



SEVENTH NATIONAL ASSEMBLY

**PARLIAMENTARY
DEBATES
(HANSARD)**

FIRST SESSION

FRIDAY 23 JULY 2021

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BILL (*Public*)

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Mr Speaker	Hon. Sooroojdev Phokeer, GCSK, GOSK
Deputy Speaker	Hon. Mohammud Zahid Nazurally
Deputy Chairperson of Committees	Hon. Sanjit Kumar Nuckcheddy
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MAURITIUS

Seventh National Assembly

FIRST SESSION

Debate No. 26 of 2021

Sitting of Friday 23 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)

ANNOUNCEMENT

PQs B/659 & B/680 - PUBLIC OFFICER - FULL NAMES - CITATION

&

HON. JUMAN - PRIVATE CORRESPONDENCE

Mr Speaker: Hon. Members, I wish to refer to a matter reported in the Press in relation to a correspondence addressed to me by hon. Juman, dated 15 July 2021, expressing his views and concerns on the fact that the hon. Minister of Public Service, Administrative and Institutional Reforms had, when replying to PQs B/659 and B/680 on 13 July 2021, cited the full names of the public officer whose death was the subject matter of the said PQs - seeking information as to if an inquiry had been conducted by his Ministry thereinto.

Hon. Members, I wish to draw the attention of the House to the fact that –

- Standing Order 22 provides that questions shall not include the names of persons or statements of facts unless they are necessary to make the question intelligible, and
- the same principle applies to the other parts of the proceedings of the House, including replies to questions by hon. Ministers, as a matter of practice.

In the light of the aforesaid, should hon. Juman or any other Member, at the time the hon. Minister of Public Service, Administrative and Institutional Reforms mentioned the name of Mrs F. M. in disregard of the aforesaid principle, in the view of the hon. Member, the said hon. Member or any other hon. Member for that matter, had the duty to draw my attention thereto, as is provided for regarding the procedure of drawing the attention of the Chair when a breach of Standing Order is purportedly being committed, there and then.

As such, hon. Juman is not entitled procedurally to draw my view thereto at an ulterior time, the more so, as the full names of Mrs F. M. and the tragic circumstances of her death had already been the subject matters of wide Press coverage and, therefore, well in the public domain.

Moreover, regarding the private correspondence addressed to me by hon. Juman, it is a matter of grave concern that the private verbal reply I made to him, in line with the above, had found its way in the Press and in the public domain – this is squarely not in order.

May I also, at this juncture, inform the House that, the finality and purport of the aforesaid correspondence from hon. Juman was requiring me to order the hon. Minister to tender his unreserved apologies in the Assembly, which is also squarely not in order.

Notwithstanding the above, should the hon. Minister wish to react to the views and concerns expressed by hon. Juman in the official letter he had addressed to me and which is now in the public domain, the hon. Minister may do so by way of a Statement.

Thank you.

PAPERS LAID

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

A. Ministry of Education, Tertiary Education, Science and Technology

The Annual Report of the Rabindranath Tagore Institute for the period July 2018 to June 2019.

B. Ministry of Finance, Economic Planning and Development

Performance Audit Reports:

- (i) Enhancing Road Safety in Mauritius (June 2021) - Ministry of Land Transport and Light Rail. (In Original)
- (ii) Provision of Social Housing (June 2021) - Ministry of Housing and Land Use Planning and Ministry of Social Integration, Social Security and National Solidarity (Social Integration Division) (In Original)

C. Ministry of Health and Wellness

- (a) The Report of the Director of Audit on the Financial Statements of the Mauritius Institute of Health for the year ended 30 June 2020.
- (b) The Public Health (Prohibition on Advertisement, Sponsorship and Restriction on Sale and Consumption in Public Places of Alcoholic Drinks) (Amendment No. 2) Regulations 2021. (Government Notice No. 166 of 2021)

D. Ministry of Blue Economy, Marine Resources, Fisheries and Shipping

The Annual Report of the Fishermen Welfare Fund for the year ended 30 June 2020.

E. Ministry of Gender Equality and Family Welfare

The Reports of the Director of Audit on the Financial Statements of the National Women Entrepreneur Council for the: (i) year ended 30 June 2007; (ii) 18-months period ended 31 December 2010; and (iii) year ended 31 December 2011.

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 SOCIAL CONTRIBUTION AND SOCIAL BENEFITS BILL

(No. XII of 2021)

Order for Second Reading read.

The Minister of Finance, Economic Planning and Development (Dr. R. Padayachy): M. le président, je propose que le Projet de loi Numéro XII de 2021, le *Social Contribution and Social Benefits Bill* soit présenté en seconde lecture.

C'est devant cette auguste Assemblée qu'il me revient la responsabilité et la fierté d'ouvrir les débats qui porteront sur l'introduction de cette importante législation. Ce projet de loi, à l'image de la philosophie de justice économique et sociale prônée par notre Premier ministre, vient établir le cadre législatif adéquat de notre nouveau système de cotisations et de prestations sociales.

La présentation de ce texte de loi intervient dans le sillage de l'annonce de l'établissement de la Contribution Sociale Généralisée lors du Discours du Budget 2020-2021. Une réforme d'envergure que ce gouvernement, avec courage et humanisme, est déterminé de mener à bien.

Ce changement de paradigme s'inscrit en effet dans le mandat que la population nous a clairement donné. Celui du bien commun, du développement pour tous et de la lutte contre les inégalités. Si je ne devais choisir qu'un seul adjectif pour qualifier ce Projet de loi, ce serait celui de progressiste car avec cette législation, nous changeons d'état d'esprit. Nous passons d'un modèle individualiste et égoïste à un modèle collectif et solidaire. C'est la pérennisation de la Sécurité sociale à Maurice. Qui dit Sécurité sociale, dit entraide, protection des plus faibles, démocratie.

M. le président, nous apportons aujourd’hui un changement positif pour le bénéfice de la population. C’est dans cette perspective que les équipes de mon ministère, en collaboration avec celles des différents ministères, institutions et acteurs concernés, ont élaboré une législation exhaustive visant à transformer et à améliorer notre modèle de protection sociale.

A ce propos, je tiens à rappeler qu’en amont de la présentation de ce Projet de loi à l’Assemblée, nous avons mené d’importantes consultations avec les parties prenantes, incluant les associations patronales et les syndicats. Sous l’égide du Comité interministériel présidé par le Premier ministre, un Comité technique composé entre autres des représentants du secteur privé et des travailleurs a ainsi fait part de ses recommandations en vue de la rédaction de ce Projet de loi. Je me saisis de cette occasion pour leur faire part de mes remerciements pour leur approche coopérative.

Découlant de la vision du gouvernement, du travail méticuleux des officiers et de la collaboration avec les différents acteurs concernés, le *Social Contribution and Social Benefits Bill* couvre de ce fait les sujets relevant –

1. du paiement des cotisations sociales par les employés et les employeurs des secteurs public et privé, ainsi que par les travailleurs indépendants ;
2. du paiement des prestations de retraite ;
3. du paiement des indemnités d'accident du travail aux salariés ainsi qu'aux travailleurs indépendants ;
4. de l'administration de la collecte des cotisations sociales et du paiement des prestations sociales, et enfin
5. de l'établissement d'un mécanisme de révision des différentes prestations sociales.

M. le président, le présent texte de loi s'appuie sur les règlements existants de la CSG. Tout en y suppléant et complétant les dispositions nécessaires à la mise en place d'un système de contribution et de bénéfices sociaux qui sera dorénavant bien plus juste, plus durable et plus progressif.

En sus, le projet de loi prévoit que les mêmes termes et conditions soient applicables aux travailleurs indépendants et aux employés du secteur public et privé.

Par ailleurs, en ce qui concerne les prestations sociales, il est prévu -

- le versement à partir du 1^{er} juillet 2023 et à l'âge de la retraite d'une prestation complémentaire pouvant atteindre 4,500 roupies par mois ;
- le versement d'une prime de fin d'année au titre de la prestation de retraite ;
- le versement d'indemnités pour accident du travail à partir du 1^{er} septembre 2020 à un employé du secteur privé sur la même base que celle du NPF. Avec tout de même un changement majeur au profit des employés. L'indemnité maximale payable à un employé blessé passe en effet de 15,920 roupies à 40,000 roupies par mois. C'est formidable et cela méritera que je m'y attarde dans quelques minutes, et
- enfin, nous permettrons le versement d'indemnités pour accident du travail à tous les travailleurs indépendants cotisants, ce qui aura pour effet direct et immédiat d'améliorer la protection sociale de plus de 200,000 Mauriciens.

M. le président, après avoir brossé dans les grandes lignes l'apport de ce projet de loi et l'objectif de justice sociale qu'il vise, permettez-moi de développer les principales dispositions de ce dernier.

En commençant par les principes et mécanismes régissant la contribution sociale, c'est-à-dire, la CSG. A travers le *Social Contribution and Social Benefits Bill*, nous instituons un système de contribution sociale basé sur l'équité et la progressivité.

Concrètement, les articles 3 et 4 prévoient que le paiement d'une cotisation sociale mensuelle soit effectué par chaque employé et son employeur. Nous pensons que si tous les citoyens doivent pouvoir jouir des mêmes acquis sociaux, leur contribution à ce régime de sécurité sociale doit, pour être juste, refléter leur capacité de paiement.

Tout un chacun doit, à partir du moment où il bénéficie de cette solidarité nationale, y contribuer à la mesure de ces possibilités. C'est dans cet esprit que nous avons opté pour des taux de cotisations progressifs, basés sur le montant des revenus perçus par les travailleurs.

M. le président, cela s'appelle le progrès. Les taux de la cotisation sociale mensuelle à payer par un employé et son employeur, tant dans le secteur privé que dans le secteur public, sont donc fixé comme suit -

- (a) à hauteur de 1,5% du salaire de base ou du traitement par le salarié et de 3% par l'employeur si le salarié perçoit jusqu'à 50,000 roupies par mois, et

- (b) à hauteur de 3% du salaire ou du traitement de base pour l'employé et à 6% pour l'employeur si l'employé gagne plus de 50,000 roupies mensuellement.

Concernant les travailleurs indépendants, nous appliquons cette même logique de progressivité. Pour plus d'équité, nous révisons les taux de la cotisation sociale mensuelle à payer par tranches de revenus.

Ainsi les taux et montants de contribution pour les travailleurs indépendants seront établis de la façon suivante –

- (a) 150 roupies lorsque le revenu net mensuel de l'indépendant est inférieur ou égal à 10,000 roupies ;
- (b) 1,5 % de 90 % de son revenu net mensuel ou bien 150 roupies, le plus élevé des deux, lorsque le revenu net mensuel du travailleur indépendant en question est compris entre 10,000 roupies et 50,000 roupies, et enfin
- (c) 3 % de 90 % du revenu net mensuel pour ceux percevant un revenu net mensuel supérieur à 50,000 roupies.

Que ce soit pour les employés du secteur privé, du secteur public ou des travailleurs indépendants, la collecte de ces contributions se fera par la *Mauritius Revenue Authority*, conformément aux articles 5 à 16 du projet de loi.

Je tiens à souligner que ce nouveau mode de calcul apportera un changement extrêmement positif pour les travailleurs mauriciens mais aussi pour les entreprises. A vrai dire, plus de 80% des entreprises et près de 90% des employés contribueront moins grâce à ce nouveau système.

D'ailleurs, l'immense majorité des travailleurs contribuent déjà moins. Les bénéficiaires, eux, percevront plus. C'est un système gagnant-gagnant ! Tant du côté des contributeurs : entreprises et travailleurs que du côté des bénéficiaires, tout le monde y trouve son compte.

M. le président, avec le nouveau système de pension de retraite, chaque retraité mauricien recevra à terme un montant supplémentaire de 4,500 roupies par mois. Cette réforme est la démonstration de notre engagement auprès de la population mauricienne.

Avec son soutien, nous bâtissons une société plus juste, plus équitable et plus solidaire. C'est une avancée historique. Notre nouvelle normalité sera d'être plus solidaire en nous soutenant les uns les autres. Ceux qui ont peu doivent pouvoir compter sur ceux qui ont

plus. L'État veillera au respect de ce principe sacro-saint. L'entraide devient le pilier de la sécurité sociale mauricienne.

Ce faisant, cette réforme est la concrétisation de notre grand projet national. Nous aspirons à bâtir une société qui entend faire prévaloir l'intérêt général sur les intérêts particuliers. C'est, M. le président, la doctrine socialiste. C'est notre philosophie, ici, de ce côté de la Chambre.

M. le président, ce projet de loi prend également en charge le volet corolaire à celui des contributions, c'est-à-dire, leurs bénéfices. Grâce à la mise en place d'un tel ensemble législatif, nous allons structurellement améliorer notre système de protection sociale. Que ce soit pour la pension de retraite ou pour les indemnités dues aux accidents du travail, les articles 17 à 31 prévoient en effet le versement de deux types de prestations sociales, à savoir la prestation de pension de retraite et la prestation pour accident du travail.

Je souhaiterai m'attarder sur les acquis sociaux auxquels la population aura maintenant droit.

En ce qui concerne la prestation de la pension, elle sera versée à toute personne qui atteint l'âge de la retraite qui est actuellement de 65 ans. Il y aura trois catégories de bénéficiaires -

- en premier lieu, un citoyen résidant à Maurice qui a vécu à Maurice pendant au moins 20 ans au total depuis son 18^{ème} anniversaire et qui a ou non, payé des cotisations sociales ;
- en deuxième lieu, un citoyen mauricien résidant à l'étranger qui a habité à Maurice pendant au moins 20 ans au total depuis son 18^{ème} anniversaire, et qui a payé des cotisations sociales pendant une période d'au moins la moitié du nombre d'années entre le 1^{er} septembre 2020 et la date de dépôt de la demande de prestation sociale, et
- en dernier lieu, un non-citoyen résidant à Maurice qui a séjourné à Maurice pendant au moins 20 ans au total et qui a payé des cotisations sociales pendant une période d'au moins la moitié du nombre d'années entre le 1^{er} septembre 2020 et la date de la demande de prestation sociale.

Permettez-moi de rappeler que ces bénéficiaires, s'ils ont précédemment contribué au *NPF*, percevront en supplément leur dû correspondant à leur contribution au Fonds. Ils recevront également à l'âge de 60 ans le *Basic Retirement Pension* à hauteur de 9,000 roupies

par mois. Comme à chaque fois que le Gouvernement en a eu l'occasion, nous avons toujours préféré l'addition des bénéfices à leur soustraction.

