSM est un parti destructeur. Le MSM a détruit beaucoup d'institutions...

**Mr Speaker:** So, this is the Finance Bill?

**Mr Bhagwan:** *Yes, je parle du Finance Bill! La MTC...*

**Mr Speaker:** This one about the MSM?

**Mr Bhagwan:** Non, la MTC est une institution...

**Mr Speaker:** About the MSM, disruption or whatever.

**Mr Bhagwan:** Mr Speaker, Sir, when I talk about the MSM, you should not be hurt!

**Mr Speaker:** No, come on!

**Mr Bhagwan:** You should not feel hurt!

**Mr Speaker:** I am not hurt!

**Mr Bhagwan:** Because it is...

**Mr Speaker:** I am not hurt!

**Mr Bhagwan:** But you must not, Mr Speaker, Sir.

**Mr Speaker:** But we have to be serious.

**Mr Bhagwan:** Je parle d'institutions, M. le président, le MSM est au gouvernement !

**Mr Speaker:** We have to be serious!

**Mr Bhagwan:** I am serious; I am always serious. This is why I am here, 38 years, Mr Speaker, Sir! If I was not serious I would not have been here!

**Mr Speaker:** Hon. Member, I am allowing you to continue. This GRA thing has been sufficiently canvassed. You are repeating and repeating what three previous orators have been saying. Okay? You continue but the Finance Bill!

**Mr Bhagwan:** *But, I am talking about the Bill!* Le gouvernement veut détruire la MTC en tant qu'institution, l'industrie des courses et je demanderai au ministre des Finances de laisser chacun faire son métier, les chevaux sont bien gardés. Laissez au MTC le soin d'organiser les courses ; demandez, revalorisez la GRA. Ce n'est pas *this division what you are asking us to vote which will put order. This division is, according to you, supposed to organise the races* à la place du MTC.

M. le président, à ce niveau on parle de la GRA. La GRA a lamentablement failli à sa tâche car elle a failli dans les différentes enquêtes concernant des *bookmakers* corrupteurs. C'est la GRA qui est responsable des enquêtes actuellement sur les paris illégaux, les *bookmakers* illégaux et la GRA a failli encore une fois dans sa tentative de mettre en place un comité d'appel indépendant ; les courses truquées !

M. le président, la GRA n'a ni les armes, ni les compétences de créer cette *Horse Racing Division* qui sera en aucun cas indépendante. Au contraire, elle servira à ceux qui veulent faire la sale besogne. M. le président, pas plus tard qu'aujourd'hui, la GRA dit qu'elle est un corps indépendant, certains l'ont dit.

M. le président, comment peut-on parler d'indépendance quand son président ; excusez-moi, il y a actuellement un tandem, un président qui s'est permis de réprimander une employée du MTC, pas plus tard que mardi, la menaçant de déporter. C'est public, c'est du domaine public. Ça a été dit dans les journaux et à la radio. Et il serait bon que le ministre demande, c'est le ministre qui nomme le président du *Board*, comment un président qui s'occupe de l'organisation d'un *Board Meeting* peut venir prendre son téléphone et menacer de déporter ? C'est une aberration. Comment peut-on accepter quelque chose comme cela, M. le président ?

Et d'autre part, M. le président, je tiens à faire ressortir et condamner solennellement que la GRA a voulu devancer la Cour suprême. Je m'explique ; le président de la MTC a un cas en Cour suprême. Même le cas n'est pas terminé, il n'aura pas son *PML*. C'est dans le domaine public, M. le président. Je sais que le gouvernement, le ministre ont les mains liées, parce que le grand magnat, il est protégé d'en haut. C'est une honte, M. le président. La GRA est une honte nationale. Les mains invisibles de ce « Al Capone » du Champs de Mars,

Monsieur J. M. L., planent partout, même au niveau du *Sun Trust*, au niveau du gouvernement. Et je suis sûr que le public et les *taxpayers*, qui comprennent que si on vient taxer la population, c'est normal. Mais combien de paris illégaux il y en a ? Des centaines de millions ! Des courses truquées ; la drogue. Tout ce temps depuis 2014, depuis 2015, maintenant on dit qu'on va venir avec le rapport ? Loterie blanc ; l'importation de chevaux ! Voilà un peu, M. le président, où on en est. La main invisible !

M. le président, ce projet est un projet sinistre. Ce projet de loi et les amendements, il y a anguille sous roche. Et maintenant, c'est dans le domaine public, je dis anguille, il n'y a plus d'anguille même. Il y a millions sous roche et des milliards. Et j'espère la vérité va triompher, M. le président. Je suis, ici, depuis longtemps et je vais être ici encore. Je me prépare pour mon dixième mandat déjà et je le dis publiquement.

**Mr Speaker:** Most welcome!

**Mr Bhagwan :** J'espère que vous allez être là. Je ne crois pas.

**Mr Speaker:** Most welcome!

**Mr Bhagwan :** Parce que s'il va y avoir un changement de gouvernement, vous n'allez pas être là.

*(Interruptions)*

Je ne sais pas où vous irez.

M. le président, je le dis, je n'ai pas peur. Vous allez me dire d'arrêter, je n'ai pas peur, parce que je suis sûr que dans le *Mazavaroo*, quelque part, ils vont écrire, je n'ai jamais eu peur de ma vie. Je dis ce que je veux. Je n'ai pas d'élastoplaste sur ma bouche. Je vais continuer dans cette direction, et je condamne le gouvernement...

*(Interruptions)*

*Esey éli ene dernie fois, apre to fer remark. Deziem fois ; fer ene deziem fois, to fer remark ar mwa.*

**Mr Speaker:** No!

**Mr Bhagwan :** Elle a fait une remarque, j'espère qu'elle va être tenue de ...

**Mr Speaker:** You are being provocative!

**Mr Bhagwan:** You should watch there also.

**Mr Speaker:** I know!

**Mr Bhagwan:** I like her. I like her, but she...

*(Interruptions)*

**Mr Speaker:** Why are you being provocative?

**Mr Bhagwan:** It is in *Radio Plus*. It is in *Radio Plus* avec sa caricature, je sais ! Mais *pa fer remark ar mwa. Esey eli ene deziem fois avan fer remark.*

M. le président, voilà un peu ce que j'avais à dire, parce que moi, ce n'est pas la première fois que je parle au niveau des courses ; certains n'avaient même pas eu le droit de vote, et je parlais des courses. Ici, au Parlement, je continue à parler, je vais continuer à dénoncer. Je n'ai pas eu peur des *mazavaroos* ou autres. En tout cas, *mwa ki pou met mazavaroo.*

Merci.

**Mr Speaker:** Come on, now, I stop you there! You have already finished! You are going out of subject. I have been kind and generous to you, but you are making an abuse of parliamentary time!

I will ask the Deputy Speaker to take over.

*At this stage, the Deputy Speaker took the Chair.*

**The Deputy Speaker:** Thank you very much. Please be seated! And I preside without fear and favour as well!

Hon. Léopold!

(6.13 p.m.)

**Mr J. Léopold (Second Member for Rodrigues):** Thank you, Mr Deputy Speaker, Sir.

Mr Deputy Speaker, Sir, we are here tonight to debate the annual Finance Bill, following the budget on 11 June this year. The budget was introduced to this House by the hon. Minister of Finance, under the title 'Better Together' with the three core strategies which are –

- Recovery;
- Revival, and



- Resilience to influence our socio economic and environmental policies.

This is an important Bill as it brings all the required measures, especially tax measures and consequential administrative changes set out in the budget to be implemented.

And it is good to note that all the changes are done in a single Bill, so to allow the Government to carry on with the implementation of all the measures, without delay.

Mr Deputy Speaker, Sir, the hon. Minister of Finance outlined the national budget with his three core strategies. And it is of no doubt that these objectives will necessitate tax measures, especially at this moment when the world is facing such an unprecedented public health emergency. We are all aware of this public health crisis as we are in the middle of it, and the population at large, the whole Republic of Mauritius is feeling the economic shock caused by this global sanitary crisis which is the COVID-19 pandemic.

These measures are to protect and help our people to get through this pandemic, at the same time maintain the economic health of our country. How? It is by –

- protecting the livelihoods of the citizen amid COVID-19 pandemic by providing additional support;
- protecting jobs;
- recovering from the bad effects of the pandemic on our economy, and
- getting back to work again after two consecutive lockdowns to resist to the adverse effect of slow economic activities.

The enactment of this Finance Bill, with the other measures taken in the 2020-2021 Budget, had and will continue to help in his objectives.

The tax measures, together with the various schemes outline in this Bill are aimed at protecting jobs and livelihoods without which our economic situation could have worsened.

There are encouraging signs that the measures taken are helping people a lot. And the extension of these measures, especially in the hospitality and tourism industries, with a large pool of workers employed in this field, are giving so much help in the transitional phase to the new normal.

The Government has given enormous support to business owners, especially the small and medium enterprises/the self-employed, from Wage Assistance Scheme to debt moratorium. This short-term support brings enormous challenges on our economy.

The enactment of this Finance Bill will help to balance, the enormous support the central Government provided to the economy, and measures taken in this Bill need to contribute and fix the deficit caused to public finance.

The legislation will act on the core objectives set by the hon. Minister of Finance, recovery and resilience in terms of measures taken to ensure the sustainability of the national vaccination campaign and the ambition of local production of COVID-19 vaccines.

Mr Deputy Speaker, Sir, despite the desperate, long wait of vaccines by so many countries over the world, some are more resourceful than Mauritius but our budgetary measures from this finishing financial year and the legislation of new measures in this Bill, contain clauses for the provision or the availability of funds for the purchase of additional vaccines, are enabling the rapid roll-out of vaccinations within our Republic.

And these measures are helping in reducing the exponential propagation of COVID-19 virus and preventing infected people from developing the severe form of the disease. And this is helping a lot, not only in reducing pressure on hospitals and other healthcare facilities, but it is also a determining factor in keeping people of the Republic, healthy.

Helping businesses and other major projects to continue while some countries are experiencing a fourth-wave of surging infection due to the inadequacy of vaccines, Mauritius is showing its resilience to the virus by setting the target or reaching herd-immunity by September. This measure is a good help in boosting our economy and growth. Mr Deputy Speaker, Sir, the whole budgetary exercise has allowed the Government to identify the areas of weakness and help to allocate resources where they are needed.

In regard to public health, the measures taken in this Bill to have fund for COVID Solidarity Fund and COVID-19 Vaccine Fund have already proven the cost-effectiveness to our public health services. The normal response to a global economic crisis is to reduce cost but to respond effectively to the causation of this present economic crisis, we have to invest in public health. Investing in public health is one solution to get over this pandemic and in turn, the economic crisis.

So, the measure is a good financial planning tool to sustain health care funding, especially at this present time where there is so much pressure on health care spending. This is a good contribution as it will maintain universal health coverage in the prevention and treatment of COVID-19 infection.

Mr Deputy Speaker, Sir, I am trying not to repeat another debate on the Appropriation Bill by outlining the reasons why I am commanding this Bill to the House, as to my opinion, through this legislative process, the Government is determined to respond promptly to sustain public finance by setting the foundation to recovery.

As Rodrigues is embracing on its mission of becoming an ecological island with the use of 100% renewable energy in the near future, I have to point out that I support fully the ambition of this Government in its approach of reducing the use of fossil fuel. The use of renewable source of energy will, no doubt, contribute to tackle climate change. And this is my contribution to the debate, Mr Deputy Speaker, Sir, and I thank you for your attention.

**The Deputy Speaker:** Thank you very much. You are always short and precise.

Hon. Ms Joanna Bérenger!

(6.23 p.m.)

**Ms J. Bérenger (First Member for Vacoas & Floréal):** M. le président de séance, je vais éviter de répéter ce qui a déjà été soulevé par mes collègues du côté de cette Chambre et je souhaiterais intervenir sur deux mesures précisément, la Section 79 et la Section 38 du *Finance Bill*. L'article 25 du *Rivers and Canals Act*, se lit comme suit –

*“No one should (...) -*

*(1) except with authority from the Supreme Court (...) -*

*(a) stop or change the course or level of rivers; or*

*(b) make or place any dike, dam, basin, or construction of any kind in the course of, any river, stream, or run of water that is public property.”*

La Section 79 du *Finance Bill* propose donc d'amender cette Section pour que certaines autorités gouvernementales ne soient pas concernées par cette obligation de demander l'autorisation de la Cour suprême. Notamment sont exemptées la *NDU*, la *RDA* and any other stakeholders designated by the *Land Drainage Authority for the implementation of drain projects which carries out works along any river, stream or run of water that is public property*.

Cet amendement, M. le président, peut s'avérer dangereux, sachant qu'aucune expertise n'existe aux niveaux des autorités citées dans l'amendement ou même au niveau des *District Councils* pour essayer de comprendre les écosystèmes, la biodiversité ou

encore les mesures d'adaptation naturelles qui existent. Nous voulons nous attendre au pire quant à l'utilisation et l'implémentation de cet amendement au *Rivers and Canals Act*. Et je vais vous dire pourquoi il faut s'attendre au pire. Nous avons eu, pas plus tard que la semaine dernière, un exemple flagrant du danger que pourrait être l'utilisation de cette mesure et qui justifie donc, notre inquiétude. Je parle ici de l'exemple du massacre des mangroves à St-Martin sur un *wetland*, pour autant répertorié dans l'*ESE Mapping* de 2009 et qui devraient être protégées par la loi.