Notre action est guidée par le souci permanent de permettre à la population d'augmenter graduellement son niveau de vie. Nous octroyons de nouveaux acquis sociaux, sans remettre en question ceux qui avaient déjà été accordés auparavant. Nous sommes le Mouvement Socialiste Mauricien. Nous sommes des réformistes. Nous sommes des progressistes.

M. le président, ce gouvernement prend en considération la pénibilité relative du travail. À cet égard, nous instituons des modalités distinctives pour les employés de certains secteurs d'activités.

De ce fait, les employés de ces secteurs spécifiques, à savoir le sucre, le sel, le thé, la fabrication de blocs de ciment et les transports publics, qui sont autorisés à prendre leur retraite avant l'âge officiel de la retraite, recevront leur prestation de pension à partir de 60 ans. Ils devront toutefois avoir travaillé pendant au moins 10 années consécutives dans le secteur au moment de leur retraite.

Plus encore, le projet de loi prévoit également le versement d'une prime de fin d'année équivalente au montant de la prestation mensuelle à tous les bénéficiaires.

M. le président, si le premier volet des bénéfices induit par le vote de ce projet de loi est relatif au versement de la pension de retraite, le second volet se concentre lui sur les indemnités versées en cas d'accident du travail.

Dès lors, en ce qui concerne les indemnités pour accident du travail, elles seront versées à un employé du secteur privé sur la même base que celui du *NPF* à compter du 01 septembre 2020.

Toutefois, guidés par les principes de la justice sociale, nous augmenterons considérablement le montant maximal de l'indemnité mensuelle payable à un employé blessé. Ce montant va passer de 15,920 à 40,000 roupies.

À cet effet, les principaux types de prestations sont les suivants :

- Premièrement, une indemnité pour accident du travail est prévue en cas d'accident du travail entraînant une incapacité temporaire totale de travail au taux de 80% du salaire mensuel de l'employé, jusqu'à un maximum de 40,000 roupies par mois;

- Deuxièmement, une indemnité d'invalidité sera payable au taux de 80% des gains mensuels du salarié, jusqu'à un maximum de 40,000 roupies, lorsque l'invalidité est de 100%. Si l'invalidité est inférieure à 100%, le taux est de 65% du salaire mensuel de l'employé multiplié par le pourcentage d'invalidité, jusqu'à un maximum de 32,500 roupies par mois;
- Troisièmement, une prestation de survivant sera allouée au conjoint d'un employé décédé à la suite d'un accident du travail, à un taux de 50% des gains mensuels de l'employé décédé, jusqu'à un maximum de 25,000 roupies par mois ;
- Quatrièmement, une allocation pour assistance constante sera versée dans le cas où un employé souffrant d'une incapacité ou d'une invalidité nécessite l'assistance constante d'un tiers, et enfin
- Le versement d'une allocation d'orphelin est lui prévu pour l'orphelin d'un employé décédé à la suite d'un accident du travail.

M. le président, pour étendre au plus grand nombre la protection sociale qui s'impose, nous élargissons le versement des indemnités pour accident du travail aux travailleurs indépendants. Par cet apport historique, ce sont plus de 200,000 Mauriciens qui seront maintenant protégés.

À partir du 01 septembre 2021, tous les travailleurs indépendants; artisans, maçons, coiffeurs, marchands ambulants, chauffeurs de taxi et j'en passe, bénéficieront d'une assistance contre les accidents au travail. Rendez-vous compte, c'est considérable.

Grace à cela, plus de 200,000 personnes auront de droits qu'ils n'avaient pas avant. Ils le méritent tant. C'était une annonce faite dans le discours du budget 2021-2022. Nous tenons nos promesses et faisons, à peine plus d'un mois après la présentation du budget, de cette déclaration une réalité.

Les travailleurs indépendants sont essentiels à notre tissu économique et à notre résilience sociale. Nous leurs assurons considération et protection. Pour cela, ils doivent participer à l'effort collectif. C'est cela le respect, le progrès, l'équité, les droits et les devoirs. En un mot, la démocratie.

M. le président, j'en viens maintenant aux dispositions du projet de loi relatives à la gestion et à la révision des prestations sociales. Conformément aux articles 32 à 34, ce sera le

ministère de l'Intégration sociale, de la Sécurité sociale et de la Solidarité nationale qui versera les prestations sociales dues à toute personne éligible.

Ce ministère sera également la seule autorité à déterminer les demandes de prestations, si un employé a subi ou non un accident du travail. En ce qui concerne la révision des prestations, nous allons mettre en place un comité dédié, le *Social Benefits Review Committee*. Il sera composé de représentants du secteur public, des organisations patronales et des organisations de travailleurs.

Le mandat de ce comité sera de faire des recommandations au ministre des Finances en vue d'améliorer au besoin les prestations sociales tout en maintenant la durabilité et l'équité de ce modèle. Car à chaque fois que cela est possible et justifié, nous pensons qu'il est du devoir de ce gouvernement d'améliorer les conditions de vie de la population.

M. le président, alors que je m'apprête à conclure, permettez-moi de réaffirmer l'engagement de ce gouvernement auprès de la population. Sous le leadership du Premier ministre et en pleine tempête économique et sanitaire, nous n'avons jamais baissé les bras face à l'adversité.

Notre combat pour une société plus juste et plus solidaire se manifeste ici encore par l'introduction d'un nouveau paradigme de contributions et de bénéfices liés à la pension de retraite et aux accidents du travail. Ce paradigme, il est juste car il est en phase avec les aspirations de la population et les défis que notre pays doit relever.

Franklin Roosevelt avait dit –

« Gouverner, c'est maintenir les balances de la justice égales pour tous. ».

Au travers du vote du *Social Contribution and Social Benefits Bill*, nous honorons ces paroles de vérité.

Progressistes nous sommes, progressistes nous resterons. Sur ces mots, je recommande le projet de loi à l'Assemblée.

Mr Speaker, Sir, I am now proposing an amendment in clause 2 of the Bill relating Rodrigues Regional Assembly at Committee Stage, which is being circulated in the House.

Merci, M. le président.

Mr Speaker: Is that seconded?

The Prime Minister seconded.

(3:29 p.m.)

The Leader of the Opposition (Mr X. L. Duval): Mr Speaker, Sir, thank you for giving me the possibility to say a few words on this very important piece of legislation. Before I start on the main body of my speech, I would like to say that this Bill, Mr Speaker, Sir, is presented to this House at a time when the whole matter of *Contribution Sociale Généralisée* is being actively taken up in the Courts with two cases; one for judicial review and another one, a constitutional case.

These two cases are ongoing against the *Contribution Sociale Généralisée*. Here we come in Parliament, we just take out the ‘*Généralisée*’ and we keep ‘*Contribution Sociale*’ and we present a Bill, which I consider, Mr Speaker, Sir, that the procedure may be valid but it is certainly inelegant. It is certainly disrespectful of our Supreme Court and in my view, Mr Speaker, Sir, it is unethical. We should have waited for the Courts to give their verdict, to give their opinion on the *CSG* regulations and then come with a Bill in this House.

Now, Mr Speaker, Sir, I have listened carefully to the speech of the hon. Minister of Finance, Economic Planning and Development, full of promises, of things to come, but not answering, regrettably, any of the qualms, of the apprehensions of experts in the field of pensions, of actuaries and the like of tax experts. Not even one word, Mr Speaker, Sir, to enlighten the House here before the Bill is passed as to whether he agrees or disagrees with so many of the objections that have been raised outside in the House, in the Press only a few days ago by Actuary Bernard Yen, for instance, and others.

So, Mr Speaker, Sir, are we, therefore, to have to wait till his closing speech when it is too late? As you know, there will be four Ministers speaking at the end of this debate; no Member of the Opposition. That is when he is likely to answer the objections raised around Mauritius or will he not answer at all? And will he just completely ignore, because he has no answer to the objections raised, because he has no idea as to how sustainable this pension, this *contribution sociale* that is being proposed will hold out in the future? Therefore, Mr Speaker, Sir, that is what we must deduce; that this is all being brought in haste and without adequate thought and adequate planning.

In fact, Mr Speaker, Sir, we were all enlightened by what the hon. Prime Minister said, I think it was yesterday or the day before in Court, that the promise made in November 2019 at this famous old-age pensioners’ meeting, I think it was in Swami Vivekananda Centre, if I am not wrong, whereby, in fact, the pension would be doubled to Rs13,500. That

was made, Mr Speaker, Sir, without going to Cabinet, without informing the then Minister of Social Security. In fact, nobody it seems, but the hon. Prime Minister had thought of it. So, that shows, Mr Speaker, Sir, that it was made in haste and without consultation and planning. And, this is, Mr Speaker, Sir, probably the main issue relating to this particular Bill and this particular pension or *CSG* that is being proposed.

Mr Speaker, Sir, not a word had been said at that time about how this *promesse mirobolante* of doubling the pension for old-age pensioners - it is not quite what has been done today - was to be financed.

Mr Speaker, Sir, I would like to say also that in reaction to what the hon. Prime Minister had announced at that time, the *Alliance Nationale*, of which I am a Member, made a similar promise; that we would raise the pension to, I think it was Rs14,000 at the end of this mandate. We did make the same, but with a big difference, Mr Speaker, Sir, that we took the pain and the trouble to explain to the population how this would be financed, through growth, which is important; growth determines pensions. When you look at the pension in the UK, the basic retirement pension in the UK is Rs32,000 per month equivalent. Nobody bothers about it, because UK has such a strong economy that it can easily bear the Rs32,000 basic retirement pension. So, growth, prosperity is the key to pension payments, Mr Speaker, Sir.

The second thing we said was we would reduce wastage in public, reduce *le train de vie de l'État*, and you can see, Mr Speaker, Sir, only looking at this budget here, that instead of reducing *le train de vie de l'État*, this Government has gone on a wild spending spree - Safe City, Côte d'Or Stadium, MIC, wherever, big spending spree, Mr Speaker, Sir. And, therefore, no reduction of ineffective expenditure and, of course, no elimination of corruption. These are all things that we said we would do, Mr Speaker, Sir, to reach, without pain, the Rs14,000 pension that *l'Alliance Nationale* had promised to the nation and we would have put into effect with these provisos, Mr Speaker, Sir -

- bringing growth;
- saving unnecessary expenditure;
- cutting wastage, and
- eliminating corruption.

In fact, Mr Speaker, Sir, had the *Alliance Morisien* announced at the time that not only would they grant the big increase in pension but that there would also be a big increase

in taxation, I think, Mr Speaker, Sir, they would not have reached half the votes that they actually got in that election. Had they told the nation that they would eliminate and destroy the National Pension Fund which has existed for 45 years and given good and valuable service to the nation, that they would have cancelled the National Pension Fund, closed it down without even a thought, without even a consultation and even without a white paper, then, Mr Speaker, Sir, they, as I said, would have got only a quarter of the votes that they actually got in that election. So, the election can be said, Mr Speaker, Sir, excluding whatever happens in the Courts, was won on false promises, playing on the vulnerability of people and the fact that a month or two before the election, nobody had really time to look into the figures much and to see what, in fact, was being proposed, although we all knew, Mr Speaker, Sir, that there was a denial on the part of the *Alliance Morisien* to talk of the actual figures and to come to the nitty-gritty of it.

Mr Speaker, Sir, so, the truth is that there is a huge new tax being imposed on the nation, to every single worker in this nation, including, of course, the self-employed. And, Mr Speaker, Sir, all the middle-income earners in the private sector have seen their disposable income severely curtailed since September 2021 when, far from achieving growth, our economy, in fact, has been in deep recession; 15%, I think, negative growth over the year. Mr Speaker, Sir, officially, 94,000 people are out of work. That is the figure from Statistics Mauritius when it was still credible. 68,500 jobs lost in one year, according to Statistics Mauritius, quarter 2021 compared to quarter 2020. The hon. Minister of Finance, Economic Planning and Development is nodding his head; he knows the figures. The rupee, Mr Speaker, Sir, has been devalued massively against foreign currencies since the election: 17% against the dollar, 26% against the pound sterling, and 26% against the euro. This, Mr Speaker, Sir, is not the time to tax massively *la classe moyenne*. This is not the time to hurt massively the disposable income of the nation, Mr Speaker, Sir, at a time when maybe one or two wage-earners in the country are out of work in every family, because to account for the 94,000 people who are out of work as we speak, Mr Speaker, Sir.

And, of course we are talking about paying the pension as from 01 July 2023. Why it is not being paid today as we are being taxed today? Again, the hon. Minister has not told us why he has thought it fit to tax us from 01 September 2020 but not given us a cent as pension, and that pension will only be given, hopefully, in July 2023, having, therefore, *tondu* is the word, for nearly 3 years. Taking Rs21 billion as tax from all these taxpayers without paying one single cent in pension to anyone. Where is the legality of that? Where is the fairness of

that? Tell us, Mr Minister when you speak later! Where is the fairness? I have been paying CSG from 01 September, as has everybody, but not one single pensioner has received the Rs4,500 you promised, although I have been paying my contributions since 01 September. Why is that? It has gone to reduce your budget deficit, hasn't it? It has gone to the Consolidated Fund, hasn't it? You have used it for other things, haven't you? But you have claimed it from us to pay to people, to pensioners. So, Mr Speaker, Sir, there is an issue here of fairness. That money, okay we will pay for it, it must be paid now to the pensioners. We are paying now the tax; it must be given now to the pensioners, not in two years' time. It should, in fact, be backdated to September 2020 when the tax was applied to everyone, Mr Speaker, Sir.

Mr Speaker, Sir, the situation in Mauritius has been so dramatic as far as *l'appauvrissement de la population, l'appauvrissement de la classe moyenne* is concerned. That Government has come with an unprecedented - I must say in my experience unprecedented, maybe back in 1970s we were there - measure to subsidise the price of seven categories of essential products. That is an admission that people are having trouble to make ends meet; that is an admission that things are bad, bad, bad, for the hon. Prime Minister himself to come to this House on a Friday, to tell us that he has put aside Rs500 m. to help for various things like *fromage*, etc., because obviously, the nation was not starving, but the nation was starting to tighten its belt, was starting not to be able to feed its belly every day, and that is the only explanation why this subsidy has come into effect at that time.