Lundi, justement, M. le président, était la journée internationale pour la protection des mangroves. Permettez-moi simplement de rappeler que les mangroves sont une barrière puissante contre les calamités naturelles et les effets du changement climatique. Elles protègent notre lagon en agissant comme filtres. Elles sont sources de vie de plusieurs espèces. Vous pouvez demander à n'importe quel pêcheur ou habitant de la côte et il vous dira l'importance des mangroves.

Le comble de ce massacre est à quelques mètres du site où les mangroves ont été sauvagement enlevées à St-Martin, sous prétexte des travaux de dragage. Le ministère de l'Environnement a l'intention d'entreprendre, à quelques mètres, des travaux de réhabilitation et dans le discours du Budget, le gouvernement prévoit, pour la galerie, la mise en terre de quelques mangroves. Donc, encore une fois, le gouvernement mutile d'une main et applique quelques pansements de l'autre main. Et malgré les photos qui avaient été déposées à l'Assemblée nationale et circulées sur les réseaux sociaux, dans sa réponse le 13 juillet 2021, le ministre des Infrastructures publiques, l'honorable Bobby Hurreeram, affirme –

*“No mangroves have been removed by the NDU works.”*

et de faire savoir qu'il s'agissait de *desilting works* en faisant sournoisement croire qu'il s'agissait de choisir entre les mangroves et la vie des habitants.

Je le rassure. Il ne s'agit absolument pas d'un choix entre l'un ou l'autre. La barbarie avec laquelle le travail a été fait, n'est absolument pas justifiable mais surtout, ont occasionné la destruction des écosystèmes déjà fragilisés et qui sont source de revenus et de protection pour les habitants et ont occasionné également une érosion accélérée, ce qui est d'autant plus dangereux pour les habitants qui résident à proximité.

Selon mes informations, aucune autorisation, aucune étude environnementale n'a été faite au préalable et le ministère est donc en infraction avec la Section 15(2) de

*l'Environment Protection Act* selon laquelle, les développements situés dans les zones environnementales, sensibles, nécessitent une licence EIA, est également en infraction de la Section 69 (b) de la *Fisheries and Marine Resources Act* de 2007 pour la protection des écosystèmes y compris des mangroves. Ni la dimension environnementale sensible ni la protection des mangroves n'ont été prises en compte par le ministère lui-même.

Donc, nous sommes en droit de nous inquiéter et de nous demander jusqu'où iront les autorités mentionnées pour utiliser cet amendement à la *Rivers and Canals Act* et impacter négativement notre environnement quand on a vu dans ce cas, un *freshwater marshland* avec mangroves, être considéré comme une simple rivière. Cet amendement à la *Rivers and Canals Act* vient rendre ce genre de barbarie, légale. Cet amendement vient rendre légal ce qui ne l'était pas forcément et vient enlever aux citoyens, le dernier rempart contre les agissements sauvages. Ce dernier rempart était celui de la Cour Suprême. L'exemple de Saint Martin n'est bien sûr pas un exemple isolé, M. le président. Nous avons vu des désastres similaires à Souillac, à La Flora où les berges des rivières ont été mises à nu avec ces soi-disant exercices de dragage, faits sans aucune autorisation au préalable, ni aucune supervision de la *Forestry Services*, qui a été emmené à ne pouvoir que constater tristement les dégâts une fois qu'ils ont été faits. Donc quels sont les garde-fous pour cet amendement ?

Sachant que, comme je le disais, il n'existe aucune expertise de la biodiversité au niveau des autorités mentionnées dans l'amendement lui-même et qui prendront donc des décisions de fouiller, de draguer n'importe comment sans supervision. Et, que le changement climatique, malgré l'entrée en vigueur du *Climate Change Act*, n'est toujours pas un principe fondamental dans les décisions prises par les autorités en général y compris celles mentionnées dans l'amendement. Et l'exemple de Saint Martin de Souillac le prouve, ce ne sont certainement pas les exemples qui manquent.

Faute d'institutions indépendantes qui seraient chargé de veiller à la protection de notre environnement, comme l'avait proposé le MMM dans son dernier manifeste électoral, je propose qu'il y ait dans ce cas précis un garde-fou, en l'occurrence un comité scientifique indépendant avec diverses compétences, qui puisse accompagner et revoir si nécessaire les décisions de ces autorités mentionnées dans l'amendement car chaque site a ses spécificités et nécessite des mesures adaptées. L'expertise est primordiale pour éviter de créer d'autres problèmes. Parce que si tel est le cas, quand d'autres problèmes seront engendrés comme les

exemples donnés juste avant, qui en prendra la responsabilité ? La *Land Drainage Authority*, qui sera donc juge et partie en même temps? Ce n'est pas sérieux!

Un comité d'experts est nécessaire, M. le président, parce que trop souvent nous voyons les ministères voulant agir vite en faisant un travail sauvage et bâclé. Et quand nous entendons le ministre des Infrastructures publiques et du Transport routier - déjà avant même cet amendement - venir prétexter un exercice de dragage pour venir saccager une zone sensible et des mangroves, on se dit qu'il faut donc s'attendre au pire pour la suite, une fois que le gouvernement aura rendu légale de tels actes de barbarie. En réalité, M. le président, la protection des habitants passe, comme je le disais, à travers la protection des zones environnementales sensibles.

Il s'agit avant tout d'avoir le changement climatique comme principe fondamental de toute prise de décision et donc d'implémenter des solutions durables et respectueuses de l'environnement. Détruire les mangroves, les zones sensibles qui sont nos alliés dans la lutte contre le réchauffement climatique ne sont certainement pas des solutions durables et respectueuses de l'environnement. Intégrer la nature dans la gestion des eaux pluviales est une solution durable. Les études ne manquent pas sur le *natural flood management* avec des bassins hydrauliques en amont pour ralentir le flux de l'eau, mieux la canaliser pour ainsi mieux la stocker. Encore tellement de régions à Maurice, n'ont toujours pas d'eau 24/7, alors pourquoi ne pas créer des bassins hydrauliques plutôt que de tout défoncer sous prétexte qu'il faut agir vite.

Les mauriciens méritent des solutions réfléchies et avec la crise climatique, il s'agit maintenant d'une obligation d'implémenter des solutions durables et j'insiste donc sur la nécessité des garde-fous, en l'occurrence d'un comité scientifique, indépendant, qui avaliseront les décisions des autorités concernées par cet amendement à la *Rivers and Canals Act* et qui assureront donc la protection de notre patrimoine naturel.

J'en arrive maintenant à nos patrimoines culturels. La section 38 propose d'amender l'*Income Tax Act* en rajoutant dans le *Schedule 10*, la mesure suivante pour l'utilisation des fonds CSR –

*'National Heritage - Restoration of a building designated as a national heritage under the National Heritage Fund Act.'*

Le but de cette mesure en elle-même est salubre, M. le président, mais la façon dont elle est formulée est limitative et va à l'encontre de l'esprit même de la mesure. Je vous

explique pourquoi. Dans la forme actuelle de l'amendement proposé, une compagnie ne pourra appliquer ses fonds *CSR* qu'aux bâtiments désignés 'héritage nationale' sous le *National Heritage Fund Act*. Or, non seulement le mécanisme de désignation d'un bâtiment comme étant 'héritage nationale' est lui-même obsolète mais la liste des bâtiments désignés n'est elle-même pas à jour. Il y a plus de 100 éléments qui sont en attente de pouvoir être intégrés sur cette liste. Beaucoup d'autres sites, bâtiments, structures sont d'une importance culturelle et historique et cette liste n'est donc pas fiable en ce qu'il s'agit de la sauvegarde et de la définition de ce qui est notre héritage culturel ou pas.

Se restreindre à cette liste équivaut donc à délaissier, à mépriser bien d'autres éléments ayant une valeur culturelle et qui mérite d'être protégée. Je propose donc que soit amendée cette section afin d'être remplacé par *cultural heritage, re-appellation, renovation, repair, restoration or upgrading of the cultural heritage*. Ainsi, pour permettre l'application de cette mesure, le ministère des Arts et du Patrimoine culturel pourrait délivrer une lettre confirmant la valeur culturelle, historique ou visuelle d'un site, d'une structure, d'un bâtiment, d'un objet, d'un monument.

Et de cette façon, les 106 bâtiments notés Grade 1 et Grade 2, y compris ceux situés dans le *buffer zone* de l'Aapravasi Ghat, qui ne sont actuellement pas désignés comme faisant partie de notre héritage nationale, pourront alors bénéficier de cette mesure et des fonds *CSR* pour une éventuelle réparation, réhabilitation ou rénovation, ce qui n'est pas le cas sous la forme actuelle de l'amendement proposé par le *Finance Bill*.

Également avec la proposition que j'ai évoquée, les ONG auront moins de difficultés à bénéficier de cette mesure et des fonds *CSR*, étant donné que la plupart de leurs projets ne concernent pas des bâtiments qui sont désignés comme 'héritage nationale' et que le *CSR* en soi, il ne faut pas l'oublier, a pour but avant tout, d'outiller les ONG.

M. le président, je parle de patrimoine depuis un moment. Avant de conclure, je voudrai m'appesantir sur ce thème ; quand on parle de patrimoine, on parle de ce qui est unique à Maurice, de ce qui appartient à tous les Mauriciens indistinctement. Quand on parle de patrimoine, on parle de ce qui est matériel mais aussi immatériel. Notre patrimoine culturel est riche mais fragile. Les bâtiments et autres structures ou lieux portent l'histoire de l'île et il est notre devoir de protéger ces lieux gorgés de mémoires. Qu'il s'agisse de nos patrimoines naturels ou de nos patrimoines culturels, il est primordial de savoir préserver ces biens communs pour que les générations qui suivent puissent elles aussi en bénéficier.

M. le président, je vois qu'il me reste quelques minutes donc permettez-moi de dire quelques mots sur la section 39 du *Finance Bill*, qui vient amender la section 46 du *Information and Communication Technologies Act*. C'est avec satisfaction que nous constatons que le terme '*causing annoyance*' disparaît pour être remplacé par '*causing harm*,' avec beaucoup plus de précisions sur ce qui pourrait en effet causer préjudice.

Cet amendement, M. le président, arrive juste après le jugement de la Cour Suprême, qui a mis en lumière l'anti-constitutionnalité de l'expression '*causing annoyance*,' et qui par la même occasion, est venu donner raison à l'Opposition, qui n'a cessé de dénoncer sans relâche l'aspect évasif, le manque de clarté et l'utilisation abusive de cette section de la loi. Je tiens à préciser qu'au MMM, nous condamnerons toujours toute forme de dénigrement y compris sur les réseaux sociaux. Mais cette expression '*causing annoyance*' était utilisée par les politiciens mal intentionnés, qui ayant vu leur ego être blessé par certaines vérités exposées par les internautes, n'ont pas hésité à abuser de cette section de la loi dans un esprit de revanche et dans une tentative de museler l'opinion publique. Qui ne se souvient pas des arrestations aux petites heures du matin chez les internautes ? Même des trafiquants de drogue ont bénéficié de meilleurs traitements que cela! Espérons que cet amendement mettra un frein à ces abus et viendra rétablir un certain équilibre. Mais, il est regrettable que la population doit se contenter de réactions plutôt que d'actions, qu'il faille systématiquement que ce gouvernement soit mis au pied du mur pour agir ou plutôt devrais-je dire pour réagir de manière raisonnable.

Je vous remercie pour votre attention.

**The Deputy Speaker:** Thank you very much.

Hon. Minister Lesjongard!

(6.38 p.m.)

**The Minister of Energy and Public Utilities (Mr G. Lesjongard):** Merci, M. le président, de me donner l'occasion de m'adresser à la Chambre sur le Finance Bill. Un projet de loi, traditionnel mais complexe, contenant presque 97 amendements et qui est le support légal pour la mise en chantier des mesures budgétaires.

Ce Finance Bill, M. le président, comme celui de l'année dernière et effectué dans un climat difficile, une situation économique difficile et compliquée et tout cela à cause du Covid-19 mais c'est une situation, M. le président, que je considère où nous devons être tous ici, comme élus du peuple, plus compréhensible.



Permettez-moi de commenter les changements de lois concernant mon ministère en premier et par la suite terminer sur quelques amendements spécifiques. Première observation, M. le président, concerne un argument qui a été débattu sur le Finance Bill et concerne les amendements proposés à différentes lois et je pense qu'il y a quelques orateurs de l'Opposition qui ont fait comprendre à la Chambre que certains de ces amendements n'étaient ni dans le discours du budget ou ni dans l'annexe des mesures budgétaires et que il y a eu dans le temps un *ruling* d'un ancien président de la Chambre concernant tout ce qui est permis de voir ou de débattre dans un Finance Bill et il y a eu aussi, M. le président, des commentaires à ce sujet concernant les amendements à la *Central Electricity Board*, à la *Central Water Authority* et à la *Wastewater Management Authority*. Je pense que c'était l'honorable Uteem qui en avait évoqué lors de son intervention. Permettez-moi de rassurer, M. le président, que ce soit dans le discours du budget ou que ce soit à l'annexe des mesures budgétaires à la page 38, le gouvernement avait énoncé clairement les choses en disant que premièrement –

« Nous voulons faire de l'énergie verte, un des piliers de notre économie »

et dans l'annexe –

« afin d'améliorer *the ease of doing business*, nous allons apporter des amendements à la *CEB Act*, the *CWA Act*.”

M. le président, comme je l'ai souligné lors de mon intervention sur le budget, notre petite île a des grands défis à relever dans le secteur énergétique. Nous avons fixé ce seuil à 60% d'énergie verte dans notre bouquet énergétique d'ici 2030 et il nous faut, impérativement, apporter des changements au niveau des opérations et du *CEB Act* pour être mieux armé afin d'arriver à ce taux de 60% d'énergie renouvelable.

Le CEB, il faut le dire, a jusqu'à présent miser principalement sur la production et l'achat d'énergie électrique conventionnelle, c'est-à-dire à travers l'huile lourde, le charbon, la bagasse et ce n'est qu'il y a quelques années que notre île a commencé à produire de l'énergie éolienne et solaire et il y a dans ce secteur, aujourd'hui, des opérateurs du secteur privés qui le font mais aussi le CEB à travers son subsidiaire, le *CEB Green*.

Ce qui confirme, M. le président, que nous avons les ressources nécessaires afin d'atteindre cette objectif et au niveau des finances, je remercie mon collègue, l'honorable ministre des finances qui a mis à la disposition du CEB les fonds nécessaires.

M. le président, ce soir à travers les amendements proposés au Finance Bill, nous voulons améliorer le paramètre légal afin de répondre à ces défis. Le *CEB* est appelé à jouer un plus grand rôle dans le domaine de l'énergie renouvelable. Si nous voulons atteindre 60% d'énergies renouvelable en 2030, il est impératif que dès maintenant, nous nous donnions les moyens nécessaires. Ainsi, sous ce Finance Bill, la section 10(1) du *CEB Act* qui concerne les *duties* du CEB, sera ainsi amendé pour y inclure, M. le président, à la clause (f) ce paragraphe –

*“To implement projects relating to the production of electricity from renewable energy sources and other clean technology”.*

Cette section permettra au *CEB* d'implémenter des projets d'énergies renouvelables. Sa mission doit être plus tournée, maintenant, vers des énergies propres et l'organisation aura pour rôle de mettre en œuvre la politique énergétique du gouvernement. Ainsi le dernier budget prévoit au paragraphe 100 –

*“... that CEB will also allow for integrated green energy projects, combining the use of biomass, wind and solar energy”.*

et à la paragraphe 101, il est dit –

*“We will further enable companies and individuals to provide renewable energy directly to the CEB, if the price is below the maximum tariff set”.*

Ces mesures. M. le président, permettra au *CEB*, comme dans le passé, de proposer des *schemes* pour les différents types d'opérateurs.

Nous savons que le *CEB*, non seulement est responsable de l'implémentation des projets énergétique mais le *CEB* a aussi à gérer tous ce qui concerne la transmission et la distribution de cette énergie.

Recently, in order to enhance synergy in the implementation of the renewable energy strategy, we have taken the decision to integrate the operations of the CEB Green, *qui était une filiale du CEB*, into the CEB.

Now, a structure has been put in place at the level of the Board and the organisation to monitor the various projects and schemes and provide the required resources.

In this vein, Mr Deputy Speaker, Sir, I am pleased to announce to the House and I think the House must be aware, the launching of requests for proposals by the Central

Electricity Board on 13 and 22 July, respectively for a 30 MW wind farm and solar farms of total capacity of 30 MW.

The CEB has also launched a request for information for renewable hybrid energy projects up to a capacity of 50 MW and the file will be closed on 25 August 2021.

Mr Deputy Speaker, Sir, I also wish to add that the Renewable Energy Roadmap 2030 for the electricity had set the target for renewable energy to 40% that is in 2019. This target now has been revised upward that is to 60% and not only that, Mr Deputy Speaker, Sir, that is we increase it to 60% but this includes also the phasing out of coal by 2030 which is a very, very bold decision taken by this Government.

M. le président, pour atteindre les 60%, il faut impérativement une collaboration plus accrue entre tous les organistes responsables de tout ce qui touche à l'énergie. Par exemple le CEB, la MARENA (*Mauritius Renewable Agency*), la *Energy Efficiency Management Office* et la *Utility Regulatory Authority*.

Comme je l'ai dit plus haut, nous visons beaucoup sur l'industrie verte et ce secteur, M. le président, a un fort potentiel en termes de création d'emplois. L'année dernière, la MARENA, c'est-à-dire la *Mauritius Renewable Energy Agency* avait commandité une étude à travers un consultant international « Grupo Mercados Energeticos Consultores ».

L'objectif principal de l'étude était de déterminer le nombre potentiel d'emplois verts et les compétences requises dans le secteur des énergies renouvelables. Les consultants ont analysé le contexte local en réalisant des études auprès des différents opérateurs dans le pays et ont soutenu leurs conclusions par des données venant des sources internationales.

En bref, M. le président, les principales conclusions du rapport sont résumées comme suit –

1. la croissance des technologies d'énergie renouvelable existantes et la mise en œuvre de nouvelles technologies au cours de la prochaine décennie va continuer à créer des possibilités d'emploi ;
2. l'étude a aussi révélé qu'il y a un potentiel de créer plus de 3,000 emplois permanents d'ici 2030 dans la phase de construction/ installation des projets liée à l'énergie renouvelable, tandis qu'environ 560 emplois sont estimés pendant la phase d'exploitation/ maintenance. Ces chiffres que j'ai avancé, c'est-à-dire plus que 3,000 d'emplois pendent la phase

construction/installation et 560 pendant ce phase d'exploitation/maintenance étaient basé sur un taux de production de 40% d'énergie renouvelable, alors que, aujourd'hui, nous misons sur une production de 60 % qui définitivement va créer encore plus d'emplois ;

3. entre 2020 et 2030, l'énergie solaire à l'échelle des services publiques et résidentielles représentera la plus grande proportion de la création d'emplois verts ;
4. en plus, Maurice dispose d'un cadre politique solide pour répondre à une vision du développement durable. La réalisation de ces objectifs de ces politiques nécessitera toutefois un investissement adéquat dans le capital humain du pays pour faire en sorte que les compétences requises par chaque technologie soient facilement disponibles sur le territoire, et
5. l'étude vient aussi dire que nous devons nous focaliser sur les emplois tels que

—

- *skilled technicians;*
- *commissioning engineers whether they be electrical, mechanical or civil;*
- *project managers;*
- *transportation workers;*
- *construction professionals;*
- *quality control inspectors;*
- *project and installation evaluators;*
- *software engineers, and*
- *recycling specialists.*

Mr Deputy Speaker, Sir, we have to pursue in a more assertive manner in this capacity building and our strategy on training and that at different levels and for various stakeholder groups, so that we can address the challenges that I have mentioned earlier and that to in a more wholesome way.

And the measure announced by my colleague the Minister of Finance, Economic Planning and Development, under the paragraph 103 of the Budget Speech, that is –

“the CEB’s “*Centre de Formation et de Perfectionnement Professionnel*”,  
located at Terre Rouge –

“will become an accredited centre to provide training in the field of Renewable Energy and Energy Efficiency”

goes in this direction. Thus, the duties of the Board, as per the CEB Act, are being amended to include the provision of training which will lead the centre to award certificates, diplomas and other professional qualifications in the field of Renewable Energy and Energy Efficiency, and that in collaboration with other recognised institutions.

Ce Centre de Formation et de Perfectionnement Professionnel du *CEB* doit être accrédité et les raisons sont afin que les qualifications de ces étudiants qui vont sortir de ce centre soient reconnu dans le secteur public et privé, et comme c’est le cas pour d’autres institutions qui donnent des cours techniques.

M. le président, en ligne avec cette stratégie, c’est-à-dire la stratégie que le CEB dévoue une plus grande attention à la production de l’énergie renouvelable, dans ce *Finance Bill* nous proposons de renforcer le conseil d’administration du CEB. Pourquoi ? Parce qu’il nous faut des personnes ayant des connaissances dans le domaine de l’énergie renouvelable et la section 8 du *Finance Bill 2021* fait provision pour amender le *CEB Act*, *that is, in section 5 (1) (a), by adding the following new paragraph –*

“*2 members having wide experience in renewable energy.*”

Ces deux membres, avec cette grande expérience dans le domaine des énergies renouvelables surement vont apporter beaucoup au CEB mais aussi aider à mettre en place la stratégie de ce gouvernement; premièrement d’éliminer le charbon et deuxièmement d’emmener la production dans notre mix énergétique de l’énergie renouvelable à 60 % d’ici 2030.

M. le président, permettez-moi maintenant de faire quelques commentaires sur ce qu’avait-dit l’honorable Osman Mahomed lors de son intervention concernant le *Finance Bill* et il concluait son discours en faisant référence à la nomination de ces deux personnes qu’on va nommer sur le *Board* du *CEB*. Dans son argumentation il met deux choses en avant; le premier c’est que *we will be wasting public funds first by nominating these two persons with*

*wide experience in renewable energy and secondly that we have not nominated two persons who were supposed to be on the Board to represent the interest of consumers.*

En ce qui concerne ces deux personnes ayant une grande expérience dans le secteur de l'énergie renouvelable, c'est une nomination nécessaire, M. le président. Déjà avec la politique gouvernementale énoncée il y a quelques temps de cela d'emmener la production de l'énergie renouvelable à 40 %, il était important que le *CEB* se donne les moyens nécessaires au niveau de son conseil d'administration de pouvoir inculquer dans l'organisation qu'il y aurait éventuellement dans le pays un *shift* assez important vers l'énergie renouvelable. Avec cette décision d'augmenter ce pourcentage à 60 % en 2030, il nous faut nous préparer dès maintenant et c'est pourquoi, M. le président, la nomination de ces deux personnes ayant une grande expérience dans le secteur de l'énergie renouvelable.

Maintenant, c'est vrai que sur ce conseil d'administration il y a la nomination de deux personnes représentant, *that is*, deux membres de l'*Electricity Advisory Committee* et je cite –

*“one of whom shall represent the interest of urban consumers of electricity and the other, the interest of rural consumers.”*

D'après l'honorable membre, on aurait dû nommer ces deux représentants sur le *Board* du *CEB*, *but Mr Deputy Speaker, Sir, this nomination is redundant today and I will explain why* et l'honorable membre aurait dû savoir cela.

**Mr Osman Mahomed:** Mr Deputy Speaker, Sir.

**Mr Lesjongard:** L'*Electricity Advisory Committee*...

**The Deputy Speaker:** One second, hon. Minister. You have a point of order?

**Mr Osman Mahomed:** I have a point of clarification to make...

*(Interruptions)*

**Mr Osman Mahomed:** ... if the hon. Minister would kindly give way.

*(Interruptions)*

**The Deputy Speaker:** Order! Hon. Minister, do you give way?

**Mr Lesjongard:** No, why should I give way?

**The Deputy Speaker:** No, I am asking.

**Mr Lesjongard:** I am making my speech.

**The Deputy Speaker:** No, no, hon...

**Mr Lesjongard:** Did I ask or intervened...

*(Interruptions)*

**The Deputy Speaker:** Order!

**Mr Lesjongard:** When you intervened...

**The Deputy Speaker:** One second, let me just regulate. It is not time for me to tell you that on a point of clarification, the intervener has to give way, and he is not giving way. Unfortunately, I would be happy to do it, but if it was a point of order. We do not have any argument, continue!

**Mr Lesjongard:** *What I am saying is very simple, Mr Deputy Speaker, Sir, is that with the creation of the Utility Regulatory Authority, M. le président, l'Advisory Committee n'a plus sa raison d'être. Vous réalisez que l'Electricity Advisory Committee est une instance prévue dans le CEB Act de 1963. Aujourd'hui, avec la venue de la Utility Regulatory Authority, le rôle de défenseur des intérêts des consommateurs est dorénavant celui de la URA. C'est la URA qui doit défendre les intérêts des consommateurs, M. le président.*

In doing so, if we are not nominating those two persons to represent the interest of the consumers, whether they be rural or urban, and that the URA now has that role and we are nominating two representatives on the Board of the CEB with wide experience in renewable energy, we are not adding more nominees on the Board. So, the argument that you put forward that we are increasing the number of nominees on that Board and that we are placing a financial burden on the shoulders of the consumers, is not a correct statement. That is what I said.

Merci M. le président, je vais continuer avec un autre aspect de mon intervention qui concerne ce qui est plus connu sous le nom de *wayleave*. Je vais faire quelques commentaires sur le *grant* de *wayleave* dans le cadre de la mise en œuvre des projets qui concernent mon ministère.