Mr Speaker, Sir, had the hon. Prime Minister, in his famous speech, told the nation that henceforth all self-employed, all of them, even those earning Rs10,000 or less, would start paying *Contribution Sociale Généralisée* whereas they were exempt from the NPF, I wonder how many of them would have voted for the *Alliance Morisien* had they been told that. But there is worse than that, Mr Speaker, Sir, because the Bill here is a bit of an insult to the *ti dimounn*, because it goes on to say - in fact, this Bill describes self-employed; obviously, the lawyers, etc., we do not worry so much about them at the moment - the *mâcon, le menuisier*, they are all in the Bill. *Le plombier, le coiffeur*, I will add *le chauffeur de taxi, marchand goyaves de Chine, marchand dholl puri*, all of them now will feel wonderful to have to contribute monthly or, in fact, Mr Speaker, Sir, they will find that their lives have been very *amère*. And that is the truth because there are two issues to do with self-employed.

Firstly, they were never before contributing to the NPF, unless voluntarily doing so. Secondly, Mr Speaker, Sir, they have to pay their contribution on a calculated amount, on net

income. How do you calculate net income of these *ti dimounn*? They have to maybe come and see me or an equivalent *comptable, expert comptable* to come and do their net income monthly. If we take *un maçon*, he is constructing a house for six months. He is charged Rs2 m. He has to pay labour, he has to pay construction material, he has to pay all this. And now, who is going to calculate how much net income he has monthly, if he chooses monthly? It is difficult to calculate it monthly. You need a Quantity Surveyor even to tell you how much of the work has been completed monthly. So, is he going to take a Quantity Surveyor and an Accountant as well? I mean, what is this, Mr Speaker, Sir? They have to pay on their net income. It is really difficult; it takes time, it needs professionals to calculate net income on a monthly, quarterly or annual basis. This is what, Mr Speaker, Sir, is being asked of the *marchand dholl puri*, of the *marchand goyaves de Chine* and everybody else.

Therefore, Mr Speaker, Sir, we have a double blow to the *ti dimounn*. A double blow! Triple blow, if I may say so! Firstly, they did not use to pay. Secondly, they need to calculate their net income, which is not easy to calculate; it takes, if you want to do it right, an expert to do that. And, thirdly, they have to contact the MRA digitally. So, the guy, the *maçon*, the *charpentier*, whatever, he has got to buy a computer now; he has got to learn all about it and submit digitally. So, these are three things, Mr Speaker, Sir, that I find quite unacceptable, and it is going to be an administrative nightmare for the *ti dimounn*. I know that there was going to be a Regulatory Impact Assessment Committee which the hon. Minister is proposing, I think it is in the Finance Bill. Has he passed this through that sort of Committee? Has he discussed the issues, the weight, the burden that he is putting on the *ti dimounn* now with all of them potentially going to be a tax evader because they will not know how to do it properly?

So, Mr Speaker, Sir, what about those employees on the lower rung of the ladder in the private sector? They will be taxed, it will be less, but except that the NPF was not a tax; never was the NPF a tax. The best description to talk about the National Pension Fund was like each individual in the private sector had like a bank account at the NPF; he had like a bank account. He had his long number attached to his NPF number. Every month, his employer would deduct the amount and he would pay to the NPF. That money, the NPF Investment Committee would invest for a return. On his retirement, that money would still be there; it will not have gone to build drains, it will not have gone to build bridges or stadiums, it will not have gone there, like it is going at the moment. It would go to his personal account, at the end of his working life, usually 65 - he can opt before - he would reap the benefits of

his savings, what is called a forced savings, Mr Speaker, Sir. That was the NPF. The forced savings was at 3%, not a tax. He was not giving to anyone that money; he was giving it to himself, in his own account; that is all. That, therefore, was not taken from him but being saved for him; being saved for his retirement; that is the big difference. Whereas this one, for the lower rungs of the ladder, of course, it is less, but it is not a saving, it is not his. It is being taken away from him to pay, in the future, a rate of pension which - the hon. Minister has deliberately evaded that point in his speech - is *aléatoire*, how much exactly is going to be paid to future generations. He has taken the trouble to put in Section 35, a proviso – Social Benefits Review Committee. Section 35 which will decide in the future as to what benefits are payable depending on affordability and sustainability.

So, there is in this ticking time bomb one way that is provided to defuse the ticking time bomb, either by raising contributions when this Committee gives its advice or by reducing the contributions that have been promised, the Rs4,500. Nothing is more uncertain than the ability of this Government to honour its promise of paying the Rs4,500 at the time when it needs to be paid, as has been extremely well explained by experts in the field. Mr Speaker, Sir, we are not probably talking about 2023, although that also there is a question mark, but, certainly, we are talking about future years.

Mr Speaker, Sir, when I arrived in Mauritius in 1986, there were 45,000 people over the age of 65. 45,000 people! Today, there are 170,000 people over the age of 65. It has gone up three times over that number of years. This illustrates more than anything - 45,000 to 170,000 today - the ageing issue that needs to be addressed by the hon. Minister of Finance, Economic Planning and Development. The ageing issue! This is why we all expected a different speech from the hon. Minister of Finance, Economic Planning and Development than was given to us. The ageing issue, hon. Minister of Finance, what about it?

Mr Speaker, Sir, in 2024, when we will start to pay, the first full year when we will be paying the *CSG* - and I hope that it is paid; I hope that we can get it to be paid - there will be 180,000 people of the age of 65. Now, you need to add those people with industrial injuries, you need to add people who have opted for earlier retirement in the various schemes that are possible in the law.

Let us say that you have 200,000 people in 2024 who will be eligible to the *Contribution Sociale Généralisée*. So, Mr Speaker, Sir, you have about 200,000 people. That would be Rs12 billion, it is a simple calculation, Rs12 billion to pay in 2024. We have

collected, Mr Speaker, Sir, Rs5 billion over the last year, but only 10 months we agree. So, in fact, we collected on an annualised basis, Rs6 billion this year. Rs6 billion on page 464 of the Estimates, you will find it. Rs5 billion, annualised Rs6 billion.

So, Mr Speaker, Sir, make no mistake about it, we need to go from Rs6 billion in 2020-2021 to Rs12 billion in 2023-2024 when the amount will be paid. There is no coming out of that; there is no way of escaping that. That is the truth. How it is going to be raised, not a word from the hon. Minister of Finance, Economic Planning and Development, and that is so disappointing. So disappointing! Rs6 billion as at today's date has got to be moved to Rs12 billion. Now, I know that in the Estimates, he has been projecting some increase in the collections for this particular financial year, but explain how that is arrived! Because many people do not believe what has been written there.

Of course, Mr Speaker, Sir, there are two ways you can raise additional taxation. It comes back to the same thing because the money has got to be taken from the employees to the coffers of the Government. Whether you do it in one of each ways or the two ways I am telling you, you still have the same result; that you need Rs12 billion from 2022 to 2024. There are two ways to do that and the hon. Minister of Finance, Economic Planning and Development knows how to do it. One, you increase the base, you enlarge the base, more items are being taxed like you would do, for instance, for VAT, or you would increase the rate from 4.5% to another per cent for the lower income, from 9% to another per cent for the higher paid people. Two ways to do it.

Now, there is particularly difficult drafting in the law to try to determine exactly whether the base amount to be taxed has been changed or not since *CSG* regulations, but let us take it, Mr Speaker, Sir, and we will come back to that at Committee Stage because it will be an important Committee Stage. We can come back at Committee Stage because the drafting is awful in my view. Nevertheless, let us say that the base has not changed really, that it is still basic wage, although there is some confusion on that, plus basic wage basically. Let us say that this is still the case. The only change that we can see apart from that is now the 13th month will be taxed whereas the 13th month was not taxed previously. That is what we see as a change in base.

Obviously, the NPF, whether it was 3%, 9%, whatever per cent, was never on the 13th month. So, this is another way now, they have increased the base a little bit for collection of money. So, Mr Speaker, Sir, we have not really increased the base apart from that 13th month

which will bring in about Rs500 m. Where is the money coming from? Now, this is about the fifth time I am asking. I hope that in your conclusion tonight, you will tell us exactly, precisely hon. Minister, where the money is coming from - from the 6 billion to the 12 billion in two years' time. That is, Mr Speaker, Sir, important for us to know so that tax payers have no doubt at all what is going to come.

As I said, Mr Speaker, Sir, whether it is an increase in base, whether it is an enlargement of the base, whether it is an increase in the rate, it is the same thing. Rs12 billion must come additionally to the coffers of the Ministry of Finance, Economic Planning and Development; on that, there can be no doubt, Mr Speaker, Sir. This is why this law represents a massive taxation of the population. Rs12 billion to be collected every year is a massive amount of tax to be collected. From whichever source you collect it amongst the population, it is a massive taxation of the population.

Now, Mr Speaker, Sir, let us move on 10 years from year 2024, and if you move on 10 years, obviously there is not going to be any surprise that the ageing population will increase. Statistics Mauritius - I presume the figures are independent this time - tell us that there will be 62,000 more pensioners over 65 over the next 10 years. So, these persons also have obviously full right to get this Rs4,500 up in the sky at the moment and the worse, the problem is worse than that because when you look at the labour force, it will be reducing by the same number in the same number of years.

So, one, you have 50,000/60,000 older people and at the same time, 60,000 people less in the workforce to pay for the pensions, for the *Contribution Sociale Généralisée* for these people, and that is why, Mr Speaker, Sir, it is a ticking time bomb and that is why every Mauritian has a right to be told how the hon. Minister of Finance, Economic Planning and Development is going to finance not only in 2023-2024, but over the next 10 years from that time because then we will be after the next elections, and he has to tell us now where the money is coming from because those persons who are actually paying less, the lower income, they may have a very bitter pill to swallow. If, as it seems to be the case, the *CSG* is not sustainable, the *CSG*, as it stands, is not affordable, the rate of contribution would then increase as has said so many actuaries from the 1.5% to be equal to the whole 3% of the NPF and even more. This is why, Mr Speaker, Sir, on this side of the House, we say that this is a ticking time bomb and the issue is not today because anyway we are paying without receiving any money. It will be partly in 2023-2024 when the current contributions will have to double to reach that and even worse after that. We understand, therefore, why Section 35, Social

Benefits Review Committee it exists. Because he will tell us certainly, "Well, you know, we cannot pay, there is a recession, the growth has not been so much". This and that the other; the 4,500 will become 2,500 as the World Bank has said it would.

Mr Speaker, Sir, what about the civil servants? There will be a PRB coming, it also concerns all of us, there will be increases. Now, has anybody asked the civil servants whether they would prefer the cash in their pocket or whether they want to contribute to the *Contribution Sociale Généralisée*? Because obviously, whatever is taken in terms of *contribution sociale* will be deducted from the PRB allowances, PRB increase, and that is naked truth, Mr Speaker, Sir. And then, Mr Speaker, Sir, if you read the article a few days ago by Bernard Yen in *L'Express*, he said one thing. He said that some civil servants, under the new system, will actually be getting more money when they retire than they were actually getting on the payroll, working for the Civil Service. He took the example of this person, Rs30,000, who is on the old system of the Civil Service, that is, the defined benefits system, who would get Rs20,000 in terms of his pension monthly. He will get another Rs9,000 in terms of old age pension, and he will get another Rs4,500 in terms of the *CSG*. Much more than he was actually getting whilst working. Is that what you want? Is that the system that you want to set up? Someone who is retired gets more money than when he was working? Really? Gentlemen and ladies, have you thought about it really? I would have thought you would have answered that hon. Minister because it was in the papers. How can you earn more in retirement than you did when you were working full-time? Where is the fairness to those people working? There is something wrong and it must be fixed, Mr Speaker, Sir.

And, of course, the old NPF was not such a bad thing after all because under the right circumstances, it would pay about Rs6,000 per month to a pensioner. Had you worked full-time, paid your contributions for all your working life, you could be entitled to between Rs3,000 and Rs6,000; that was that. And we were told that it is not properly funded, but we were never given the actuarial report that people had asked for.

So, Mr Speaker, Sir, as I mentioned - it is good for me to mention again - we, *l'Alliance Nationale*, promised that we would pay, but we promised also that we would not tax. We would not tax to pay for it; we would get it by growth, by savings, eliminating corruption. That is what we promised. We did not promise to take the easy way out, that is, tax massively, and then honour the promise that was made.

Mr Speaker, Sir, now, what about the effects on the minimum wage? In two years' time, we will be getting Rs13,500 as pension. Will the minimum wage stay at Rs10,000? I hope not! I hope the minimum wage will not stay at Rs10,000. There must be parity! The ratio must be respected between the current minimum wage and the pensions and the future pensions and the future minimum wage.

Now, in two years' time, when the pension becomes Rs13,500, just to maintain the ratio, the minimum wage must then go up to Rs15,300. Let's get this figure right. Let me repeat it, to maintain the ratio between the current minimum wage and the pension, we are talking about a minimum wage of Rs15,000 – I'm all for it; I will vote for it right now. But tell me, what is your estimate of the effect on employment, of the effect on the Export Processing Zone, Export-Oriented Enterprises, on the effect on the economy? This figure must be given! It is going to be in two years' time, Mr Speaker, Sir. In just two years' time, it will be 2023; we are 2021 at the moment. So, tell us what you are going to do with the minimum wage. Do not run away from it! I hope that the minimum you will do is to tell us that the minimum wage will go up to Rs15,300 or more. But say that and account for it, and tell us how it is going to affect the economy. Have the courage to do that!

Mr Speaker, Sir, as we know, the problem with the *CSG* is it is a payroll tax. There are a number of taxes, Mr Speaker, Sir, that you can have. The French like payroll tax. That is why there has been unemployment in France, especially youth. The French like payroll tax! You can have a tax on profits, which is a normal thing. You make a profit, you pay a tax. You can have a tax on your sales; the value-added tax is a tax on sales. You make a sale, you pay your tax. But when you employ people and you pay a tax, that is more unusual, especially when they raise a tax on employment at the time of huge unemployment in this country. Whatever is going to happen when you open the *frontières*, we will get more than the 15,000 tourists we are getting until October; I hope so! I hope so, we get more than 15,000. But let us see what happens to employment. This law is being passed today; let us see what happens to unemployment, Mr Speaker, Sir.

And I will say one thing, Mr Speaker, Sir, that nobody has spoken of. What about the effect on foreign investors? Let us take someone who is working in the Freeport; his company will pay 3%. If he is an expatriate, Mr Speaker, Sir, he is going to have a big salary. He has not come here for peanuts. His salary is going to be Rs500,000, Rs1 m. It is his company, he is making profits; Rs1 m. You are going to tax him Rs90,000 every month? And

he is going to stay in the Freeport, when he knows he is not going to retire in this country, he is an expatriate?