Bref explication, M. le président, pour que la Chambre puisse comprendre. Le *wayleave* est recherché auprès des propriétaires fonciers pour les connections, les inspections, la maintenance et les réparations de la CWA, du *Waste Water Management Authority*, et des lignes ou câbles aériens ou sous terrain du CEB. Dans certains cas, ces organisations trouvent souvent des accords financiers avec les propriétaires des terrains mais en cas de refus du

propriétaire foncier d'accorder la voie nécessaire, les organisations telles que la CWA, la *Waste Water Management Authority* et le CEB n'ont d'autres choix que d'avoir recours à la *compulsory acquisition* par l'intermédiaire du ministère du logement et des terres.

Ainsi, la réalisation de ces travaux sont considérablement retardés et très souvent, et je prends là le cas de la *Wastewater Management Authority*, il y a des risques que la non-intervention de tels organisations peut causer des problèmes sanitaires.

M. le président, les procédures pour l'obtention d'un *wayleave can take the time it takes*.

There is no provision in the law or regulations that streamline this process. This Finance Bill comes with amendments, Mr Deputy Speaker, Sir, to introduce timelines for this process, in the interests of the stakeholders concerned.

Et en ce faisant, nous établissons, M. le président, ce qui est primordial, une procédure transparente pour l'application et le *grant de wayleave*. Et on va s'assurer qu'afin que tout cet exercice soit transparent, que ce soit, la *Central Water Authority*, la *Wastewater Management Authority* et le *Central Electricity Board* viendront de l'avant avec un guide qui sera publié sur leur site web afin d'expliquer à la population les procédures à suivre.

Et nous ne sommes pas le seul pays au monde ayant recours à ce type d'activités. Par exemple, M. le président, l'*Electricity Act* et le *Water Industry Act* en Grande-Bretagne et le *Telecommunications Act* de Singapour en font provisions.

M. le président, la procédure est très claire. C'est-à-dire que nous amendons certaines clauses de *CEB Act*, *CWA Act*, *Wastewater Management Authority Act* et la *URA Act* afin de permettre d'introduire ce concept de *timelines*.

Ici, M. le président, je souhaite faire ressortir que pour le secteur de l'eau en particulier, compte tenu des facteurs hydrauliques qui doivent être pris en considération dans la conception du réseau, parfois, les tuyaux doivent traverser une propriété privée. Au lieu de recourir au *compulsory acquisition*, très souvent, ce que fait la CWA c'est obtenir une autorisation du propriétaire foncier pour un droit d'accès et de *wayleave* pour installer des tuyaux, et pour leur entretien à chaque fois que cela s'avère nécessaire.

Les procédures administratives actuelles pour l'obtention d'un *wayleave* retardent longuement les travaux de connexion des organisations tombant sous la tutelle du ministère des Utilités publiques, c'est un vrai parcours de combattant, M. le président. Et dans certains



cas, cela peut prendre des mois et dans d'autres des années, avant que ces travaux puissent être effectués. Et il faut l'admettre que c'est un obstacle pour le développement socio-économique de notre pays. Dans certains cas, M. le président – je prends référence - il y a même parfois des familles qui ne peuvent aller habiter une nouvelle maison puisqu'il n'y a pas de connexion pour la fourniture de l'eau ; ou dans un autre cas de figure, M. le président, très souvent des commerçants ne peuvent pas opérer parce ce qu'ils n'ont pas d'eau ou d'électricité.

Et on a des cas encore plus compliqués, par exemple, très souvent dans des projets comme la construction d'un *water treatment plant*, ou le remplacement d'un vieux réseau d'eau ou encore l'installation des nouveaux tuyaux, ces projets sont retardés, on perd du temps. Outre, M. le président, de perdre du temps, on perd aussi de l'argent en terme d'*idle time* au contracteur. Entretemps, c'est la région qui en souffre des fois, et ça on l'a vu années après années, ceux qui siègent au niveau des comités de finances le savent, des fois les fonds alloués aux projets restent inutilisés par faute de *wayleave* pour pouvoir implémenter ces projets.

M. le président, les amendements sur le *wayleave* seront un paramètre légal qui n'existait pas auparavant. C'est-à-dire que nous venons avec ces amendements établir un processus transparent, *time-bound* et nous avons dans ce processus, non seulement à cœur les intérêts des consommateurs mais aussi des propriétaires fonciers.

M. le président, j'ai entendu des commentaires que nous sommes en train de violer notre Constitution, ce sont des propriétaires fonciers qui vont souffrir. Non, M. le président, c'est juste le processus que nous changeons. C'est-à-dire que l'occupant ou propriétaire aura ainsi 21 jours pour signifier son intention pour accepter ou rejeter la demande de *wayleave*. Dans le cas où l'occupant ou propriétaire du terrain ne soumet aucune réponse à la demande du *wayleave*, c'est-à-dire aux autorités concernées, le *CEB*, *CWA* et *WMA*, ces organismes peuvent utiliser la propriété. Je précise, M. le président, que toute négociation entre les différentes parties doivent être conclues dans un délai ne dépassant pas 60 jours.

Et en cas de *deadlock* au niveau de l'organisme du service public, c'est là où la *URA* entre en jeu, nous proposons qu'une tierce partie indépendante, en l'occurrence la *Utility Regulatory Authority*, agit en tant que médiateur afin d'amener à la fois le propriétaire et l'une des 3 organisations à un compromis pour un *win-win situation*. Et nous sommes

fermement convaincus, M. le président, que le nouveau processus va accélérer l'obtention du *wayleave* et la mise en œuvre plus rapide des projets.

Par conséquent, les amendements qui sont proposés au *CEB Act*, à la *CWA Act* et à la *Wastewater Management Authority Act* introduisent un scénario selon lequel la *URA* serait un médiateur. Et parallèlement, comme je l'ai dit plus haut, nous allons aussi amender la *URA Act* afin de renforcer les pouvoirs de cette instance régulatrice.

Maintenant, dans les cas de figures que j'ai mentionnées, la *URA* devra écrire à l'occupant ou le propriétaire du terrain, et aura un délai de 7 jours pour faire savoir pourquoi le *wayleave* ne devrait pas être accordé. Par la suite, dans les 14 jours suivant la demande - c'est-à-dire que si on prend 7 et 14, on a 21 - la *URA* devra informer toutes les parties concernées de sa décision. Et tout comme cela a été fait dans certains pays, nous établissons, comme je l'ai dit, ce cadre transparent pour répondre aux impératifs de tout un chacun.

Mr Deputy Speaker, Sir, let me now dwell with the amendment to Section 8 of the *URA Act*, and, here, also I have a few comments to make with regard to the intervention of some Members from the Opposition side.

Mr Deputy Speaker, Sir, the Utility Regulatory Authority will shortly start issuing licences to the Independent Power Producers as well as to the CEB. *Par la suite, elle sera appelée à évaluer ou révoquer des licences dans le secteur des utilités publiques.* You will remember that, Mr Deputy Speaker, Sir, we have reviewed and fine-tuned the regulations under the existing Act of 1939 and have come up with two new sets of regulations. These are being legally vetted and will soon be promulgated following which the *URA* will have full ability to conduct its regulatory and licensing functions.

On s'attend qu'avec l'entrée en vigueur des fonctions régulatrices de la *URA*, à ce qu'il y ait une augmentation considérable des procédures administratifs et des situations complexes au niveau de la *URA*. Les amendements ont pour but de renforcer la gouvernance au niveau du *Board* et d'élargir les connaissances et l'expérience au sein de la *URA*.

A ce titre, M. le président, son conseil d'administration sera consolidé et va accueillir, premièrement un représentant du ministère des Utilités publiques ainsi que celui du ministère des Finances et du *State Law Office* et comme c'est le cas pour d'autres instances régulatrices comme *l'Information and Communication Technology* ou *l'Independent Broadcasting Authority*.

I must also highlight, Mr Deputy Speaker, Sir, that the role that the URA would be called upon to shoulder will be very critical and a sensitive one and it would concern stakeholders ranging from private providers of public services, public agencies and consumers at large. So, it is essential that the necessary support be put in place to ensure that it delivers its role correctly. Mr Deputy Speaker, Sir, let me end by rebutting the argument put forward again, by hon. Osman Mahomed with regard to the nomination....

*(Interruptions)*

**The Deputy Speaker:** Hon. Osman Mahomed, let him speak.

**Mr Lesjongard:** ... with regard to the Utility Regulatory Authority.

*(Interruptions)*

**The Deputy Speaker:** Order! Allow the Minister to continue please!

*(Interruptions)*

Order from all sides! Allow the Minister to continue! Continue Minister!

**Mr Lesjongard:** You are the shadow Minister for Energy for the Labour Party. I should rebut what you have said.

Il fait un point politique déraisonnable, M. le président, en voulant démontrer qu'en tant que ministre, j'aurais une mainmise sur cette organisation à travers les nominations. Le *Finance Bill* ne change rien à l'indépendance de la URA, M. le président. Nous ne touchons pas à la Section 7 de la *URA Act* qui concerne l'indépendance de la URA et il n'y a aucune tentative en ce sens. Au contraire, nous renforçons plutôt le *Board* avec des commissaires ayant une expérience de la gouvernance dans le secteur public en ajoutant trois représentants, un du ministère des Finances, un du ministère des Utilités publiques et un du bureau de *l'Attorney General*.

Par conséquent, ces trois candidats seront des fonctionnaires et je dois, d'emblée, préciser, M. le président, que nous veillerons que le même officier du ministère des Finances ne siège pas sur le *Board* de la *CWA*, du *CEB* ou de la *Wastewater Management Authority*. Ainsi, nous éviterons tous soupçons de conflit d'intérêts dans la prise de décision.

I wish to highlight that we are maintaining the mode of appointment of the Chairperson of the URA, which is in accordance with Section 9 of the Act, that is –

“The President shall appoint the Chairperson and Commissioners on the advice of the Prime Minister given after consultation with the Leader of the Opposition.”

The hon. Member, on the other side of the House, has tried to make us believe that there will be no check and balances only by virtue of the fact that there will be no consultation with the Leader of the Opposition as regards the appointment of the Commissioners. Again, Mr Speaker, Sir, allow me to state to the House that the three additional members of the Board would be ex officio representatives of Ministries and the Attorney General’s Office. The provision of Section 9 in these cases would hardly apply and we cannot have two categories of commissioners appointed by two different modes, unlike what the hon. Member has tried to make us believe.

There is no doubt, Mr Deputy Speaker, Sir, that representatives of Ministries and the Attorney General’s Office are well able and competent to discharge their duties at the level of the URA. And this is the case, not only in Mauritius; this is the case in other countries also, for example, Singapore, Malaysia, Namibia, Zambia and Tanzania, Mr Deputy Speaker, Sir.

M. le président, je vais conclure maintenant - merci de m’avoir donné un peu de temps en plus - en disant que je remercie, premièrement mon collègue, le ministre des Finances, d’être un visionnaire, surtout, en ce qui concerne, le secteur énergétique et de donner les moyens à ce pays de faire de la production de l’énergie verte à des piliers de notre économie. Et, c’est chose faisable, M. le président. Nous avons des défis à surmonter. Nous avons démontré notre capacité, en tant que gouvernement et surtout avec notre Premier ministre, l’honorable Pravind Jugnauth, de résoudre des problèmes les plus difficiles, pendant une des périodes les plus sombres de l’histoire de l’humanité. L’histoire reconnaîtra, M. le président, qui sont ceux qui, pendant ces moments difficiles, ont été des vrais patriotes et qui sont ceux, pendant ces moments d’extrêmes difficultés, ont laissé tomber le peuple de ce pays.

Je vous remercie, M. le président.

**The Deputy Speaker:** Thank you very much. Hon. Aadil Ameer Meea, I do not think you will be able to end by 07.30 p.m. I will break for one hour.

*At 7.25 p.m., the Sitting was suspended.*

*On resuming at 8.32 p.m. with Mr Speaker in the Chair.*

**Mr Speaker:** Please be seated! Hon. Ameer Meea!

**Mr A. Ameer Meea (Third Member for Port Louis Maritime & Port Louis East):**

Mr Speaker, Sir, although there is so much to comment on this Finance Bill of 300 pages and also the amendments that have been circulated, the Finance Bill will amend more than 90 existing Acts but due to limited time allocated to me, that is, only one hour, so I will try...

*(Interruptions)*

I will try to wrap it up in 1 hour.

**Mr Speaker:** In 30 minutes!

**Mr Ameer Meea:** No! You are not serious about it. Maybe you should check it with the Whip.

**Mr Speaker:** No, I can see the figures here, don't you worry!

**Mr Ameer Meea:** For how much?

**Mr Speaker:** The exact figures are here, don't you worry.

**Mr Ameer Meea:** No! It is not 30 minutes that is for sure because this has been agreed between the Whips.

**Mr Speaker:** Continue!

**Mr Ameer Meea:** Yes, thank you, Mr Speaker, Sir. So, as I said, I shall be restricting my intervention to the implications on several amendments made to the Income Tax Act, which to my view, is of great concern. In relation to the Income Tax Act, clause 38, I will go directly to the biggest chunk, that is, on amendment to section 75 of the Income Tax Act.