What about the financial services sector? One thing that defines the financial services sector is high pay, low taxation, attract people here; come and set up family offices, come and set up GBC1s; and a high salary in Mauritius and low taxation – rubbish! Every single expatriate who comes is going to pay 9% on his own salary. And I will tell you, Mr Speaker, Sir, I have done my best to stop it. I know some people in the Freeport who are leaving, who have already taken the trouble. And if the Minister of Finance wants to meet them, I will arrange it because I am above all a patriot. They are leaving this country, Mr Speaker, Sir, because of the *Contribution Sociale Généralisée*; because this guy does not want to pay 9% on his own salary and all the salaries of the expatriates. And what will happen to the dozens of highly paid people who work for him? What will happen to them? Who is going to pay to feed their families? So, let us answer also the question: has there been a study? Has the EDB - bless them! Soon, there will be new offices - worked out the effect on the financial services sector, on the Freeport, etc., of taxing massively people like this, expatriates? Because there is no exemption for expatriates, Mr Speaker, Sir.

Mr Speaker, Sir, I do not want to go on and on and on. I am sure you will be fed up with me in a moment. But let us see...

(Interruptions)

Already fed up? Okay!

Now, Mr Speaker, Sir, the NPF was set up in 1976, we were still a young nation, a few years only after independence. But we were clever enough when we set up the NPF, to have a White Paper. The then Minister - I forgot his name - had a White Paper on the NPF. They knew they could not master; they were not masters of the world. So, they asked the UK to send some Consultants over to determine in what form and shape the National Pension Fund should take. And we took the advice of these experts, and the NPF was set up. The NPF, today, has been abolished without any study, without any consultation. I ask you, Mr Speaker, Sir, are we progressing in this country or are we regressing? The *CSG*, same, without any prior study, it was just an announcement in November 2019 by the hon. Prime Minister himself, because he does not have to ask anyone. There you are, Mr Speaker, Sir. That happened in November 2019.

And now, Mr Speaker, Sir, there are question marks which are genuine question marks being asked. I repeat: this was in our programme to increase the pensions. There are now, today, genuine question marks that are being asked. There is a case in Court which we need to respect, and we need to wait for the outcome of the case in Court. Mr Speaker, Sir, up to now, the Government has not gratified this House with any figures at all about how sustainable this is going to be, even in the short-term.

Therefore, Mr Speaker, Sir, with the information that we have, at this stage, I think that the Social Contribution Bill is a highly dangerous ticking time bomb for generations to come. Maybe not for me, I am already 63 years old, but for my children and for my children's children. We do not want to lie to the population, to tell them that something is achievable when clearly it might not be achievable. We do not want to lie to future generations, to tell them that this is what is going to happen when clearly it may not happen. So, this is why, Mr Speaker, Sir, my request to the hon. Minister is to hold on with this Bill; carry on with the regulations if you want. Hold on with this Bill, wait for the Court to decide and wait till you have provided us with a white bright paper and the proper study to show us how this is going to work, how this is going to be achieved and how, Mr Speaker, Sir, this is going to be paid for.

Thank you very much for your attention.

Mr Speaker: Thank you. Hon. Mrs Jeewa-Daureeawoo!

(4.13 p.m.)

The Minister of Social Integration, Social Security and National Solidarity (Mrs F. Jeewa-Daureeawoo): Thank you, Mr Speaker, Sir. Let me start by replying to the Leader of the Opposition. Well, I have listened very carefully to the intervention of the Leader of the Opposition. He said our Government has not taken into consideration the views of actuaries.

Well, the views of RisCura Solutions, the actuary of NPF, have been taken into consideration to determine that the National Pension Fund will no longer be sustainable in the long time. Before coming with this present Bill, there was a report by RisCura Solutions and I do know that we have taken note of the analysis of RisCura before the presentation of the present Bill. I will come to that in my speech at a later stage. I also know that there were extensive consultations for the preparation of the present Bill contrary to what the Leader of the Opposition has just said.

In fact, there was a Ministerial Committee, a Technical Committee and a working group setup for the preparation of the present Bill. I do also know that in the Technical Committee, there was an actuary and all the views and experience of the technicians have been taken into consideration. On top of that, the working group comprises of many stakeholders, including representatives from the private sector, trade unions and Ministries. So, how can we say that there has been no consultation?

I also wish to clarify another point. The Leader of the Opposition has said that the NPF is being eliminated. This is not correct. Yes, contributions to NPF have stopped. Contributions have stopped, but the Fund will continue to pay benefits to those who have contributed to the Fund until the last person has been fully paid out what is owed. So, we are not taking contributions but the Fund will continue to exist. I can reassure the House that no one will lose out on their contributions. I think we need to understand that the bottom line is this: middle-class employees are contributing less under the new system, yet they will get more benefits than under the previous system. It is worth mentioning at this point that my Ministry knows well as the hon. Leader of the Opposition that we are facing an ageing population. We need to prepare ourselves. We need to analyse the situation, to see in what ways we will cater best for our elderly. So, it is worth mentioning at this point that my Ministry is part of the Inter-ministerial Committee on Demography and National Population Policy chaired by the hon. Vice-Prime Minister and Minister of Education.

One of the key objectives is to cater for the well-being of our elders by providing them with the resources they will need and, at the same time, improving their condition of living. I was present in the meetings and my Ministry has made a presentation. I wish to reassure the House that we are working to see to it that our elders continue to live with dignity and that they have access to adequate financial resources, protection and quality care facilities because this is one of our top priorities. We are well aware of the challenges of an ageing population, Mr Speaker, Sir.

The hon. Leader of the Opposition has also said that the situation is dramatic, but I have not heard him say a word about the global pandemic COVID-19. We all know that the world is going through a tough time. The world is going through a rough phase. The pandemic has affected the life of all of us, be it lower class, middle class, or higher class. I think we need to understand the context in which the present Bill is being presented and we cannot say that the presentation of this Bill has made the situation of Mauritius dramatic and,

at the same time, I want to add that we have taken a series of measures for our people to be able to survive the crisis.

Having said that, Mr Speaker, Sir, let me seize this opportunity to thank the Minister of Finance, Dr. the hon. Padayachy, for coming up with the present Bill. As the House is aware, the main object of the Bill is to provide a regulatory framework for the administration and operation of the new social contribution and social benefits system. Before I explain why this new social contribution and social benefits system is fairer and more equitable to our people, allow me to remind the House of the events that led us to the present Bill being introduced in the House. The House will recall that in the Budget Speech of 2020/2021, the hon. Minister of Finance had proposed a pension reform which is fair, equitable and sustainable for our economy.

La *Contribution Sociale Généralisée*, the *CSG* came into effect through Section 42 of the Finance (Miscellaneous Provisions) Act 2020, which amended the National Pension Act 1976 by introducing a new part V (a) - *Contribution Sociale Généralisée*. This new system was implemented as from September 2020 with the introduction of Regulations 2020. Since the announcement of the *CSG* in the last year's Budget Speech to this day, much concern has been voiced out by different stakeholders. However, through the present Bill, we are bringing an improved approach to pension on so many different levels.

With a view to providing more details and giving clarity on the new contribution and benefit system, we are coming forward with the Social Contribution and Social Benefits Bill which will consequently repeal the *Contribution Sociale Généralisée* Regulations 2020.

As I have mentioned at the beginning of my intervention, Mr Speaker, Sir, there has been consultation with different stakeholders, representatives of the Ministry of Finance and Economic Development, my Ministry, Business Mauritius, Mauritius Chamber of Commerce and Industry and Trade Unions. I do know that there was an inter-ministerial committee, a technical committee and a working group set up for the preparation of the present Bill. So, we are grateful for the constructive inputs brought by all the stakeholders and I do know that many of the constructive inputs have been captured in the present Bill so that we improve our benefits system.

Now, the question is: why are we introducing a new Social Contribution and Social Benefits system? It is important for our people to understand that there is a very valid reason for the decision taken by Government. *Nos décisions ont été prises sur la base des faits en*

tenant en considération le bien-être de la population. We recognise, Mr Speaker, Sir, that these decisions represent major change to the existing pension system.

Since 1978, the National Pension Fund has been the country's key system for the collection of contribution by employers and employees of the private sector. It is, of course, a system that has served us well but it simply would not have been sustainable in the long run.

The decision to shift from the NPF to the new system has not been made lightly, Mr Speaker, Sir. We have taken into consideration many factors, including, as I have said, the analysis of RisCura Solutions Ltd, the actuary for the NPF and also the analysis made by the International Monetary Fund.

Let me take each of these in turn. Let us look at what the IMF had to say about our benefits system. According to the IMF Working Paper 2015 entitled 'Pension Reforms in Mauritius: Fair and Fast - Balancing Social Protection and Fiscal Sustainability', I quote -

"Under the baseline projections, the NPF is not sustainable over this century. Assuming a constant ratio of benefits to the average wage, the NPF would exhaust its funds by 2063 (under our assumption of 3 per cent real return on assets). It would either have to lower benefits, increase contributions, or receive a government subsidy to cover promised benefits with employee contributions and returns from assets. Depending on the rate of return on assets which is an extremely important variable, the NPF's assets might last until 2054 with a 1 per cent real return or until 2085 with a 5 per cent real return. Only assuming a 5 per cent return results in growing balances over the 20 years. The need to introduce reforms to these systems to ensure that benefits do not fall..."

Mr X. L. Duval: Mr Speaker, Sir, on a Point of Order, there have been previous Speakers who have requested Ministers when they are quoting like this, from a document, they may be quoting selectively, I do not know – to in fact table the whole document so that the House can know exactly what is being said. Could we ask the hon. Minister to table the document that she is referring to?

Mrs Jeewa-Daureeawoo: Of course, I have no problem, I will do the needful.

Dr. Padayachy: M. le président, sur un point de clarification.

Mr Speaker: First of all, is this a point of order?

Dr. Padayachy: Point de clarification.

Mr Speaker: Hon. Minister, do you give way?

Mrs Jeewa-Daureeawoo: Yes.

Dr. Padayachy: L'honorable membre vient de dire qu'il faut « *table* » le document quand on est en train de faire référence à un document ou à un fait, j'aimerai bien que lui aussi « *table* » la référence qu'il a faite par rapport à l'État Français, comme quoi l'État Français aime bien taxer, faire des taxes sur les salaires et que, par conséquent...

(*Interruptions*)

Mr Speaker: Order! Order!

Dr. Padayachy: Je peux terminer? Et que par conséquent, ils ont...

(*Interruptions*)

Mr Speaker: Let me deal with the situation!

Dr. Padayachy: ...et qu'ils ont un taux élevé de chômage des jeunes.

(*Interruptions*)

Mr Speaker: Please!

(*Interruptions*)

Mr X. L. Duval: *Ene joke sanela!*

Mr Speaker: Now...

Mr X. L. Duval: *Ene joke ça?*

Mr Speaker: Now, please!

Mr X. L. Duval: It's a joke.

Mr Speaker: Please! You continue.

Mrs Jeewa-Daureeawoo: So, I was saying –

“The need to introduce reforms to these systems to ensure that benefits do not fall precipitously is further exemplified by the fact that absent reforms, by 2100 the NPF will only be able to meet about 37 per cent of projected benefits from the projected level of contributions.”

As you can see, the IMF is of the opinion that the NPF would eventually run out of funds and be unable to pay out the promised benefits, Mr Speaker, Sir. So, planning for the future is as

important as ever even more so that we are now in the middle of a global pandemic. We do realise that these are challenges. Our goal, of course, on this side of the House is to do right.

Let us now have a look at the analysis of RisCura Solutions. In its report on the NPF for the period January 2014-June 2017, RisCura Solutions found that the cash flows will start to be negative around the year 2015 and by the year 2064-2065, the fund will expire. So, this analysis, Mr Speaker, Sir, is very serious. As I have said, the bottom line is that we need to act. We need to take action. Of course, we understand that this analysis is not from Members of Government, these are the analysis of two impartial institutions. They identified major challenges and it is the responsibility of a caring Government to address the challenges. Maybe one would have expected Government to leave things as they were, since we are talking about a situation that would arise in 25 years, but, Mr Speaker, Sir, let us just imagine what would happen if we ignore these warnings and let the NPF continue as it is.

Donc, on ne peut pas prendre des risques. Il faut agir et c'est ce que nous faisons.

Several options were considered –

1. extend the lifetime of the NPF;
2. increase contribution rates;
3. extend the retirement age;
4. increase the value of pension points, or even
5. remove the ceilings.

However, none of these solutions would have been sustainable and Government decided that it would be better not to wait for the NPF, *Fonds de Pension* to worsen. *En tant que gouvernement responsable, nous avons pris les devants pour éviter un scénario qui serait catastrophique pour des milliers de citoyens mauriciens, M. le président.*

The new benefits system is under the responsibility of the Ministry of Finance, Dr. the hon. Padayachy and as he has mentioned in his intervention, of course, payments to beneficiaries will be made through the Social Security Division of my Ministry. Mr Speaker, Sir, employees from the public sector, the private sector and self-employed persons will gain from this reform. Let us have a look at the advantages of the new benefits system.

First, low-income earners contribute a lesser amount than under the NPF. As has been mentioned previously, under the NPF the contribution rate was 3% for an employee and 6%

for an employer. The contribution was capped at a ceiling of Rs19,900 per month, ceiling rate for 2020-2021. On the basis of this ceiling, the employee's share of 3% amounted to Rs597, that is, 3% of Rs19,900, and the employer's share of 6% amounted to Rs1,194, that is, 6% of Rs19,900.

Under the present Bill, employees earning under Rs50,000 will pay 1.5% and their employers will pay 3%, while employees earning above Rs50,000 will pay at 3% and their employers will pay 6%. So, this clearly means that employees earning less than Rs39,500 will end up paying a lower amount than what they were contributing under the National Pension Fund.

So, Mr Speaker, Sir, for the first time, this reduction in contribution concerns some 283,000 employees, representing around 85% employees of the private sector and this implies that their employers will also pay less under the new legislation.

Now, the second point, pension points will no longer be the criteria to earn retirement benefits, Mr Speaker, Sir. It should be noted that under the National Pension Fund, contributory Retirement Pension was calculated by taking into consideration the accumulated pension points which were defined by the contribution made during a person's career. However, under the present Bill, we are doing away with the Pension Points System, we are therefore proposing a system which is simpler and fairer especially for beneficiaries who earn a low salary.

It is good for Members of the House to know that beneficiaries who receive a low salary at the time of the employment, made lower contributions to the National Pension Fund. These low contributions resulted in lower pension points and hence lower contributory retirement benefits. A contributor to the NPF system had to earn at least 150 pension points to become eligible for a minimum pension of Rs605.