Mr Speaker, Sir, the questions that have been raised since these amendments have been circulated are –

- What is it trying to achieve?
- What are the effects of these amendments?
- Was it warranted?
- Will this have an adverse effect on our industry, and
- What should the Ministry of Finance, Economic Planning and Development have done?

I will go into the crux of the matter, that is, the arm's length test. I must agree that this is a very technical issue but I will try my best to simplify the matter. On paragraph A.14(a)(iv) of the Explanatory Note 2021-2022, provides that –

"The Arm's Length Test as provided for in the Income Tax Act for domestic companies shall equally apply to Global Business Companies."

The arm's length test is the subject matter of section 75 of the Income Tax Act and currently, section 75 of the Act only applies if there is a business or other income generating activity in Mauritius and I am glad that the hon. Minister of Finance, Economic Planning and Development is back in the Chamber because this is a very important issue with serious implications. It is good for us to consider when this section came into force.

The Income Tax Act repealed the Income Tax Act of 1974 and is effective as from the year of assessment 1996 and 1997 for companies and section 43(1) and (2) of Income Tax Act 1974 was similar to section 75(1) and (2) of the Act, except that section 75 of the Act is classified under the international aspect of income tax.

Section 75(3) of the Act empowers the Minister to issue regulations for the purpose of section 75 of the Act. Hence, the anti-avoidance clause on the arm's length test has been around for more than 40 years. If Government deems it necessary to amend section 75 after 40 years, then I think, Mr Speaker, Sir, the House deserves full explanation on the object and purpose of this proposal. What is section 75 of the Income Tax Act and what is the underlying objective?

Section 75 of the Act is an anti-avoidance measure that seeks to protect the tax base of Mauritius and is consistent with the main thrust of the OECD/G-20 Base Erosion and Profit Shifting project that seeks to align taxing rights with economic activities and value creation. In its current form, section 75 of the Act applies to the taxable profit of the business or other income generating activities in Mauritius.

Mr Speaker, Sir, the Mauritius Revenue Authority may adjust the gross taxable income, the allowable expenses, both the gross taxable income and allowable expenses. Taking an example where company A manufactures t-shirts in Mauritius for onwards sale to a related company, the MRA is empowered to adjust the selling price upwards, if the selling price to the related company has been understated so that the tax base in Mauritius is artificially eroded.

Section 75 of the Income Tax Act empowers the MRA to adjust the selling price of 'company A' to an arm's length price, so that the tax base of Mauritius is not eroded. The first question to answer is: on what basis Government is of the view that section 75 of the Act does not apply to a global business company. This is the main quarrel of this section, Mr Speaker, Sir.

It is clear that in its current form, section 75 of the Act applies to the taxable profits of the business, and other income generating activities in Mauritius. It is therefore, incorrect to say that section 75 of the Income Tax Act does not apply to global business companies. Therefore, if a global business company derives income from a business generating activity in Mauritius, it falls under the ambit of section 75. Hence, there is no ring-fencing whatsoever, either expressly or implicitly.

The current law is very clear that even the global business is also included under section 75 of Income Tax Act. Wherever there are tax incentives provided for global business companies, these are clearly spelt out in unambiguous term in the Income Tax Act. For example, section 50K of the Income Tax Act provides that for Corporate Social Responsibility (CSR) purposes, a company does not include a company holding a Global Business Licence under the Financial Services Act. That is, clearly there is a difference and it is clearly spelt out, and I have given the example of Corporate Social Responsibility.

Mr Speaker, Sir, amendments were made by the Finance (Miscellaneous Provisions) Act in 2018 to address the issue of ring-fencing. The Finance (Miscellaneous Provisions) Act 2018 amended the Income Tax Act so that there is no ring-fencing and any exemption is based on the substantial activity test. This is consistent with Action 5 of the OECD/G20 Base Erosion and Profit Shifting Project on Nexus Project, pursuant to which, a taxpayer may benefit from a preferential regime to the extent that the core income generating activity required to produce the income eligible for the preferential regime.

Most exemptions introduced by the said law that is in 2018 and subsequent laws and regulations apply to a company including a global business company, and are based on the exemptions of 80% subject to compliance with the core income generating activities. It is already included in the law. The core income generating activities itself provide that the company has an activity in Mauritius, so that the MRA is already empowered to adjust the pricing for any related party transaction for such companies.

What this Finance Bill is trying to implement is to extend this mechanism to catch instances where a company both domestic and global business companies have income which is not connected to any business or income earning activity carried in Mauritius.

Now, Mr Speaker, Sir, apart from any *raison d'être* and creating uncertainty, such an amendment may breach international tax principles. It appears to give Mauritius the right to adjust the related pricing for transactions undertaken outside of Mauritius, but which may be connected to Mauritius as a result of certain limited activities being performed in Mauritius.

And, again I will take for example a company which is based in Mauritius but is engaged in manufacturing, let's say T-shirt in other country like for example in India or China, through a factory situated, as I said, outside Mauritius for onwards sale to a related company. The MRA will now be empowered to adjust the selling price upward, that is, where it is being manufactured.

At the same time, Mr Speaker, Sir, the related party price will thus be adjusted by Mauritius, the country where the factory is situated. The adjustment made by Mauritius will not be considered by the country where the factory is situated and will lead to double taxation, that will be unrelieved irrespective of the fact that Mauritius may have a tax treaty with the country where the factory is situated.

So, in simple terms, if a company in Mauritius as I said is buying from a company in India, the authorities in Mauritius with the new powers that are being given by the MRA now, can adjust the prices in India. And, maybe we should also consider the fact of tax sovereignty as well. I will ask the Minister of Finance also to clear this issue with other counterparts.

Furthermore, Mr Speaker, Sir, it is the country where the underlying activities performed that it is in a better position to assess the arm's length principle, for it may seek the assistance of Mauritius as the country of residence. The proposed amendment, not only creates uncertainty, but also is not consistent with the principle of equity. It places business at the risk of, as I said, double taxation amidst the various other unpopular measures. This is another amendment that will drive business away from our jurisdiction, Mr Speaker, Sir.

It is also important to consider the interaction with Article 9 of the Organisation for Economic Co-operation and Development Model Tax Convention. To a large extent, section 75 of the Act is analogous to Article 9 of Organisation for Economic Co-operation and Development (OECD) Model Tax Convention. However, Article 9 of OECD and of the Model Tax Convention (MTC) provides that the possibility for a corresponding adjustment to



address any risk of economic double taxation, whereas section 75 of the Act does not have any such similar clause.

Most countries, Mr Speaker, Sir, have an anti-avoidance clause, modelled on the same on the premise as section 75 of the Act, so that both the MRA and the foreign country may adjust the taxable profit of an activity, a Mauritian resident outside of Mauritius with the proposed amendment.

So, Mr Speaker, Sir, I think we have the right to ask: why this amendment? There is no clear rationale on the amendment of section 75. It creates, as I said, ambiguity and uncertainty in its application. It will give rise to cases of double taxation, which may be unrelieved even with the existence of a tax treaty. Why now after 40 years of existence; why have these measures been introduced without any consultation? Has the Minister considered these questions? Has he assessed the potential consequences or simply are we unaware of such consequences of these amendments? Any amendment cannot be considered, introduced or implemented in isolation of other laws, and without thinking of its impact. It needs to be a holistic approach, taking into consideration the desired result and its effect.

Now, Mr Speaker, Sir, coming to the commencement date, the inconsistency and legitimacy itself should be questioned. We note that section 38 (s) of the Finance Bill provides that the amendment under section 38 (s) is effective on the commencement date. But, as has rightly been pointed out by my hon. friend, Reza Uteem, there is an amendment which has been circulated after he made his speech, that is, this section 38 (s) has been deleted. But, Mr Speaker, Sir, we just do not understand that this important section, that is, this amendment, even though the commencement date has been deleted, the amendment itself says it is made with retrospective effect, which, to our opinion, is more dangerous than the initial Bill that was circulated. Mr Speaker, Sir, it would be particularly serious if the intention is to make the provision retroactive; it would be serious for us to know that this amendment was made retroactive in light of the case recently lost by the MRA; the case that has been lost by the MRA before the Assessment Review Committee (ARC) - the Bay Line case. Is it because the MRA has lost the Bay Line case at the ARC that they are bringing an amendment to the law with retrospective effect? We have the right to know why such an amendment has been made, Mr Speaker, Sir.

I think that it is quite rightly decided that section 75 finds no obligation where no business or income earning activity is being carried out in Mauritius. And based on the fact

that this measure will create uncertainty, ambiguity, lack of consensus and lack of clear rationale, there is no need to amend section 75 of the Income Tax Act. Section 75(3) of the Income Tax Act empowers the hon. Minister to make regulations for the purposes of section 75 of the Income Tax Act. This is an area where Government should work on in consultation with all the relevant stakeholders to increase the level of clarity and certainty on the application of section 75 of the Income Tax Act. For example, we can have a positive list that will provide cases that are within the scope of section 75 of the Income Tax Act, whilst the negative list will provide cases that are not within the scope of section 75 of the Income Tax Act. This will assist both the MRA and the business community.

If I can move on to the next amendment to the Income Tax Act, I am glad to notice that an amendment has been circulated for the export of goods that was currently subject to tax rate of 3%. In the first Bill, it was question that to have this 3% of tax rate, the company would have to hold an Export Development Certificate issued by the EDB. Mr Speaker, Sir, this was never announced in the Budget Speech nor in its Annex, but I am happy that this has been deleted when the amendments were circulated on 27 July 2021.

Now, Mr Speaker, Sir, let me come to sourcing principle on dividend distribution. Dividends will be Mauritian-sourced income if the company is a tax resident in Mauritius as from the year assessment 2022-23. We welcome this measure as it corrects an anomaly in the Income Tax Act, and we are also pleased to note that the change is not being implemented in accordance with paragraph C.26 (c) of Explanatory Note 2021-22, where it was provided that dividend paid by non-resident to another non-resident is not taxable in Mauritius. Under section 38 (s) of the Finance Bill, the dividend income distributed by foreign-incorporated company, that is, a tax resident in Mauritius, may be considered to foreign-source income on the basis that section 74(1) (f) of the Income Tax Act will still refer to investment in shares, where the company is tax resident in a country with which Mauritius has a tax treaty, any conflict can be resolved through the relevant tax treaty.

Mr Speaker, Sir, we feel that a better approach would be to treat any dividend as Mauritian-source income once the company is taxed resident in Mauritius. This will also be consistent with the manner underlying foreign tax credit is computed, whereby the Foreign Tax Credit Regulation refers to only the residence of the company. Hence, we suggest that section 74(1) (f) be amended to reflect the fact that dividends paid by any Mauritian-resident company are Mauritian-source income.

Now, Mr Speaker, Sir, let me come to another amendment, which I am afraid there has not been any consultation and this has created a big uproar and no consensus. It is in relation to amendments on foundations and trusts. Foundations and trusts would no longer be able to submit a declaration of non-residence under section 49A(3) and 46(3) of the Act respectively to the extent that a trust and a foundation are both considered to be a company under section 2 of the Act. The exemptions applicable to companies, for example, on foreign dividend and interest should be available to a foundation and a trust as the case may be.

Mr Speaker, Sir, a foundation and a trust are also not subject to CSR. Transitional provision has been introduced so that the exemption may apply up to the Year of assessment of 2024-2025, where the foundation or the trust, as the case may be, has been set up before 30 June 2021. It is like a grandfathering clause. This is an amendment which raises great concern, Mr Speaker, Sir, and which will have dire consequences on our already fragilised global business sector; a sector that has been deeply affected by the adverse listing by the FATF and the European Union, as well as other international challenges. This will be another blow to such a fundamental sector of our economy. Mr Speaker, Sir, global business sector is the only sector of our economy, despite that we are being in the situation of COVID, that has had a growth this year; the only sector that has seen a positive increase in growth, and, today, Mr Speaker, Sir, one of the main thrusts of our global business sector is its private wealth offering and, in current years, we have been targeting the increase in growth of wealth in Africa, a segment that is being actively quoted by other contempting jurisdictions such as Guernsey. Removing such a benefit will make us lose our comparative advantage vis-à-vis our competitors as they do not levy taxes on such structures. It is important to understand the concept of these types of vehicles.

Mr Speaker, Sir, foundations and trusts are not conceptually the same as limited companies, and it is hoped that this will be understood by the Mauritius Revenue Authority in its application.

For example, the concept of retained earnings does not exist for a Trust so that the definition of dividends in Section 2 of the Act does not apply to a Trust, irrespective of the fact that the distribution made by a Trust is considered to be a dividend under Section 2 and 46 (4) of the Act.

Mr Speaker, Sir, the proposed amendments should thus not be made in isolation. If the proposal is to remove the benefits afforded to Trust, we should have an alternative

method to ensure that we maintain our tax advantage while at the same time ensuring that there is no ring-fencing.