Let me take an example, if someone was contributing at the ceiling rate of Rs19,900, it would take more than one year for him to earn the minimum of 150 pension points or Rs605. However, if a person was contributing at the rate of Rs10,000 which implies his salary is lower, it will take him, Mr Speaker, Sir, around eight years to reach the minimum of Rs605. So, we can see there is a disadvantage.

Now, with the coming into force of the present Bill, the pension points system will no longer prevail. Benefits will be payable irrespective of whether the person has contributed to the system or not. So, benefits will be distributed in a fairer and more equitable manner.

The next point, Mr Speaker, Sir, what about the payment of bonus to those receiving retirement benefits? Under the National Pension Fund, beneficiaries of the contributory Retirement Pension were not paid a 13th month bonus. Bonuses, so far, have only been paid to beneficiaries of the Basic Retirement Pension. However, as per clause 23 of the present Bill, provision has been made for the payment of a 13th month bonus to all beneficiaries of the retirement benefit. *Encore une fois, M. le président, les bénéficiaires en sortiront gagnants.*

Another advantage of the new benefits system is the increased ceiling on industrial injury benefit. One particular interesting measure under the present Bill concerns the increase in the ceiling on industrial injury benefit, as detailed in clause 25 of the Bill. Mr Speaker, Sir, you would agree with me that workplace accidents are unexpected and is a source of hardship to any employee. Previously, under the National Pension Fund, the industrial injury benefit paid to private sector employees was based on 80% of the employees monthly earning up to the prevailing ceiling of Rs19,900.

Now, with the present Bill, we are providing a fairer system where the industrial injury benefit will be calculated on the basis of the employee's earning. Under the present Bill, provision has been made for the injury allowance to be based on a ceiling of 80% of the employee's monthly earning capped at Rs50,000.

Let us say under the NPF system, someone was earning Rs15,000 and was injured at work. His recovery period lasts about six weeks. The first two weeks will be covered by the employer and for these two weeks, the employee will be paid his full salary. Any additional period will therefore be covered by the National Pension Fund. For the additional period, the person will receive injury benefit of around Rs12,000 which represents 80% of the monthly earning.

However, if someone was earning Rs50,000 and he got injured for the same number of weeks, as in the case I have just mentioned, for the period covered by NPF, that person would receive an injury benefit of only Rs15,920 which represents 80% of the ceiling rate of Rs19,900. So, with the new benefits system, the employee who is earning Rs50,000 and gets injured at work would receive Rs40,000. So, as you can see, Mr Speaker, Sir, the ceiling has changed to the benefit of employees.

Let me tackle another important point, industrial injury to self-employed individuals. We are taking a step further, Mr Speaker, Sir. Under the present Bill, we have taken into

consideration self-employed individuals. It should be noted that under the National Pension Fund, self-employed persons were not receiving any industrial injury benefits. We are all aware how difficult it is for a self-employed person to meet his expenses if he is not working. So, our Government has deemed it necessary to provide support to self-employed persons in such difficult times. With the proposed benefit system, when a self-employed person suffers from an industrial injury, he will also be entitled to an industrial injury benefit equal to 80% of his monthly earnings.

Mr Speaker, Sir, I must add that we have also taken into consideration the hardship faced by their families in case the self-employed person passes away due to injury sustained during his profession. In such cases, a survivor's pension will be paid to the person's spouse, representing half of the deceased person's monthly earnings.

So, the Bill also makes provision for a disablement benefit in case the self-employed person is found to be partly or fully disabled as a result of the injuries sustained.

Mr Speaker, Sir, without these reforms, these persons would have continued to face the same hardship as before. We do not believe that anyone should be left behind. We want to bring support and relief to our citizens. That is the main motivation behind these new changes.

To conclude, Mr Speaker, Sir, let me highlight that one of our Government's priorities has always been the sustainability of a strong welfare state. We want our citizens to benefit from a good quality of life once they retire. We are well aware of the reality of an ageing population. We must, therefore ensure that our people live well after retirement, not only that, with increased longevity we must also ensure that our people will live well for longer. We must consider the needs of all members of our population. So, the purpose of this Bill is to bring enhanced benefits as opposed to the lesser benefits previously available under the National Pension Fund system.

The present Bill, Mr Speaker, Sir, is a solution for a safe, fair and equitable system of social benefits to all, not only one category but to all our citizens. The Bill is a clear sign that our Government remains steadfast in its commitment to continuously improve the quality of our people. So, Mr Speaker, Sir, on this side of the House, we welcome the Bill and we support the hon. Minister of Finance, Economic Planning and Development. He has done a great job. We realise that it has not been easy for him but what is more important at the end

of the day, the Social Contribution and Social Benefits Bill is in the House. We are all with the hon. Minister of Finance, Economic Planning and Development and we wish him well.

Thank you.

Mr Speaker: At this stage, I suspend the Sitting for 30 minutes.

At 4.45 p.m., the Sitting was suspended.

On resuming at 5.20 p.m. with Mr Speaker in the Chair.

Mr Speaker: Please, be seated! Hon. Reza Uteem!

(5.20 p.m.)

Mr R. Uteem (Second Member for Port Louis South & Port Louis Central): Thank you, Mr Speaker, Sir. Mr Speaker, Sir, we are grateful to our *gran dimun* for their contribution to the socio-economic development of Mauritius. Most of our retirees today were the ones who contributed to the economic miracle in the 1980s. They work hard all their lives and we have a duty to look after them when they retire.

With the coming into force of this Bill, persons who have attained the age of 65 will receive a retirement benefit of Rs4,500 per month as from 01 July 2023. Everybody should have been happy about that decision but then why is everybody criticising this Bill? Why are experts saying, and I quote –

“This is a disaster in the making that CSG est un Betamax à répétition avec un trou de R 5 milliards par an. Je lance un appel aux députés de ne pas voter cette loi et j’espère que ceux qui vont voter en faveur de la loi auront la conscience claire.”

Those criticising the Bill, Mr Speaker, Sir, are not people from the Opposition, they are actuaries, they are economists, they are professionals and they are experts in their fields. So, why is the Government not listening to the experts? From the minute the *Contribution Sociale Généralisée* was announced in last year's Budget, it has been criticised for being unfair, discriminatory, and unsustainable. We even have debated a motion of disallowance in this House last year. There are at least 3 cases today pending before the Supreme Court, challenging the *Contribution Sociale Généralisée*. Yet, Government is going ahead with the Bill; Government is going ahead with *Contribution Sociale Généralisée*, and the Government is paying no heed at all to the warnings of experts.

Mr Speaker, Sir, the root of the problem is our ageing population. Today, families on average have less children and people live longer. Life expectancy at birth according to Statistics Mauritius is now 71 years old for boys and 78 years for girls. The share of population aged 60 and older, currently at 16.8%, is expected to reach 35% of the population; 35%, by 2058!

According to the statistics sector of the Ministry of Social Security, as at June 2021, there were 240,714 beneficiaries of Basic Retirement Pension. More than 240,000 old age pensioners and the trend is on the increase. Yet, despite our aging population, public pension spending has been steadily on the increase. For example, in 2013 public spending pension stood at 3.7% of GDP. According to the World Bank, it will stand up 10% of GDP in 2024 and it will increase to 14% of GDP by 2050.

Mr Speaker, Sir, an aging population and a decline in workforce mean heavier burden on the shoulders of the working population. It means that the active population, those who are working, will have to work harder to pay for the pension of retirees.

Back in 2015, the IMF published a working paper on pension reforms and pointed out that –

“This rapid increase in Basic Retirement Pension could threaten the overall long-term sustainability of public finances.”

More recently, in April of this year, the World Bank in its report on Mauritius stated and I quote –

“Further increases in Basic Retirement Pension would threaten the financial sustainability of the entire social protection system and do not seem justified from an equity point of view”.

So, Mr Speaker, Sir, there is a definite case for pension reform in Mauritius. Last time an attempt was made to reform pension was way back in 2004. One will recall the Budget 2004-2005 presented by the then Minister of Finance, hon. Pravind Kumar Jugnauth, where he stated, and I quote –

“Government transfers are simply not sustainable if they are universal and open-ended. This puts a limit on our capacity to do more for the poorer segment of the population. I believe that this is an issue that calls for a bold decision. I am therefore implementing this year at targeted approach to Basic Pensions. As from October

2004, payment of Basic Retirement Pension (BRP) will be limited to persons with monthly income not exceeding Rs20,000”.

Back in 2004, the hon. Pravind Kumar Jugnauth, Minister of Finance, introduced the notion of targeting *ciblage* and the Government paid a heavy political price for introducing targeting at the 2005 general elections.

Mr Speaker, Sir, the population was not prepared for targeting *ciblage*, means-tested pension back in 2004. The population is still not prepared for *ciblage* and means-testing pension today. So, *ciblage* is out! Then how do other people deal with an aging population with a declining workforce?

Typically, all countries adopt a two-tier pension system. First, Government provide a universal pension to alleviate poverty at all age for everyone. This is our Basic Retirement Pension what we call in Mauritius ‘*pension de vieillesse*.’ The aim is to ensure that all citizens of Mauritius, when they reach the age of 60, they have a minimum amount of money so that they are out of the property trap.

But, in addition to this Basic Retirement Pension, in other countries, in most countries, Government also provides a pension system which allows individuals while they are working to put away some part of their salary into a fund, then this fund is invested and when the person retires, he get a lump sum or a monthly pension from that fund. This is what we call contributory pension. The aim of contributory pension is to top up on the Basic Retirement Pension to ensure that when a person retires, there is not a significant drop in his revenue which he was earning when he was still working.

Today, employees in the public sector and parastatal sectors have a Contributory Pension Scheme; they are covered by the Civil Service’s Pension Scheme and Statutory Bodies’ Pension Fund. They get to 2/3 of their final salary after $33\frac{1}{3}$ years of service.

So, civil servants and employees in parastatal bodies already get two types of pension

-
- (i) the Universal Pension – *pension de vieillesse*, and
- (ii) a contributory pension.

A similar scheme was introduced to private sector employees in the form of the National Pension Fund. Employees used to contribute 3% of their salaries, employers could contribute 6% and the ceiling was Rs18,740. When the employees retire, they would get a

pension of up to Rs6,000. So, under the National Pension Fund, employees of the private sector were like employees of the public sector; they were also getting *pension de vieillesse* and they were getting a top up, additional through the contributory system National Pension Fund.

Now, the hon. Minister of Social Security said that the National Pension Fund was unsustainable. And she referred to a document, the IMF working paper, I happen to also have the same document, Mr Speaker, Sir. And what the document says and I read, is the following –

“The NPF appears relatively sound...”

I repeat –

“The NPF appears relatively sound until about 2050, but it is projected to show a substantial deficit over the longer term”.

This is what IMF says; it did not say that NPF is unsustainable today, unsustainable should be scrapped! It says it is relatively sound until 2050 and we are now in 2021. 30 years! We still have 30 years of sustainability and today you have a Minister of this Government, quoting from IMF to justify and saying that IMF said that it was unsustainable!

An hon. Member: *Li pa konn lir!*

An hon. Member: *Table sa pou li!*

Mr Uteem: In the conclusion of that Report, Mr Speaker, Sir, IMF did not say abolish NPF. You know what the IMF said? The IMF recommended the contrary; it recommended that civil service define contribution scheme and the NPF, the contributory scheme for the public sector and the contributory scheme for the private sector be merged together. He also recommended that the National Saving Funds also be merged together with the National Pension Fund; it never said to abolish, scrap the National Pension Fund.

But instead of reforming the National Pension Fund as recommended by the IMF, Government decided to stop contribution to the NPF as from 01 September 2020 and instead Government introduced a new tax: *Contribution Sociale Généralisée*.

Mr Speaker, Sir, I started by telling what the problem was. The problem is: we have an aging population. Aging population, people living longer, needing more money when they retire. Declining workforce, so less people entering the market because we are having less children. So, there is a lot of pressure on the workers to work hard to pay for the retirees. That

is the problem! And what is the solution proposed by this Government? The solution is: the pension, which the workers cannot pay now, will increase it further. The contributory pension which was going to give you more money when you retire, the NPF, we are going to scrap it and we are going to tax you more. This is the solution; ageing population so we tax more the people. But, Mr Speaker, Sir, the hon. Minister of Social Integration, Social Security and National Solidarity just before me spoke about the pandemic, spoke about the economic crisis. We know the state of the economy; we know that the public debt has exceeded 100% of GDP.

Now, when you are having an economic crisis, now when people are threatening to sack employees, the solution by this Government is to tax workers? Tax workers, because this is what we are doing. It is a tax on sweat; it is a tax on people who work, because social contribution does not concern those who derive passive income. Oh no, if you are wealthy, you possess a building, you rent out your houses, you get rent, you do not pay contribution on that rent. If you are rich, you have money, you put in the bank, you get interest, you do not pay social contribution on that interest. If you have money, you invest on the stock exchange, you get dividends, you do not pay social contribution on that dividend. Only those who work, only those who sweat are the ones who are targeted because this is a targeted pension on people who work in this country.

(Interruptions)

An hon. Member: Caring Government!

Mr Uteem: And now, Mr Speaker, Sir, if you have a person who has to choose between putting his money in a bank account and not paying tax, between putting his funds on the stock exchange and not pay tax or employing people and pay tax, what do you think they are going to do? So, what is being proposed today is a distortion of resources, it is going to divert resources away from productive sectors of the economy to passive income.

Now, who will pay this tax? The hon. Leader of the Opposition went at length on it, I am not going to repeat it but just some summarise. You will have those in the private sectors, they pay up to 9%; 3% employees, 6% employers. Public sector, as at the law, the way it is correctly drafted, civil servants and public sector employees do not have to pay contribution, it is the Government, their employer who will pay for them, and when we say Government will pay, it is not Government, because Government does not have money, it us tax payers

who pay that, you know, *lepep*. *Lepep* will now pay the contribution for civil servants and the Minister of Finance says that is just system.

Why is it that someone from the private sector has to pay tax but someone who is employed as a civil servant does not have to pay tax? What is the basis for that? Is not that a blatant case of discrimination? However, as the Leader of the Opposition rightly pointed out, when we look at the fine print of this law, there is a Section 42 (2) of the Bill where one can read that the Government, the employer, will pay Social Contribution on behalf of public sector employees until such time and in relation to such category of public sector employees as may be prescribed. So, the Government has left a door open for the Minister of Finance, by regulation, to decree that certain categories of public sector employees will have to bear their own share of social contribution.