We would also suggest that the residents of a Trust by reference to whether the settlor was a resident in Mauritius at the time that the Trust was created. This limb should be reviewed; a foundation is also tax resident in Mauritians, once it is registered in Mauritius. The proposed amendments are fundamental in nature and may and will have serious consequences on key sectors of our economy. Why did the Ministry of Finance simply insert these measures without any consultation, Mr Speaker, Sir?

Any measures *de cette envergure* should have been announced in the Budget. It should have solicited discussions and representations from stakeholders so as to ensure that the form of the measures receive a consensus, captains of industry are the ones who have the technical knowledge and their views and suggestions should have been sought prior to making such an amendment, Mr Speaker, Sir, but, hopefully, all is not lost. Government should propose a mechanism based on tax residency, we still have time either to make amendment or a practice note by the MRA on how we are going to use the new amended law, Mr Speaker, Sir.

As I said, furthermore, the test for corporate tax residency for a Trust and a foundation should be amended. Currently, a Trust that is administered in Mauritius is tax resident in Mauritius irrespective of the fact that the Trust is managed outside Mauritius. I really hope that the Minister of Finance takes on board all what I have said in relation to the Trust and foundation because this will affect the global business company in a very severe manner.

Mr Speaker, Sir, now, if I can move to Section 38A G of the Finance Bill, it provides for the MRA, may issue an assessment at any time in the case of a fraud. That is, at the same time, Section 54 E of the Finance Bill is repealing part 4 A of the Mauritius Revenue Authority Act and part 4 of the Mauritius Revenue Authority Act was inserted by Section 35 of the Finance Act 2015 in respect to the Independent Tax Panel.

Mr Speaker, Sir, fraud is not defined in the Income Tax Act and this proposal may well be wrongly interpreted and may have effect on giving the MRA an unfettered discretion. As it is, Mr Speaker, Sir, the MRA has involved Section 90 of the Income Tax Act on genuine business transactions. The corresponding adjustment for customs, Section 18 B of

the Finance Bill and VAT Purposes Section 92 B and 92 E should therefore be materially reviewed.

Mr Speaker, Sir, Mauritius has a well-established legal system and our Courts are better placed to adjudicate and/or make determination with respect to such assessment instead of the MRA which is clearly a party, Mr Speaker, Sir. The MRA cannot be judge and party. Such a measure would create more distrust in our system. Who will determine that there is a fraud, what is the definition of fraud by the MRA, how the MRA will lean on to define fraud? As I said, it is not defined in Income Tax Act. Such determination should have been placed in the hands of legal professionals as they have the capabilities by their formation and profession to do so. Are we now entrusting this to the MRA?

In the event the MRA determines that there is a fraud, apart from an assessment, what other measures will it take? That is why, Mr Speaker, Sir, we would prefer that this is best left to the judiciary to determine whether there is fraud or not and it is not the role of the MRA to determine that.

Mr Speaker, Sir, on Section 38 AE of the Finance Bill 2021, it will now empower the MRA to request a person to attend meeting through teleconferencing and give any explanation as may be required. I hope that the Minister of Finance is mindful that not all persons have the requisite technology and at times the request made by the MRA could be unreasonable and has as objective to issue an assessment in circumstances when an assessment is not warranted.

I take this opportunity, Mr Speaker, Sir, to remind the House that Electronic Tax Return will be compulsory as from year ending 30 June 2021, that is, this year. The tax filling that we have to do in one month or two months' time should be compulsorily electronic at the same time of the submission, that is, payment date will be on 30 October.

Mr Speaker, Sir, Government cannot impose the electronic submission and payment of tax. There are a number of perfectly valid reasons as to why a number of individuals do not favour electronic submission and payment of tax. For example, a small taxpayer, a layman who has to pay his taxes, who does not have the facilities of internet banking, what does he do? Not everybody has a computer at home, not everybody has internet access, I do not need to go into the details of fisherman, self-employed, *marchand ambulant*, *planteur*, *laboureur*, just name it!

Mr Speaker, Sir, this creates a prejudice as well, we cannot seek the help of someone else or a family member as this may create problems such as disclosing confidential and private details. The option of submitting a tax return and its payment electronically should be kept if that means that subdivision of tax payment by 30 September. We also have a concern on security, I said it must be kept for the case of high taxpayers but also for corporate entities but not for individuals generally, Mr Speaker, Sir.

Mr Speaker, Sir, measures should have the underlined aim to help and ease interaction with taxpayers and not create an injustice. Now, Mr Speaker, Sir...

**Mrs Koonjoo-Shah:** On a point of order, Mr Speaker, Sir. The hon. Member is claiming that there was an injustice; I think it is out of order to mislead the House about this because we did have...

**Mr Ameer Meea:** What is this point of order? What injustice? Just give me an example of the injustice!

**Mr Speaker:** Wait, wait...

**Mrs Koonjoo-Shah:** When you came to claiming the Self-Employed Assistance Scheme...

**Mr Speaker:** ... hon. Ameer Meea!

**Mrs Koonjoo-Shah:** ...there were no complaints about trying to get internet connection...

**Mr Speaker:** There should not be discussion between two Members. There is a point of order; I will come to that point of order later on. You continue but I remind you, you have only like seven minutes left, try to start concluding.

**Mr Ameer Meea:** I insist on the fact that this will create an injustice, Mr Speaker, Sir. So, I will move to clause 77. And, all the people who will not be able to file electronic tax return, who do not have computers, who do not have Internet access will think of you when they cannot do that.

**Mr Speaker:** Do not repeat yourself!

**Mr Ameer Meea:** So, I will move to clause...

*(Interruptions)*

**Mr Speaker:** What is happening here?

**Mr Ameer Meea:** Such an important thing, Mr Speaker, Sir ...

**Mr Speaker:** Hon. Member, do not repeat yourself!

**Mr Ameer Meea:** ... they are disrupting the House!

**Mr Speaker:** Do not repeat yourself!

**Mr Ameer Meea:** Put your name on the list and intervene!

On Section 77, Mr Speaker, Sir, amendment is made on Registration Duty. There is the creation of Home Ownership Scheme and Home Loan Scheme. Although we welcome these two schemes, Mr Speaker, Sir, that will help people who want to acquire a land or build a house, Mr Speaker, Sir, the application for cash back should be made to the Registrar General, which is already taxing deeds for banks, for notaries.

In the Bill, mention is made that –

“A deed of transfer referred to in paragraph (c) and presented for registration after the commencement of this subsection shall contain a declaration, at the end of the deed of transfer, to the effect that the purchaser qualifies for the payment”

And then it goes on in section (o) –

“The applicant shall send, electronically, the duly filled application form through the notary, effecting the transaction within 3 months from the date of registration of the deed of transfer.”

Mr Speaker, Sir, as I said, this procedure is totally useless and a waste of time. This should not go through the notary; it should go directly through the Registrar General. As I said, the purchaser can apply directly to the Registrar which already holds the soft copies of all deeds, which will be easier and more cost effective as they already do the job, Mr Speaker, Sir.

Secondly, Government is financing 5% of any acquisition, that is a house and a land, but this 5% will be refunded after the acquisition. But, Mr Speaker, Sir, not everyone has the means to acquire a house or a land and pay the full amount. If Government is giving this 5%, why Government not give this 5% to the notary on the day of signature of the deed? So, for someone who is taking a loan, he has to take a loan of a higher amount by 5%, pay the bank on it; and it can have consequences because when you take a loan of more than Rs1 m., you pay registration costs for Rs30,000 whereas when you take less than Rs1 m., you do not pay

this Rs30,000 of registration. So, if someone is buying a house or a land, he should find this 5% and then wait for a refund. What in the application of this law could have been done, maybe insert two ways, that is –

- (i) when there is an urgent need and someone has the means, he can do so and then get refunded;
- (ii) but when someone does not have the means and he is not in a hurry to buy the land or the house, he can go through all the procedures and wait for his cheque to be sent to the notary and then the purchase and the sale could be done.

This is my proposition in relation to these two schemes, Mr Speaker, Sir. As I said, we welcome both schemes, but it is only in the application of it that it could get better.

Mr Speaker, Sir, to conclude, we, on this side of the House, believe as a democratic country that consultation is crucial. This strengthens the interaction with the private and public sectors, and at the same time translates into more solid and acceptable measures while taking into consideration demands, proposals, and recommendations of international bodies that we need to adhere to.

I am done, Mr Speaker, Sir.

**Mr Speaker:** Thank you! Hon. Minister Hurreeram!

(9.13 p.m.)

**The Minister of National Infrastructure and Community Development (Mr M. Hurreeram):** Thank you, Mr Speaker, Sir. It is indeed with great pride that I am addressing this House today on the occasion of debates on the Finance Bill. And, I would wish to seize this opportunity to congratulate my colleague, the Minister of Finance, Economic Planning and Development for presenting this very important piece of legislation which aims at amending a series of existing laws in response to the emerging environment and economic landscape.

Mr Speaker, Sir, ever since taking office as Minister of National Infrastructure and Community Development, almost two years now, and in close collaboration with the directors of the various bodies that fall under my purview, we have been exploring ways and means to strengthen our laws.

Before I dwell on the Bill itself, Mr Speaker, Sir, I would like to address some points that have been canvassed by Members on the other side of the House. Firstly, regarding the



issue raised by hon. Dr. Gungapersad who, unfortunately, has not extended the courtesy of listening to us rebutting to him. So, can the Labour Party tell the House, how much dividends have been paid to the fishermen by the Fishermen Investment Trust (FIT) between 2007 and 2014? Zero, Mr Speaker, Sir! And this says it all. The organisation was set up in view of operating a commercial entity while ensuring a reasonable return on investment. The rationale for acquiring boats was to promote out of lagoon fishing by leasing these boats to fishers' association and cooperatives against a monthly rental. But, obviously, that rental of boat was not financially viable, business ventures. So, the main assets remain idle thus revenue were not generated as *le projet était mal conçu* without any consultations with the fishers' community.

In light of the above, in November 2018, the Special Board was of the view that the FIT cannot be kept as it is because of its failure to meet its objectives, and has decided for it to discontinue its business and unanimously agreed to dissolve FIT. So, was this created to give jobs to the "boys"? Was this created to find a way to use public money to pay political agents? I am putting the question.

Regarding what hon. Ms Joanna Bérenger earlier said, linking the protection of mangroves and the amendments we are bringing to the Rivers and Canals Act, which dates back to the 18<sup>th</sup> century. These are two totally different issues, Mr Speaker, Sir, which she is trying to mix up in here. She mentioned a PQ. No, sorry, that was not a PQ; this is called Adjournment Matter. And as Minister, I can only reply to departments that fall under my purview, that is, the RDA and the NDU, and I maintain in this House, here in front of you, once again, Mr Speaker, Sir, that neither the NDU nor the RDA was involved in the removing of the mangroves.

And yes, this Government will do whatever needs to be done to save the lives of our people. For us, the lives of our people out there matter. *Surtout quand il s'agit de la vie de nos compatriotes, ils savent qu'ils peuvent compter sur nous.* We, as a Government, are getting our priority right, Mr Speaker, Sir.

Mr Speaker, Sir, I would also like to address the concerns raised by hon. Osman Mahomed with regard to the new grading system being implemented by the Construction Industry Development Board in respect of contractors. We are here reducing the existing 9 different grades A+ to H, that classify our contractors which is far too cumbersome, restrictive and above all requiring distinct registration criteria for each of the 9 grades.

Mr Speaker, Sir, I wish to explain the rationale behind this amendment. The construction industry has a major deficiency of regular and at time long delays in completion of projects. I would even state that sometimes it is also difficult to have contractors for some projects. Very recently, my colleague, the hon. Minister of Health and Wellness, drew my attention to the fact whereby for an important capital project at Jawaharlal Nehru Hospital, no contractor was available or had submitted a responsive bid.

With the present qualification, Mr Speaker, Sir, only very few, not to say a limited number of contractors can aspire to bid for high cost projects. These contractors are so submerged that it becomes difficult for them to deliver according to the contractual obligations but most importantly according to the client's needs. On the other hand, it is important and urgent to allow other contractors to evolve, to become more competitive. Even hon. Osman Mahomed agreed to that but how do you do it, Mr Speaker, Sir? Should we continue to restrict the opportunity for bidding, should we continue with the same old three or five contractors? Of course no! There is need for us to further democratise the construction sector.

Presently, any contractor can miss out on a particular grade because of just one criteria and thus be deprived of the opportunity to grow by targeting bigger contracts. The new provision in the Finance Bill will be a fairer system which will provide more competition in the proposed categories and more competition means, *de facto*, competitive prices as well as obligation to deliver like my good friend the hon. Minister of Finance, Economic Planning and Development regularly say –

*“La loi de l'eau fait de la demande.”*

The hon. Member suggested that with this system, a contractor which before could bid for a project up to Rs10 m. will now be able to obtain contracts worth Rs500 m. Well, Mr Speaker, Sir, I am very much tempted to say whether the hon. Member is serious in his statement, particularly as a professional engineer or he wants to go in ...