Next, the self-employed; under the *Contribution Sociale Généralisée* Regulation of last year, everybody was going to pay Rs150 per month irrespective of their income. Again, that was a blatant case of discrimination. Now, with this Bill there is a graduated payment and the self-employed will be paying up to 3% of 90% of their income. Again, I do not understand why the Minister of Finance decides that for private sector you pay on your income 3% of your salary, but if you are from the self-employed you pay 3% of 90% of your revenue.

So, I do not understand again why this discrimination between these two categories of employees, but what I do know, Mr Speaker, Sir, is that during the pandemic, during confinement, a lot of self-employed were lured into registering themselves with the MRA. And now, the MRA has a database of more than 260,000 self-employed and now, these self-employed will be chased by the MRA to pay the *Contribution Sociale Généralisée* and if they do not pay it, they will have penalty, they will have a fine, but they will also be liable to Rs50,000 fine and an imprisonment of up to 12 months. So, all *coiffeuses*, everybody, taxi owners, *maçons*, *marsan dholl puri*, beware if you do not pay *Contribution Sociale Généralisée*, now this caring Government can put you to jail for up to 12 months if you do not pay your meagre Rs150. And you have pay it by electronic. Ah no, you cannot pay it by cash or check. You have to invest in a computer - Rs50,000, pay the internet connection and then make a transfer to the MRA for Rs150. This is this Government's idea about fairness.

Now, let us turn to the benefits. Section 18 of the Bill provides that a person shall be entitled to social benefit at retirement age 65. But then, Section 21 of the Bill provides that

persons who are employed in 6 categories, 6 sectors; construction sector, public transport, salt-manufacturing industry, sugar industry, tea industry, these employees can opt to retire before the age of 65 and get their lump sum before the age of 65, and not a word by the hon. Minister for again this discrimination. Maybe there are valid reasons, but I want to know why I will have to wait till I am 65, but not other people, not people from these six sectors. Why would a civil servant, whom PRB allows to retire before 65, not be eligible for getting contribution benefit before the age of 65 despite what PRB says, despite what their scheme of service says; they will not be getting that social contribution before 65, but people from six sectors will. So, another example of blatant discrimination in this Bill!

The social benefit will be Rs4,500. So, if we add that to the current pension of Rs9,000 that gives you Rs13,500. Oh well, but today the minimum wage is Rs10,200, so is the hon. Minister of Finance telling me that someone who is going to work in this country will earn only Rs10,200 but someone who does not work, who is retired will get Rs13,500? Is that his definition of fairness? You work; you get paid less than if you do not work. So, I think the hon. Minister of Finance will have to come up and the Minister of Labour is not here. I know that you cannot change minimum wage for five years, but I think you will adjust because Mauritius will be the only place on earth where if you do not work you earn more than if you work.

Then again, you know, this is a wonderful piece of Bill that we are being asked to vote. You know, work less, and get paid more. This is what we are asked to vote. Mr Speaker, Sir, the Bill provides for social benefit to be paid for industrial injury, disablement benefit, survivor's benefit, orphan benefit, we are all in favour of all this, we all in favour of increasing the amount that is payable to someone after an accident and if he passes away, the amount to be paid to the handicapped and the widows. But what about the other disabled persons, the other widows, the other orphans? We all know that today the pensions of old age, widows, orphans, are linked in a way to old age pension. So, whenever old age pension was increased, the pension of widows, disabled persons and orphans were also increased.

Now, since the pension for old age has been frozen to Rs9,000, the pension for widows, orphans and disabled persons have also been frozen. So, I would like to know what would happen. Is it a policy of the Government now that disabled, orphans and widows will no longer get any increase? Or is it the policy of Government that come 2023, when old-age pension will be increased by Rs4,500, there would be a similar increase for widows, for orphans and for the disabled? So, I think this is something we need to know because we need

to budget what will be the total cost and whether this is going to be a *trou* larger, even larger than what the actuaries are projecting.

Mr Speaker, Sir, the problem of this Bill is that not only is this system discriminatory but it is also unsustainable. It is unsustainable because social contribution under the Bill will not be sufficient to pay for the social benefits. And you do not need to be an actuary; you do not need to be a rocket scientist to know. It is a simple mathematics calculation. If we assume roughly that there will be 200,000 people who would be eligible to get social benefit by 2023, 200,000 people, we multiply that by Rs4,500, which is the increased pension, and we multiply it by 13 months because we include the *bonus de fin d'année*, we get the sum of Rs11.7 billion. So, roughly, very conservatively, we are talking about social benefit in an amount of Rs11.7 billion. Now, how much does the hon. Minister of Finance intend to collect from the social contribution? Answering to a PNQ last year, on 12 June, the hon. Minister of Finance stated, and I quote –

« La CSG, selon les estimations qu'on a faites pendant la période budgétaire, va rapporter R 3 milliards. »

That is what he started by saying, it is going to bring only R 3 *milliards*. Then, when he presented his Budget Estimates, he estimated the revenue to be R 3.99 billion, so, R 4 billion. So, in between that already increased it by R 1 billion. Then, this year, when we voted the Budget, when we looked at the Estimates, it is at page 464, Appendix A, we found out that Government did not get R 3 billion, did not get R 4 billion, but, apparently, Government got R 6 billion, R 6 billion collected last year. R 6 billion from us and we have not got one penny additional pension. Our old retired people were told they cannot get pension in January because we need the money to buy vaccines, and yet we contributed Rs6 billion, according to this.

Now, next year, the Ministry of Finance is expecting Rs9.1 billion. And this is extremely optimistic because I think that there is more likely people are going to retrench than to expend. So, there is more likely that people will be paying less money, less salary than increase. But let us assume that the Ministry of Finance, Economic Planning and Development is right and it is going to get Rs9 billion in collection. Out of this Rs9 billion, Rs2 billion would be contribution by the Government into the tax. So, we have to take that away because the Rs2 billion is already from the Consolidated Fund. So, we have amount payable, Rs11.7 billion in social benefits, amount which is going to be collected through

social contribution would be Rs7 billion. So, this is where you have the deficit of Rs5 billion. This is why experts are referring to an annual recurrent Betamax. This is the Rs5 billion, *le trou de 5 milliards* of this. And we are talking about now, 2023. Going forward, it will increase even more because social benefits will be much more as more people get retired and *contribution sociale* will shrink as there is less working population. So, this formula is simply not sustainable and will create even more pressure on Government finance.

Mr Speaker, Sir, the problem with this Government is that it does not want to listen. It does not want to listen to the Opposition, I can understand it. But, at least, listen to the experts, listen to the actuaries, listen to the professionals in this field because we cannot run a country by trial and error. You cannot use Mauritius for experimental economics. Look what has taken your decision to take money from the Bank of Mauritius. We criticised that decision unheard of and today, the rupee has depreciated, it is Rs42 for US\$1. And the Government is having to pay Rs500 m. in subsidies because all the prices are increasing. Yet, we had warned the Government, if you start taking money from the Bank of Mauritius, there would be a depreciation of the rupee, and this is what has happened. So, we are now also warning the Government, do not go ahead with this Bill, because it will have a disastrous consequence on the workers and especially on future generations.

Mr Speaker, Sir, before resuming my seat, I have to comment on what I consider to be a most improper, *impair* vis-à-vis the Judiciary. Mr Speaker, Sir, as you are aware, Standing Orders, Erskine May and your own ruling, Mr Speaker, Sir, consistently reminded us not to talk about a case which is pending before the Court. It is not just out of respect for the judiciary, but it is also because of the doctrine of separation of powers, it is enshrined in our Constitution. Yet, today, we know there are at least three cases pending before the Supreme Court challenging the *Contribution Sociale Généralisée* entered by Business Mauritius and another employer. The first one is about a judicial review case, challenging the *Contribution Sociale Généralisée* Regulations. The second and third one challenges the constitutionality of the amendment to the National Property Fund and the *Contribution Sociale Généralisée* Regulations. Serious questions need to be answered by the Supreme Court –

- Is the law in breach of Section 1 of the Constitution?
- Is it in breach of Section 2, which enshrined the supremacy of the Constitution?
- Is it in breach of Section 3, which provides for the principle of protection against discrimination and equality before the law?

- Is it in breach of Section 8 of the Constitution, which upholds protection against the deprivation of property without compensation?
- And is it in breach of Section 45 (1) of the Constitution, which empowers Parliament to make laws for the peace, good order and good governance of Mauritius?

So, this case is already before the Court, and the Court is going to decide whether *Contribution Sociale Généralisée* Regulations are anti-constitutional or not. And today, in this House, we are coming with a Bill, and Section 40 of that Bill states –

“The *Contribution Sociale Généralisée* Regulations 2020 are repealed.”

Making a mockery of all the cases that are before the Supreme Court! Yes, the Legislature, Government knows they have a majority in Parliament. So, what they are doing? They are using, they are abusing their majority of Members to change a law when the Supreme Court is reviewing that law to see whether it is constitutional or not. But I think it is just *partie remise*, Mr Speaker, Sir, because even if this regulation is repealed, I have no doubt that this Bill will be challenged on the same ground of anti-constitutionality.

Mr Speaker, Sir, there is more. The timing of this Bill is not innocent. At the very moment when this Bill was being presented and read for a first time, the Supreme Court was hearing the election petition of Mr Suren Dayal contesting the election of the Prime Minister and his two colleagues. And the first thing the Supreme Court will be called upon to determine, and that is in the plaint, is whether the promise made by the hon. Prime Minister that he will increase Basic Retirement Pension to Rs13,500, if he is elected for a second mandate as Prime Minister, amounts to an act of bribery. And I quote from the petition –

‘If this amounts deliberately and purposely, engineered with a corrupt motive designed to procure votes in order to secure the election of Respondents 1, 2 and 3.’

Mr Speaker, Sir, at the time where the Supreme Court is questioning whether Rs4,500 that is going to be paid in 2023, is an act of bribery or not, we have the same Government and the Prime Minister whose post is being challenged in that petition, the Prime Minister comes here and he is going to intervene. How indecent! He is going to intervene in the Bill in Parliament when he is still sitting in a box talking about the same thing whether this increase in pension is an electoral bribery or not!

Mr Speaker, Sir, I think this is most improper and it is with great regret that we are being called upon to condone such an alleged act of bribery, and I would not be a part of it.

Thank you.

Mr Speaker: Hon. Mrs Koonjoo-Shah!

(5.52 p.m.)

The Minister of Gender Equality and Family Welfare (Mrs K. Koonjoo-Shah):

Mr Speaker Sir, thank you for allowing me to bring my two cents to this really important Bill. Allow me to start by congratulating my colleague, Dr. the hon. Renganaden Padayachy, the Minister of Finance, Economic Planning and Development for introducing the Social Contribution and Social Benefits Bill to this House.

The Bill, Mr Speaker, Sir, is a review of our pension system and it provides for a new social contribution and social benefits system. The essence of this Bill is captured in the title itself, and that is ‘contribute and benefit more’.

I have listened very attentively to the hon. Member who spoke before me. He did mention the IMF and I would like to remind the House that the IMF actually urged to review, to reform our pension system and I am happy to note that hon. Uteem agrees that we need this reform. Should we have waited until 2050 to bring about this reform? I don't think so. We are reforming the pension system on the principles of equity and fairness. The hon. Member who spoke before me also talked about why the views of actuaries were not sought. They were sought, they were taken on board. He also mentioned that we have a problem of aging population. Ageing population within this debate is not the bone of contention, Mr Speaker, Sir. What we must put our focus, our emphasis on is the quality of life after retirement. That is our consideration when we bring such a Bill to this House and there seems to have been an amalgamation of the pay to a retired person with that of a working person and pension upon retirement. It is a very simple question. The elderly who have contributed and sweated - the word ‘sweat’ was used repeatedly - those elderly people, are not they entitled to a decent living upon retirement? This is the essence of this Social Contribution and Social Benefits Bill, Mr Speaker, Sir.

The hon. Member who spoke before me acknowledged that he is happy that there will be an increase in the amount paid out as injury. There has been no increase in that amount, Mr Speaker, Sir, because there have been no provisions for this previously. This is the Bill that is introducing this landmark provision. I also recall the hon. Member saying that there will be a *trou* if this Bill is passed, a *trou*, a hole and that he was urging the hon. Minister of Finance to do simple Mathematics. The hon. Minister of Finance is the expert on this side of

the House. I would suggest to the hon. Member on the other side of the House to let us do our job. This is what we do and we do it well.

Coming back to the essence of the debate, Mr Speaker, Sir, it is true that the average life expectancy has increased over the years in Mauritius and in view of providing a better living, a more dignified life after retirement, this Bill caters for a provision of an addition, a surplus to the basic retirement pension. The Bill, Mr Speaker, Sir, is simply founded on the principle of equity. Equity Mr Speaker, Sir, illustrated in four words: everyone contributes, everyone benefits.

The more you earn, the more you pay and the less you earn, the less you pay. In addition, following an injury at work, like I just mentioned, it caters for enhanced social benefits such as industrial injury benefit, disablement benefit, survivor's benefit, orphan's benefit and a myriad of other social benefits unheard of before.

Mr Speaker Sir, the Bill is mostly geared towards benefiting those who are at the lower end of the ladder, as well as those who provide their valuable contribution to the economy of our beautiful country. The Bill makes provision for the payment of a monthly social contribution by employers and employees working both in the public and private sectors, including self-employed persons.

The Social Contribution and Social Benefits Bill, Mr Speaker, Sir, provides for different rates of social contribution based on the bracket of earnings. If we consider Clause 4 of the Bill, where a participant - not a self-employed participant - is earning Rs50,000 or less in a month, his social contribution would be at the rate of 1.5 per cent of that remuneration and his employer shall contribute to the extent of 3 per cent of that remuneration.

Let us, now, consider, Mr Speaker, Sir, someone who is in a domestic service, that is, someone who works in a private household, there are so many of them, for example as a maid, a cook, a gardener, a driver, a carer, *garde-malade*, and does not earn more than Rs3,000 in a month, whether it is from one or more employers, that person is not going to be called upon to pay or be required to pay any social contribution on that remuneration. Again, Mr Speaker, Sir, we must clearly acknowledge that this Bill is in favour of those at the end of the ladder.