*(Interruptions)*

**Mr Speaker:** This is debate!

**Mr Hurreeram:** ... cheap politics!

*(Interruptions)*

**Mr Speaker:** This is debate!

**Mr Hurreeram:** Mr Speaker, Sir, for every project, specific requirements such as track record, experience, financial capability and plant and labour resources are normally spelt out in the bidding document. Such present specific requirements will automatically eliminate many lower grade contractors since they will not be able to satisfy those requirements, especially if they are used to executing lower value contracts.

Hon. Osman Mahomed mentioned that I would tend to defend this requirement by stating that the onus will be on the clients to specify their criteria in the bidding document but, of course, Mr Speaker, Sir, these should be the responsibility of the clients in all projects. The authorities have to regulate, define and provide the parameters for the construction industry to evolve.

However, the final choice remains that of the client. With regard to the Member's other concern on contractors, with limited competencies bidding for big projects and thereafter subcontracting to other incompetent contractors, I have already mentioned earlier that the track record of the contractors is taken into account before allocating contracts. As for the subcontracting part, we are not inventing the wheels, Mr Speaker, Sir, it has always been the practice and the onus will still be on the main contractor who obtained the contract to bear responsibility and no wise company would subcontract to an incompetent contractor at the risk of losing out on future contracts.

Mr Speaker, Sir, I wish to reassure the House and the hon. Member that my Ministry and the CIDB, in particular, will define in details, the criteria of the new classification for which, if need be, we shall consult the industry. This is the main reason for us to require that this particular Clause 14 to become operational on a date to be fixed by proclamation. Coming back to the other provisions of the Finance Bill, Mr Speaker, Sir, as I mentioned earlier, we want to review and strengthen the legislations that govern many critical sectors of our economy, of which the construction and maintenance of roads, buildings and, most importantly, drains.

Over the last decade, our climate has witnessed drastic changes that have impacted severely and significantly on the lives of our citizens. Not only have our rainy season been disrupted but we have now experienced an unprecedented 400mm rain on one single occasion for several hours on 16 April in the South-East part of the island. Mauritius is a small tropical island found in the middle of the Indian Ocean and we are unfortunately at the mercy of Mother Nature's whims and caprices.

Mr Speaker, Sir, I will never stop repeating it; the zero risk does not exist anymore. However, developed we are, whatever development and innovation we are bringing in, whichever amount we may wish to invest, we cannot say there is no risk for a climatic problem. I need to remind Members of this House, as I am sure they have seen for themselves, recent events all across the northern hemisphere. Flash floods in Europe, especially in England, Germany and Belgium have resulted in loss of hundreds of lives and thousands of citizens are still missing as at date.

The Henan Province in China recorded 600mm of rain in just 24 hours when its annual rain fall in Zhengzhou is 645mm annually, even the US has not been spared, Mr Speaker, Sir. Those few countries that I have mentioned form part of the most developed countries and form part of the top economies on the planet. They have the state of art infrastructure and the most modern drainage system and yet they have faced extreme weather conditions unexpectedly and cities have submerged and lives were lost.

Il faut arrêter de se voiler la face, M. le président, face à dame nature, des géants sont à genoux. Nous ne sommes qu'un point dans l'Océan Indien et nous aurons tort de penser que nous pouvons échapper à des événements similaires.

However, Mr Speaker, Sir, this does not imply that we should not be proactive and should not initiate appropriate actions as may be required. In fact, we can attenuate; we can mitigate the effect of climate change by making our country more resilient.

The Land Drainage Authority is a young and dynamic institution set up by this Government to oversee the implementation of our policies with regard to construction of drains and our strategies to combat the effect of climate change. Over merely a few years of existence, we have made tremendous progress on several platforms and on different fronts. We now have the Digital Elevated Model, the DEM, a topographic imagery of Mauritius and Rodrigues to spot regions more at risk of flooding and we classify them as flood prone and high risk flood prone areas.

We have also been able to chart all our natural water courses and same have been made available to local authorities. They can consult the DEM before allocating BLUPs for construction purposes to ensure those waterways are not obstructed by new construction.

We have also an inventory of all existing drains, big or small, on a monitoring system for these drains to be put in place. We have our own IDF curve to measure rain intensity and

we are now collaborating with the Meteorological Services to share knowledge and data, especially with regard to rainy seasons.

Currently, the Land Drainage Authority (LDA) and the National Development Unit (NDU), both which fall under the purview of my Ministry, are implementing around 80 drain projects in high risk flood prone areas and other small drain projects all over the island.

As announced in the Budget Speech, we will be implementing around 1,500 drain projects, through the NDU, the Road Development Authority (RDA) and the Local Authorities, all of which will be supervised by the Land Drainage Authority.

Mr Speaker, Sir, governed by existing laws, the Land Drainage Authority can only act as an advisory body. If we want to take the next step in our battle against the effect of climate change, we need to amend our laws.

With your permission, Mr Speaker, Sir, I will now go through six amendments proposed in the Finance Bill, all of which are related to my Ministry.

Firstly, we are amending the *Morcellement* Act to provide for a representative of Land Drainage Authority to be member of the *Morcellement* Board.

Mr Speaker, Sir, while building flood mitigation infrastructures to mitigate flooding problems, it is also important to take proactive actions to prevent further unsustainable expansions of the settlements in known flood prone sites. As a full-fledged member of the *Morcellement* Board, the LDA will be empowered to enforce the policies and regulations pertaining to drains.

In practical terms, the LDA will assess each application for new *morcellement* and accordingly recommend to the Board as follows –

- firstly, that appropriate drainage infrastructures be implemented to ensure an acceptable level of flood protection to the new development;
- secondly, specific conditions are imposed, or
- thirdly, the application of the proposed development be put aside if it is exposed to inundation or the development will accentuate the flooding in the region.

As a matter of fact, the LDA is, since November 2019, only a co-opted member of the *Morcellement* Board. And up to now, 1,126 applications have been processed and there have been 30 of them have been rejected.

The main reasons for the applications to be rejected were due to being found in flood prone areas and exposed to riverine flooding.

Secondly, we are amending the Rivers and Canals Act to exempt Public Bodies, designated by the Land Drainage Authority to implement drain projects, from seeking the authority of the Supreme Court to carry out works along rivers and canals.

Section 25 of the Rivers and Canals Act stipulates that: ‘no works shall be implemented on rivers, streams or rivulets without the approval of the Supreme Court.’

Section 25, sub-section (1) and (2) are as follows –

- (1) “Except with authority from the Supreme Court, no person shall —
  - (a) (a) stop or change the course or level of; or
  - (b) (b) make or place any dike, dam, basin, or construction of any kind in the course of, any river, stream, or run of water that is public property.”

As such, an affidavit is required to be sworn to enable any works including building of culverts, bridges, dredging of rivers to improve the flow in the watercourses.

This is a lengthy process and requires the clearances from all relevant stakeholders which unduly delay the implementation of projects. We are therefore proposing the following subsection –

- (3) (a) Notwithstanding subsections (1) and (2), any local Authority, the NDU and the RDA, and such other public bodies as the Land Drainage Authority may designate, in writing, to implement drain projects shall not require the authority of the Supreme Court to carry out works along rivers, streams, rivulets, natural water paths and canals.
- (b) “In paragraph (a) –
  - “drain projects” include –
    - (a) works to improve the flow of the water path, including desilting, dredging, construction of embankments and

retaining walls for protection against soil erosion in rivers, streams, rivulets and natural water paths;

- (b) construction of bridges, culverts and fords along watercourses and river mouths;
- (c) removal of obstruction and sharp bends in rivers and rivulets, among others.”

With these subsections, Mr Speaker, Sir, we will accelerate many drain projects, in regions where there are rivers which often get overflowed because they lack the capacity to contain the volume of water that currently pours during each rainy season. But, I wish also to assure the House that appropriate mechanisms will be put in place to ensure that only in instances of necessity, where there is no alternative that works will be allowed along rivers, streams, rivulets etc.

Thirdly, Mr Speaker, Sir, we are going to amend the Forest and Reserve Act to ensure that natural drains are preserved. Various cases of flooding have been attributed to the fact that the natural drainage paths are obstructed or encroached. As per the current legislations, neither the preservation of the natural drains nor any setback for any development is stipulated.

In addition, thereto, the mechanisation of the agricultural land has led to tampering of the natural drains which adversely impacts on the natural flow of surface runoff. And Members will appreciate, this mechanisation where natural drainage courses have been obstructed, which is today one of the main reasons why villages like Mare Tabac, Trois Boutiques are being flooded, this will never *par enchantement* be subject of a question in this House. But, if Government is building for the betterment of the people of Chamarel, for instance, this will become a question! Members will appreciate. This practice has accentuated the flooding problem in several regions.

The amendment we are proposing is as follows –

- (a) “In section 2(1), in the definition of “river reserve”, in paragraph (b), we are adding the following new subparagraph –
  - (iv) in the case of a natural water path or natural drainage path, of 2 metres, and
- (b) In section 14(2), by inserting, the following new paragraph

(ea) – backfill or obstruct a natural water path or natural drainage path.”

The fourth amendment we are proposing, Mr Speaker, Sir, is to the Land Drainage Authority Act itself. As I have mentioned earlier, the Land Drainage Authority has already carried out an inventory and mapping of the existing man-made drainage infrastructure.

Subsequent to this exercise, a comprehensive maintenance plan has also been worked out to ensure a periodic cleaning and maintenance of the drains by the local authorities and the RDA.

The past rainy seasons witnessed numerous heavy or torrential rainfalls which in turn led to flash floods. With a view to increasing resilience resulting from the impact of climate change and in line with the function of the local authorities as stipulated under Section 50(2) of the Local Government Act 2011, the local authorities have to ensure that existing drainage infrastructures and canals under their purview, in particular the flood prone and critical areas are intrinsically cleaned and maintained to avoid any obstruction to the free flow of water.

Various flooding events are directly linked to obstruction and clogging of the free flow of water along road side drains and culverts. As such, it is endorsed that drains and culverts across the island by the Local Authorities and the RDA along classified roads, are cleaned at regular intervals so that the hydraulic capacity is not hindered, thus allowing a free flow of surface runoff.

With the recent and exceptional rainfall event of April 2021 in the south eastern part of the island, one of the main causes identified as being the underlying reason of inundation, is the non-cleanliness of rivers and natural watercourses.

Accordingly, it is crucial that the Land Drainage Authority be empowered to direct Local Authorities, the Road Development Authority and other stakeholders to ensure cleanliness of drainage infrastructures, especially during rainy season.

In view of ironing out the stumbling bottlenecks with regard to cleaning and maintenance of drains, rivers and watercourses, it has been proposed in the budget speech, that the Land Drainage Authority Act will be amended to empower the Land Drainage Authority to issue Enforcement Notices to public bodies and other stakeholders for non-maintenance of the drainage infrastructures falling within their purview.



As such, the Local Government Act is being amended in section 61 (3), by deleting the words “A Municipal City Council, Municipal Town Council or District Council” and replacing them by the words “A local authority, the National Development Unit through its Ministry, the Road Development Authority and such other public body as the Land Drainage Authority may designate in writing”.

This is a very important amendment, Mr Speaker, Sir, since implementation of drain projects sometimes require a considerable amount of wayleaves from various authorities. In a situation where we need to access a privately owned plot of land, its acquisition can be time consuming and this is the main reason for the start of works on sites to be delayed.

With this amendment Mr Speaker, Sir, in very specific situations, where the lives of our citizens are in critical danger, *où il y a des risques de pertes de vies humaines*, the concerned bodies may enter such land privately owned and start remedial works immediately, and procedures for acquisition will follow, I will stress on this part again, Mr Speaker, Sir; only in situations where the LDA deems it necessary to intervene immediately in order to save lives of our citizens.

And finally, Mr Speaker, Sir, one of the main objectives of the LDA is to coordinate the construction of drainage infrastructure by the local authorities, the NDU, the RDA and any other relevant stakeholders and ensuring a routine and periodic upgrading and maintenance of the drainage infrastructure.

The construction of roads affects the natural surface and subsurface drainage pattern of watersheds or hill slopes. The provision of adequate drainage is important to prevent the accumulation of excess water on or within road constructions that can adversely affect their material properties, compromise overall stability and affect driver safety. Drainage must cope with water from the carriageways, hard shoulders, foot and cycle paths, verges as well as adjacent catchment areas.

The design of highway drainage will depend on several factors, including the intensity of rainfall expected, the catchment area and the permeability of the surfaces. The road camber or cross fall should be designed to cope with heavy water runoff. Insufficient cross fall can increase the risk of vehicles skidding or aquaplaning on the surface water.

Various flooding events have also been linked to overflow from classified roads, inundating houses, due to lack of adequate hydraulic capacity of roadside drains. The situation is further stressed due to inadequate cleaning and maintenance of roadside drains

and culverts along classified roads and roadside drains with inappropriate or no discharge points.

Accordingly, the drainage aspect in construction of roads has equal importance as to the benefits of the usage of the road and as such, there should be a proper coordination while designing the drainage part of the road or motorway.

Since the LDA is spearheading the construction of drains throughout the island and, as per the mandate, is responsible for the coordination for construction and maintenance of drainage infrastructures, it is being proposed that the Road Development Authority Act be amended to review the composition of its Board by adding a representative of the Land Drainage Authority.