Mr Speaker, Sir, the Bill also caters for those who are self-employed and I understand this might sound very daunting because it is a first in our economic history where a self-employed deriving a net income not exceeding Rs10,000 per month, is being required to pay

a social contribution of only Rs150 per month which represents a fraction of 1.5% out of his monthly earnings, Mr Speaker, Sir, amounting to just about 5 rupees per day. Daunting, I agree it is daunting, but let us try and look further than the 5 rupees per day. Should anything happen to that unemployed person, God forbid, in the past there have been zero provision for his loved ones, now that 5 rupees per day is setting the scene for a guaranteed benefit that his loved ones would have a right to, should anything happen to that person. And this Bill captures and reflects this fairness.

Mr Speaker Sir, the Bill as explained earlier, is based on the principles of equity; equity meaning fairness and there is a fair contribution as opposed to a basic standard contribution which is used to be applied evenly for everyone. We should, as Mauritians, as people who love our motherland, recognise the significance of coexisting within our community. We should also be thinking along the lines of what we can do for the society.

Mr Speaker, Sir, I firmly believe that the question should not always be what the country can do for you but what you can do for your country once in a while and Mauritius is known, Mr Speaker, Sir, as a Welfare State and for a number of years, we have acknowledged that this particular system, that is, the pension system needs to be reviewed in order to render it sustainable.

Again, should we have waited according to hon. Uteem who spoke before me, should we have waited until 2050 to bring about such a reform? Mr Speaker, Sir, it is excellent to be having a debate and we are allowed, we are given the opportunity to share our views on this important Bill. Debate is very good but listening to the last part of the intervention of the hon. Member who spoke before me. The debate should be kept within the parameters of the Bill rather than using it as an excuse, as a platform for debating, for instilling doubts in peoples' minds, distorting public opinion, mixing issues. It is a misuse of the privilege.

Mr Speaker, Sir, this Government's foremost priority is and remains the well-being of all its citizens. This has time and again been demonstrated with an apt demonstration being through the budgetary measures that were announced recently and the values and ethics that guide this Government's policy towards our elders are gratitude, respect, compassion and dignity. The Members on the other side of the House have canvassed the provisions of this Bill but the critical, the pivotal question remains whether it is fair, Mr Speaker, Sir, that till now some citizens deriving an income because of the category of their employment: They are fulfilling their social responsibilities through contributions while other people deriving other

income, sometimes much bigger incomes, have no social contribution because of the nature of their employment.

That is the unfairness that this Bill is rectifying today, Mr Speaker, Sir. *M. le président, nous sommes tous ici, aujourd'hui, à débattre de ce projet de loi parce que le principe d'équité l'exige.*

The Social Contribution and Social Benefits Bill will undoubtedly bring a positive difference in the lives of our elderly. The House, Mr Speaker, Sir, will recall that in 2014, the old age pension was only Rs3,623. To restore the dignity of our pensioners and taking into account the increase of cost of living, this Government increased the pension to Rs6,210.

Coming to one of the arguments put forward by the hon. Member who spoke before me regarding Electoral Manifesto. As per our Electoral Manifesto, this Government in 2019, led by the hon. Prime Minister, Pravind Jugnauth, who standing true to his word as usual, increased the basic pensions to Rs9,000. Mr Speaker, Sir, what we cannot and should not forget and I believe the population will not forget either. The hon. Member before me qualified this as a bribe. We should put the question to our elders. Do they consider this a bribe? Bribe is, I will give you an example. A bribe is *enn pake macaroni, sa ousi expire*, expired one. That is bribe.

Looking after our elderly, ensuring that they have a dignified retired life is not electoral bribe, Mr Speaker, Sir. This Government had the genuine intention to implement this life-changing measure and we translated this intention into a reality and that is a fact. Also, we cannot forget that, not to be mean, but the copycats on the other side of the House, the wannabes of the other side of the House with the intention of coaxing, of cajoling the electorates just to win elections. They did try to mimic this proposal about increasing the pension. They did try and we all know the outcome, Mr Speaker, Sir. *Gore ousi pan kapav gore* and the outcome was clear.

Mr Speaker, Sir, what is important to note is that this Bill provides for the payment of two types of social benefits namely the social benefits on retirement and the social benefits due to industrial or work injury. The payment of retirement benefit and industrial injury benefits people who work in the private sector, employees of SMEs as well as those who are self-employed and this is what I call fairness, Mr Speaker, Sir. Throughout this Bill, we can see equity and fairness shining through.

Mr Speaker, Sir, Clause 20 of the Bill provides for a non-citizen who is residing in Mauritius to be paid social benefits on retirement, provided he satisfies the necessary requirements and again, it is a vivid illustration of fairness given that they have contributed to the economy and the development of the country. The social benefits would indeed be paid out of the consolidated fund which is a guarantee provided in this piece of legislation.

Mr Speaker, Sir, in any system and to keep pace with the challenges and changes, it is important to have a review mechanism and this Bill provides for a Social Benefits Review Committee in order to make recommendations to the hon. Minister of Finance, Economic Planning and Development with the aim of enhancing the social benefits, maintaining its sustainability while at the same time not waiting for 2050 to do so and obviously taking into account social economic factors, for example, erosion of purchasing power.

If we roll back, we go back to the early 80's, Mr Speaker, Sir, when our country was in an economic despair, when foreign institutions like the one mentioned before by the hon. Member of the other side, the IMF. When such institutions were imposing stringent measures, where the choice either to comply with everything being shoved upon us or to hone, to shape our future.

Mr Speaker, Sir, we chose the latter despite severe criticism, despite predictions of doom and it happened that the choice was a daring one, but the correct one and ultimately this very choice came to be termed, to be coined as the *miracle économique*. Similarly, Mr Speaker, Sir, in this unusual, unprecedented situation in which sometimes I get the impression that the hon. Members on the other side seem to put on the back stall, seem to ignore in what difficult economic crisis we are going through. In such a situation, this Government is taking bold measures. These measures are there not only to boost our economy but this Government is putting so much emphasis on the social well-being of our citizens.

Mr Speaker, Sir, this Bill is yet another concrete measure in favour of all our people, especially those who need us more. I would once again like to congratulate my colleague, the hon. Minister of Finance, Economic Planning and Development for daring to bring such an important piece of legislation to the House and I am done. I thank you all for your attention, Mr Speaker, Sir.

Mr Speaker: Hon. Dr. Aumeer!

(6.10 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 share my views on the Social Contribution and Social Benefits Bill. Before passing my comments, I would just like to mention something on what hon. Mrs Koonjoo-Shah just mentioned. Her speech is based centrally on the principle of equity - equity, being defined, as I understand it, being fair and impartial. Whilst she does acknowledges, the more you earn, the more you pay and the lesser that you earn, the less you pay, I cannot understand how she reconciles the fact that equity to those who are at the lower rung of the salary ladder and who are forced to contribute and, if not, they will have to pay a fine or be sent to jail.

Mr Speaker, Sir, in a nutshell, this Bill is proposed to repeal the *Contribution Sociale Généralisée* Regulations 2020 and amend the National Pension Act.

Mr Speaker, Sir, with regards to our economy, several red lights are flashing. The continued accrued debt, created by the pandemic is unprecedented and will have to be repaid mainly by those who are young today. Many young Mauritians think the system is geared towards the elderly and rightly so, they feel the sense of burden.

Mr Speaker, Sir, the younger generation today know they will have to work harder to support this new pension system but they also know that they won't benefit from it because it will not be able to sustain them when they reach retirement age, irrespective of what is being claimed loudly.

Mr Speaker, Sir, this regime does not have an internally consistent plan to tackle the economic and financial fallout from the Coronavirus pandemic, revive the fortunes of the economy with new investment plans and thus re-comfort the future generations that it will not be dimming their hopes by leaving them with a bankrupt economy. The Government must stop fooling the young people!

M. le président, cette ébauche de loi est consacrée à deux parties distinctes –

- (i) un paiement mensuel de retraite de R 4,500 à toute personne au-dessus l'âge de 65 ans, et
- (ii) le rétablissement des prestations en cas d'accident de travail et d'incapacité et les bénéfices de paiement qui s'ensuivent.

M. le président, l'implémentation du CSG depuis septembre 2020 a été le sujet de divers discussions, débats, actions légales et opinions particulièrement pour ceux opérant

dans le secteur privé, employés et employeurs confondus et ceux qui travaillent indépendamment à leur propre compte, professionnels, semi-professionnels, artisans, travailleurs manuels, parmi tant d'autres.

M. le président, il est évident que depuis sa conception, le CSG à la sauce mauricienne a connu beaucoup de divergences et son accouchement tardif se fait au forceps, à l'instant même, de ce projet de loi qui vient remplacer le CSG.

M. le président, cette pension, selon les actuaires experts en économie, coûterait environ 8.5% du PIB en 2023 et pourrait aller même jusqu'à 22% du PIB en 2060. Le ministre des Finances est redétable envers ce Parlement. Les mauriciens, comment ils vont financer cet item dans le budget national ? Mais de part de son attitude et son allocution plus tôt, le ministre donne l'impression qu'il n'est nullement concerné à nous expliquer ces chiffres.

M. le président, l'estimation par plusieurs acteurs de la société d'économie est que le budget devrait consacrer R 11 à R 12 milliards pour les pensions du CSG à sa première année et beaucoup plus en 2023-2024. C'est donc avec raison que la Banque mondiale avait proposé que la pension CSG soit ramenée moins de R 4,500 et si le ministre s'entête à garder ce chiffre à R 4,500, il va falloir sûrement doubler les taux de contributions ou encore, doubler ou augmenter les autres taxes très, très rapidement dans un proche avenir.

M. le président, en attendant que cette loi soit décrétée constitutionnelle ou anticonstitutionnelle et non-avenue, suite à des procès légaux, l'épée de Damoclès pèsera sur toute une future génération qui devra payer les conséquences. N'oubliez pas l'astuce de *repeal* le CSG, c'est pour ne pas donner suite au procès déjà engagé.

M. le président, ce nouveau projet de loi vise aussi directement ceux qui ont bénéficié le *Self Employment Assistance Scheme* et le *Wage Assistance Scheme* et tous petits entrepreneurs : chauffeurs de taxi, marchands de gâteaux, *dhollpuri*, coiffeurs, travailleurs manuels dans le secteur de la construction, tous ceux qui ont un *BRN*, car il va falloir contribuer pour le *Consolidated Fund*, duquel aucun participant n'a aucun droit de regard sur les contributions qu'il a fait; différent des temps où on pouvait demander à la *NPF*, son accumulation de contribution.

M. le président, comme je l'ai déjà dit dans cette Chambre, les aspects techniques de hautes finances et d'économie ne sont pas mes expertises. Mais en tant que représentant élu

de cette nation, je me fais la voix des gens qui sont hautement concernés par cette bombe à retardement, comme l'a bien décrite certains parlementaires expérimentés.

M. le président, en essayant de comprendre tous ces manipulations des chiffres et les impôts et les pourcentages d'impôts déguisés sur des salaires de 1.5 % à 3 % et les plafonds de salaires applicable pour chaque catégorie et c'est inconcevable que celui ou ceux qui ont préparé cette ébauche de loi, n'a pas pu voir la disparité de contribution par un entrepreneur qui travaille à son propre compte et la contribution, c'est-à-dire, cet impôt déguisé qui lui est imposé et ce qu'il va avoir éventuellement comme *Basic Retirement Benefit*.

En sachant très bien que chaque individu qui travaille à son compte, aura une contribution différente mais au final, il recevra le même *Retirement Benefit*. Où est la logique pour tous ces Mauriciens qui s'honorent déjà de leurs contributions nationales et du bien-être de ce pays, en payant leurs impôts et vous imposez maintenant un impôt additionnel de 1.5 % à 3 % ?

M. le président, en 1991, le CSG fait son apparition dans le système de pension en France sous la houlette de Michel Rocard et leur but à cette époque, c'était de combler des déficits d'assurances de santé publique.

En septembre 2020, presque 30 ans après, cet ancien modèle de CSG fait son entrée dans le système de contribution de pension à l'île Maurice par le ministre des Finances en septembre 2020, et aujourd'hui, presqu'une année après, il vient nous demander de voter un projet de loi, qui essentiellement, est un impôt déguisé ; primo, pour soutenir une économie mal gérée et en détresse, je dis avec une dette publique de plus de 100 % de notre *GDP*, mais aussi pour remplir le *Consolidated Fund*.

M. le président, c'est là qu'un gouvernement doit se venir claire et de partager ce qu'il va véritablement faire pour avancer le pays dans son ensemble. Cette imposition d'impôt déguisé est le résultat d'une promesse électorale irresponsable en 2015 pour les 178,500, 65 ans plus. Comme dirait l'Anglais: '*one must cut one's coat accordingly to one's cloth.*'

M. le président, remplir les caisses publiques de l'État qui n'appartiennent à personne mais qui sont remplies par toute la nation mauricienne, est le paradoxe même de cette contribution et sa valeur ajoutée de pension.

M. le président, cet impôt déguisé est insoutenable à long terme avec une population vieillissante et surtout moins de moins de jeunes sur le marché du travail et forcément, ces jeunes se verront taxés très chaudement à l'avenir.

M. le président, comme je l'ai déjà dit et je le répète, cette nouvelle exigence d'impôt déguisé de 1.5 % à 3 %, imputé directement sur les salaires perçus à travers leur dur labeur et sacrifices, surtout pour ceux qui travaillent à leur propre compte matin au soir et qui font des *overtimes* est synonyme à venir leur dire et au petit moyen entrepreneur, de financier en partie le *Basic Retirement Pension* des grands commis de l'État, qui n'oubliions pas, ont des priviléges que j'assume ils méritent tous, tels que les voitures hors taxes, des congés payés, des *passage benefits* alors que celui qui travaille à son propre compte, n'en n'a pas mais que trop souvent, ces mêmes dépenses ne sont même pas acceptées d'être déductibles dans sa fiche d'impôt. Quelle injustice !

M. le président, cet impôt déguisé direct sur le labeur d'un entrepreneur aura certes des conséquences sur la création d'emplois, le nombre d'employeurs sont contre, et aussi sur la politique du main-d'œuvre à un prix bon marché qui ne sera plus favorable, au lieu de faire face à des demandes d'augmentation ou de recrutement des professionnels dans son domaine dont les salaires seront trop élevés.

M. le président, selon la formule proposée, les bénéfices accumulés seront octroyés en termes de *retirement pension* seulement à ceux qui ont plus de 65 ans et qui auront un bénéfice comme on a déjà expliqué de R 4500. Mais quid des personnes âgées entre 60 et 64 ans qui ne bénéficieront de rien ? Il y a environ 75,000 qui pourraient opter pour leur retraite à 60 ans.