Mr Speaker, Sir, I firmly believe that the proposed amendments will not only give the Land Drainage Authority sufficient leeway to act effectively and efficiently, but also give them teeth in their endeavour to make our country more resilient in the face of climate change.

After the unfortunate events of 2013 and the change in power in 2014 that followed, this Government has toiled hard in order to protect the lives of its citizens in the wake of an unpredictable and fast evolving climate. We can proudly say that citizens who live in multiple regions around the island are now safer than they were before, against flooding, thanks to the efforts of this Government led by hon. Pravind Jugnauth.

And the same team, who introduced the Land Drainage Authority, is now providing the Land Drainage Authority the means to take the battle against the effects of climate change to the next level. These amendments are not just alterations to laws, let alone words on a piece of paper, Mr Speaker, Sir. These amendments will save hundreds of thousands of Mauritian lives over the generations to come.

I thank you for your attention.

**Mr Speaker:** Hon. Obeegadoo!

**The Deputy Prime Minister:** Mr Speaker, Sir, I move for the adjournment of the debate.

**Dr. Padayachy seconded.**

*Question put and agreed to.*

*Debate adjourned accordingly.*

### ADJOURNMENT

**The Deputy Prime Minister:** Mr Speaker, Sir, I beg to move that this Assembly do now adjourn to Tuesday 03 August 2021 at 11.30 a.m.

**The Vice-Prime Minister, Minister of Education, Tertiary Education, Science and Technology (Mrs L. D. Dookun-Luchoomun) seconded.**

*Question put and agreed to.*

**Mr Speaker:** The House stands adjourned. Adjournment matters!

Hon. Dr. Aumeer! The lone survivor at the back!

(9.47 p.m.)

### MATTERS RAISED

#### SIR HESKETH BELL STREET – TRANQUEBAR

**Dr. F. Aumeer (Third Member for Port Louis South & Port Louis Central):** Thank you, Mr Speaker, Sir. My request is addressed to the Minister of Public infrastructure concerning the very dangerous state of one street, Sir Hesketh Bell Street in Tranquebar, where part of its embankment overlying the steep grounds is giving away. Could he see with the relevant authorities as to remedy this situation? Thank you.

**The Minister of National Infrastructure and Community Development (Mr M. Hurreeram):** I am taking note, Mr Speaker, Sir.

**Mr Speaker:** Hon. Léopold!

(9.47 p.m.)

#### RODRIGUES - MR CAPDOR – TRANSITION TO MAURITIUS

**Mr J. Léopold (Second Member for Rodrigues):** Thank you, Mr Speaker, Sir. My issue is addressed to the hon. Minister of Youth Empowerment, Sports and Recreation. I would like to bring to the attention of the hon. Minister, owing to the fact that there is no regular connection from Rodrigues to Mauritius, whereby our Paralympic athlete who is an Olympic medal hopeful, to do everything you possibly can in support to the athlete, Mr Capdor and his coach, Mr Ramsamy. The RRA and the Commissioner for Youth and Sports for necessary arrangement be made so that both athletes and coach to reach Mauritius within

a reasonable time for further administrative process prior to their departure to Tokyo which is scheduled on 15 August.

**The Minister of Youth Empowerment, Sports and Recreation (Mr S. Toussaint):**

Mr Speaker, Sir, I thank the hon. Member from Rodrigues for having given me advance notice on the matter he wishes to raise concerning our para athlete Mr Capdor and his coach, Mr Ramsamy. I have been informed by the President of the Mauritius Paralympic Committee on Wednesday 28 July 2021 that Mr Capdor and Mr Ramsamy are having difficulties to have a flight to come to Mauritius in order to take the flight to Tokyo on 15 August. On Thursday, that is, yesterday, my Ministry has written to the Island Chief Executive of Rodrigues Regional Assembly, the Commission for Sports has also been made aware of the situation.

Donc, M. le président, je pourrais rassurer l'honorable Léopold ainsi que M. Capdor et M. Ramsamy que mon ministère avec les différentes autorités de Rodrigues travaillent d'arrache-pied pour régler cette situation et je pense que d'ici le début de la semaine prochaine, on aura trouvé une situation et nos deux représentants pourraient tranquillement se préparer pour la compétition à Tokyo.

Merci.

**Mr Speaker:** Hon. Dhunoo!

(9.50 p.m.)

**TAUCOOR LANE, COUVENT STREET – CREMATORIUM GROUND**

**Mr S. Dhunoo (Third Member for Curepipe & Midlands):** Thank you, Mr Speaker, Sir. The matter I wish to raise tonight is addressed to the Vice-Prime Minister, Minister of Local Government and Disaster Risk Management, Dr. A. Husnoo. It concerns the crematorium found in Taucoor Lane at Rue Couvent which has been closed by the Municipality as it is found in a residential area for many years now.

I have received representations by the inhabitants in the locality of Taucoor Lane, whereby they have informed me that besides the crematorium ground is closed, many addicts are trespassing and using this old shelter building as a den place for these drug addicts. I have been there with the inhabitants for a site visit and have noticed used syringes and with many wastes that have been also dumped there. I am making a humble appeal to the Vice-

Prime Minister to use his good office to ask the engineering department of the Municipality to pull down the structure present there and also to clean it.

I thank you for your attention, Mr Speaker, Sir.

**The Vice-Prime Minister, Minister of Education, Tertiary Education, Science and Technology (Mrs L. D. Dookun-Luchoomun):** The matter will be referred to my colleague.

**Mr Speaker:** Hon. Uteem!

(9.51 p.m.)

### VALLÉE PITOT – WATER OVERFLOW

**Mr R. Uteem (Second Member for Port Louis South & Port Louis Central):** Thank you, Mr Speaker, Sir. I would like to raise a matter which concerns the Minister of Energy and Public Utilities and, in particular, it relates to a problem concerning the Central Water Authority.

For a few weeks now, inhabitants of Lauricall Street, Vallée Pitot, near the Eidgah area are suffering from water overflow, water coming from the slope of the mountains that percolate in the house and are causing a lot of inconvenience. The CWA is aware of the situation, they even have made a site visit to the locus, but there has not been any work carried out so far. So, I'll make an appeal to the hon. Minister to take the matter up with the CWA so that works can be performed on that spot.

**The Minister of Land Transport and Light Rail, Minister of Foreign Affairs, Regional Integration and International Trade (Mr A. Ganoo):** I will convey the matter to my colleague, the hon. Minister of Energy and Public Utilities. Mr Speaker, Sir, I have taken good note of what the hon. Member has raised.

**Mr Speaker:** Hon. Mrs Luchmun Roy!

(9.52 p.m.)

### MORCELLEMENT LE CORNICHE, STE CROIX – ILLEGAL DUMPING

**Mrs S. Luchmun Roy (Second Member for Port Louis North & Montagne Longue):** Thank you, Mr Speaker, Sir. My issue is addressed to the Minister of Environment, Solid Waste Management and Climate Change, hon. K. Ramano. This concerns the inhabitants of *Morcellement Le Corniche, Ste Croix* where there is illegal dumping of *Vie*

*Feraye* as they call it and it is an eyesore and the inhabitants have already informed the *Police de l'Environnement* also the Municipality of Port Louis, but so far nothing has been done. So, the inhabitants shall be grateful if you could use your good office to look into the matter.

**The Minister of Environment, Solid Waste Management and Climate Change (Mr K. Ramano):** M. le président, je prendrais la question avec le département concerné et, bien sûr, je retournerais vers l'honorable membre pour avoir plus de précision sur le lieu exact de ce cas de *illegal dumping*.

**Mr Speaker:** Hon. Lobine!

(9.53 p.m.)

#### **VACOAS MARKET FAIR – STALLHOLDERS – PARKING SPACES**

**Mr K. Lobine (First Member for La Caverne & Phoenix):** Thank you, Mr Speaker, Sir. My request is addressed to the hon. Vice-Prime Minister, Minister of Local Government and Disaster Risk Management. He is not here. I gave him advance notice of this very serious problem being faced by the stallholders at the market fair of Vacoas, Mr Speaker, Sir. It concerns the parking spaces that have been allotted to them but, unfortunately, due to bad maintenance and also the way the surface of the parking slots are facing serious problems, with your permission, Mr Speaker, Sir, I beg leave to table pictures that I took this morning to show how the parking spaces are and they are facing real difficulties if any hon. Minister could convey same to the hon. Vice-Prime Minister and if he can use his good office and talk to the Municipal Council of Vacoas/Phoenix to remedy the situation. Thank you. I thank all hon. Ministers for their help on this matter.

**The Minister of National Infrastructure and Community Development (Mr M. Hurreeram):** Mr Speaker, Sir, this is a matter...

**Mr Lobine:** Thank you.

**The Vice-Prime Minister, Minister of Education, Tertiary Education, Science and Technology (Mrs L. D. Dookun-Luchoomun):** Mr Speaker, Sir, I will convey the message to the hon. Vice-Prime Minister, Minister of Local Government and Disaster Risk Management.

**Mr Lobine:** I thank all hon. Ministers for their help on this matter.

**Mr Speaker:** Hon. David!

(9.54 p.m.)

### **POINTE AUX SABLES - ROADS**

**Mr F. David (First Member for GRNW & Port Louis West):** Merci, M. le président. Ma requête de ce soir s'adresse au ministre des transports terrestres et concerne un problème grandissant de sécurité routière dans la région de Pointe aux Sables. Nous déplorons d'ailleurs un nouvel accident survenu hier à l'avenue Trochetia dans le morcellement Rey. Alors il y a une certaine cause à priori évidente comme l'absence de marquage au sol, un raccourci clandestin, certaines rues trop étroites pour être en double sens ou encore le besoin de ralentisseur à certains endroits et le véritable cœur du problème demeure un fléau routier trop dense dans les morcellements de Pointe aux Sables notamment ceux qui se trouvent à proximité de la zone industrielle de la Tour Koenig. Or, il y a une solution relativement simple à mon sens à mettre en œuvre à savoir le raccordement routier de l'avenue des Peupliers au rondpoint de la zone industrielle de la Tour Koenig. Il s'agit d'un raccordement d'à peine 30 mètres mais qui décongestionnerait grandement la circulation routière à travers Pointe aux Sables.

Puis-je solliciter le ministre pour que la *Traffic Management and Road Safety Unit* et autres services compétents étudient la question au plus vite pour le bien-être et la sécurité. Merci.

**The Minister of Land Transport and Light Rail, Minister of Foreign Affairs, Regional Integration and International Trade (Mr A. Ganoo):** I thank the hon. Member for raising this issue, Mr Speaker, Sir. I will convey the message to the TMRSU for the needful to be done. Most probably, if it is possible I will ask them to make a site visit as soon as possible and find the solution and what has been proposed by the hon. Member is appropriate. I am sure they will consider that proposal.

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

(9.55 p.m.)

### **IBRAHIM ABDOULAH MARKET FAIR - STALLHOLDERS - SPACE**

**Mr A. Ameer Meea (Third Member for Port Louis Maritime and Port Louis East):** Thank you, Mr Speaker, Sir. The issue I am raising tonight is addressed to the hon. Vice-Prime Minister, Minister of Local Government and Disaster Risk Management. It is in

relation to the Ibrahim Abdoolah Market Fair and *Cité Martial* which is found in my constituency.

Since the start of operation there, that is, in 2005, some stallholders have been working outside the building as there was not enough space at that time. This was a temporary measure but since then until now, this has become a permanent measure. So, the stallholders and consumers have been and are facing now the winter rains and in the summer they face high temperature in the sun. So, therefore, I will urge the hon. Minister if he can convey this message to the Municipality of Port Louis so that they can cover this area which to my opinion would not cost that much. Thank you, Mr Speaker, Sir.

**The Vice-Prime Minister, Minister of Education, Tertiary Education, Science and Technology (Mrs L. D. Dookun-Luchoomun):** Mr Speaker, Sir, the matter will be referred to the hon. Vice-Prime Minister, Dr. Husnoo.

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

(9.57 p.m.)

#### COVID-19 VACCINATION - HOMELESS

**Mr Osman Mahomed (First Member for Port Louis South & Port Louis Central):** Thank you. I would like to address the hon. Minister of Health and Wellness regarding COVID vaccination for people with no fixed place of abode, *les sans-domiciles fixes*. Recently, I met some in my constituency, those living near Cathedral St Louis, who want to get vaccinated but who are not able to have it because they don't have an identity card, which is a requirement in the process. So, these people being very expose and they can expose other people and there are other people like in this situation around the country. I would like to request the hon. Minister if a solution can be found for them. Thank you.

**The Minister of Health and Wellness (Dr. K. Jagutpal):** Mr Speaker, Sir, as from Monday, the vaccination will be open to the public and anybody who wish to do the vaccination can turn up. Now, for those who don't have the identity card, we have a consent form. I will see with the AGO what can we do for those who don't have a consent form, how can they go for the vaccination without them. So, we have to work on it.

**Mr Speaker:** Hon. Members, enjoy the rest of your evening.

*At 9.58 p.m., the Assembly was, on its rising, adjourned to Tuesday 03 August 2021 at 11.30 a.m.*