M. le président, c'est le devoir de l'État de prendre majoritairement en compte ceux au bas de l'échelle et d'être juste à ces citoyens, et non subjuguant de ce rôle de création de richesse pour s'adonner à augmenter l'impôt déguisé au petit feu. *Solidary tax*, multiples taxes sur le carburant, taxe sur votre labeur et salaire, maintenant, taxe supplémentaire au-dessus d'un barème de l'impôt sont pour combler leur déficit budgétaire, mais plus grave, c'est l'idée de remplir les coffres de l'État pour soutenir leurs largesses de promesses électorales en termes de paiement de la pension universelle.

M. le président, R 65 milliards de perdus, tel est le résumé des affaires, scandales, gaspillages et surtout des détournements dont étaient victimes les contribuables depuis 2015. Le démantèlement du *BAI* - R 20 milliards ; le *Safe City Camera* qui nous a coûté R 19 milliards, dont n'a pas même pu élucider un crime tant important.

Mr Speaker: Come to the Bill!

Dr. Aumeer: Okay. Je parle de gaspillages...

Mr Speaker: Standing Order 47!

Dr. Aumeer: *Okay. Thank you, Mr Speaker, Sir. J'éviterai de mentionner pour ne pas créer des remous.*

M. le président, ce même gouvernement *has the guts* de nous demander répétitivement à mettre la main à la poche en termes de formes d'impôts déguisés pour soutenir leur politique controversée de paiement de pension de retraite, récupérer les milliards qui ont été jadis rapportés dans le rapport de l'audit. Laissez ce peuple tranquille pour le reste de votre mandat car ce peuple est suffoqué à bout de souffle et n'a pas besoin de pression, mais a besoin de vivre avec l'espoir de pouvoir respirer.

M. le président, aucune mention n'est faite quant au plan de pension privée pris par plusieurs personnes. Est-ce que ceux qui contribuent déjà à leur propre pension, particulièrement les *self-employed* ou même ceux qui travaillent pour l'État, est-il obligatoire de contribuer dans cette nouvelle entité de collecte de pension, autre forme de taxes, car ils ne dépendent pas de cette pension de retraite gouvernementale ? Le ministre a le devoir de clarifier cette préoccupation.

Mr Speaker, Sir, I will now briefly comment on provisions made in the Bill following injury at work. I here refer to section 24 (2) (b) regarding hernia. Interestingly, the Minister appears to have single out this particular condition out of many industrial prone acquired conditions. Hernia is a medical condition that can be congenital or acquired, and surely the Minister is referring to an acquired condition as a result of heavy, strenuous activity.

Mr Speaker, Sir, rightly so, such person needs to be compensated, but equally true, there is no mention anywhere as to the compulsory assessment of medical condition of an employee right at the start of such work to exclude either the presence of a hernia or those who are highly at risk of developing same, particularly, if they have had previous abdominal surgeries for example, in the past. This may lead to abuse of claiming benefit very soon after starting a new job.

Mr Speaker, Sir, there are other medical conditions that are acquired during the course of one's employment, for example: pneumonia, mesothelioma is a condition secondary to asbestos exposure, corneal abrasions leading to diminished visual abilities for those working in the welding industry, those developing certain cancer due to exposure to toxic fumes and vapours, and the very subjective post-traumatic stress disorder that has led to suicide for so

many, the last one we had a major debate in this House last week. I wish that an explanation be given as to why hernia has been so much elaborated and singled out.

Mr Speaker, Sir, I will now refer to section 25 (5). This exclusion criterion as 36-month period can be very unfair since some medical conditions may take years before they become apparent, and modern medicine has the tool to make a retrospective case of the causative agent. I here refer, for example, to bladder cancer for those working in the coal or toxic vapours industry, or chemical industries, for example, paint. I also want to refer the case of mesothelioma which is the cancer arising due to exposure to asbestos. *Et qui dans cette Chambre ne peut se rappeler de ce fameux cas de Monsieur C. M. qui est décédé en 1999 et la famille a dû avoir recours à la Cour Suprême pour une exhumation pour prouver que son décès était lié à la contamination et à l'exposition de l'asbestose sur son lieu de travail et tout cela, juste pour avoir une compensation secondaire. Il a été contaminé sur le lieu du travail. Et, finalement on a eu un fameux rapport, l'Addison Report qui a mis tout le monde d'accord et j'espère que le ministre des Finances prendra note pour que ce genre de chose n'arrive pas encore.*

Mr Speaker, Sir, section 33 (1) and (2) deals with a very contentious issue, whereby the eligibility of claim to social benefit resides in the power conferred to the National Pension Office alone, or concurrently with the Medical Officer/Medical Board. Every Parliamentarian of both sides of this House must have had representations from mandates, who are *bona fide* cases for benefiting social benefit, but have been turned down despite specialists of the public sector confirming of their limited conditions.

Mr Speaker, Sir, those who have been refused have no resort but to appeal, and I hereby make an appeal to the Minister of Social Security to have a thorough and comprehensive review of the Medical Board with a blend of new doctors and those having wide experience, and also with sub-specialised in-depth knowledge of the very medical issues that come up regularly. Some of these people have only a few weeks to survive. Let us all join our forces to make their last few days as easy as possible. I am here referring to a very recent young lady who has been diagnosed having chronic cancer...

Mr Speaker: Why don't you come to the Bill? I know it is very difficult for you, but come nearer to the Bill.

Dr. Aumeer: I am getting close.

Mr Speaker: Standing Order 47 prevents you.

Dr. Aumeer: Yes, it is just about the social benefits. It refers to social benefits, that we have to be compassionate.

Mr Speaker: You are talking about particular cases of health. I have been tolerating you.

Dr. Aumeer: Mr Speaker, Sir, section 35, the Social Benefits Review Committee; it is clear that all of them are nominated either by the Prime Minister's Office, parent Ministry or Finance Minister. How can we therefore expect total independency and autonomy, since they all have to report to the Minister for the purpose of enhancing social benefits and maintaining sustainability and bear autocratic resemblance in the last few Bills that were subject to debate, where Ministers nominated members of council and committees; the Veterinary Bill, Optical and Mental Health Bill?

M. le président, avant de terminer, je dirais certes que j'ai des propositions, mais cette fois-ci face à une équipe qui croit tout savoir et qui fait preuve souvent d'arrogance et qui n'a jusqu'à maintenant pas été réceptive aux critiques constructives, il n'y a pas lieu pour moi de prendre encore le temps de cet auguste Assemblée pour en parler car la tyrannie du nombre de la majorité aura toujours le dernier mot, mais au moins écoutez les clamours de la rue confondue des gens de toutes sociétés.

M. le président, en conclusion, cette réforme est très dangereuse pour la survie de notre économie, et le pire c'est que les fossoyeurs de ce trou budgétaire ne seront plus là quand il faudra en payer les conséquences.

Je terminerai en conclusion par un fameux dicton mauricien, jadis du temps de l'esclavage jusqu'aux travailleurs engagés –

« *Bef travay, souval manze* ».

Je me demande qui seront les « *bef* » et les « *souval* » d'aujourd'hui ?

À bon entendeur, salut!

Merci.

(*Interruptions*)

Mr Speaker: I am the “*bef*”! You are all “*souval*”!

(*Interruptions*)

Hon. Dhaliah!

(6.32 p.m.)

Mr R. Dhaliah (Second Member for Piton & Rivière du Rempart): M. le président, je vous remercie de me permettre de participer aux débats sur ce projet de loi, qui est probablement l'un des plus avant-gardistes sur la réforme de la pension que cette auguste Assemblée n'ait jamais vu. Je commencerai par cette citation de Victor Hugo qui a dit, je cite

—

« Le vrai socialisme n'est pas le dépouillement d'une classe par l'autre, c'est-à-dire le haillon pour tous, c'est l'accroissement, au profit de tous, de la richesse publique ».

Mr Speaker, Sir, a lot has been said on the Social Contribution and Social Benefits Bill, and especially those who are against have interpreted erroneously by stating that it is an additional tax. I wonder whether those advocating this idea are partially blind, partly deaf, and fully demagogical. In fact, this Bill paves the way for the future, the future of today's workers, so that they can benefit from a decent retirement. We are looking at the long-term benefit of the workers of this country. We have to safeguard the best interest of the workers who are toiling hard and contributing to the progress of our motherland. *Gouverner c'est prévoir*. This is what this Government is doing by introducing this important Bill we are debating today.

Obviously, no one likes to have additional deductions from their salary, but people have to understand the philosophy of the initiative being taken by this Government through the Social Contribution and Social Benefits Bill. Giving importance and even paying attention to the desperate speeches of some '*prophètes de malheur*', will not lead this country anywhere. Today, this Government is sowing the seeds, and it is together that we will reap the fruits.

What have we not heard about this Bill? Contributory pensions are not new in many countries in the world. But do we need to refresh the mind of the Opposition Members, particularly those of the former Labour/PMSD alliance, that the 2008 Report of the Pay Research Bureau recommended the introduction of a contributory pension for civil servants, whereby the latter contribute 6% of their salary for their retirement, which they did not prior to 2008, and that at present they are contributing for their retirement as well as to the NPF.

Let me also remind the House and those who are on the other side that the former Minister of Finance, Dr. Sithanen, also tried to reform the universal pension system by extending the retirement age to 65 years. He met with resistance. Every attempt to reform

pension has been met with resistance, and I have not seen alternatives being proposed, except criticisms.

Permettez-moi, M. le président, de revenir sur un éditorial publié dans un quotidien où il est écrit, je cite –

« La solution, tant pour la pension non contributive que pour la pension contributive, ne peut être que politique. Il s'agit non pas de simple volonté politique – puisque tout le monde veut solutionner la problématique des pensions – mais plus précisément de courage politique ».

N'en déplaise à certains, ce gouvernement, M. le président, fait preuve, non seulement de courage politique, mais de courage tout simplement pour gouverner ce pays et de l'amener à bon port sous le leadership de notre Premier ministre, Pravind Kumar Jugnauth, dont nous saluons la vision.

Ici, je voudrais citer Publius Syrus qui a dit –

« Le courage du soldat dépend de la prudence du général ».

Et je peux affirmer que le courage de ce gouvernement est le résultat de la prudence et de la clairvoyance de notre Premier ministre. Nous faisons les choses comme il faut pour l'avancement du pays et pour le bien de ses citoyens. C'est l'attitude et la voie adoptées par le gouvernement jusqu'ici, et nous ne changerons pas de cap.

Contrairement à ce que se plaisent à faire croire certains détracteurs, cette nouvelle loi ne représente pas une taxe, mais un investissement.

Mr Speaker, Sir, some Members on the other side of the House have been going around and stating that this Government does not have the mandate to review the National Pensions Scheme. I wish to bring their attention to paragraph 9, of the Government Programme 2020-2024. This Government has pledged to the nation that it will introduce measures to improve management of public sector bodies, public finances, industrial relations, social security systems – yes, social security systems – housing and land use, education and training, health care, citizen facilitation, water and energy sectors, local government and environmental sustainability. The social security system is included and this Bill is all about social benefits within the social security system which is being reviewed as announced at paragraphs 313 to 317 in the Budget Speech approved by this august Assembly.

This Bill is also important to uphold the right to social benefits. According to the International Labour Organisation, the right to social security or social benefits is recognised as a human right laid down in the instrument called the Declaration of Human Rights. This Bill takes into consideration these rights for our citizens to be guaranteed these benefits.

The importance of social security for the wellbeing of workers, their families and the communities has always been an integral part of this Government's vision. We fully recognise the essential role of social benefits to address people's needs, especially those in the most vulnerable groups.

Mr Speaker, Sir, it is in fact an investment for the future, so that the elderly have a better standard of living. It means that the elderly will not have to depend on their children for their upkeep. They would have sufficient revenues to live decently.

That, Mr Speaker, Sir, is a consolidation of the Welfare State. Suffice it to say that anything that improves the living standard of the elderly cannot be a tax. It is, and I strongly maintain, an investment.

We are living in the 21st century and we are facing unprecedented challenges. Modernisation is the order of the day. We cannot modernise the country without bringing changes and in some areas these changes have to be fundamental and profound.

On this side of the House we could have remained complacent and keep the *status quo*. It would have been the easiest solution. Yes! But as a responsible Government we have to plan, and as I said earlier, "*gouverner c'est prévoir*", especially when the forecast shows that by 2050, those over 60 will represent more than 26% of the population.

Mr Speaker, Sir, I would like to ask the Opposition, particularly those who say "*bizin éna classe*", what would be their solution? *Ciblage? Réduire la pension universelle? Augmenter l'impôt sur les revenus?* I believe that the hon. Minister of Finance came with the right model to make the universal pension sustainable.

I wish to remind the House that it is this Government that introduced the Portable Retirement Fund in the Workers' Rights Act. Today, there is no disparity between private sector employees and Government employees. We have also introduced the Minimum Wage for the benefit of thousands of workers in this country.

Mr Speaker, Sir, the Social Contribution and Social Benefits Bill transcend much more than a reform in the pension system. It is also an insurance for workers. And that has

been mentioned by several speakers before me. I would refer to part of Clause 25 of the Bill because I think it is important to mention, whereby it is stipulated, that -

“(1) Subject to subsections (3) and (4), where an employee or a self-employed suffers industrial injury which results in temporary total incapacity for work, he shall be entitled to the industrial injury benefit.”

At sub-paragraph (2) of the said Clause it is provided that -

“(2) The industrial injury benefit shall be equal to 80 per cent of the monthly earnings of the employee or self-employed.”

Sub-paragraph (3) (a) of the Bill makes provision for -

“(a) An industrial injury benefit payable to an employee shall not be paid in respect of the first 2 weeks of each period of incapacity.”

As injury leaves are already paid for the first two weeks, thus the reference to the first two weeks not being paid.

The Bill further mentions that -

“(b) Subject to paragraph (d), where the industrial injury benefit is not payable under paragraph (a) to an employee who suffers industrial injury, his employer shall, within 2 weeks of receiving medical evidence of the incapacity, pay him a compensation for the whole period of the incapacity at the same rate that he was being remunerated at the time the industrial injury occurred.”

If this is not enhancing protection of workers in case of injury, I wonder what it is. Up to now, no Government has been bold enough to come forward with such measures. Members on the other side of the House have been in Government previously, especially those who are criticising today. They had only relied on general clauses of different legislations. The results were then more than inhuman. With incapacitated employees waiting for years and being forced to have recourse to legal proceedings to get indemnity for their industrial injury.

This Bill caters also for losses that may arise during an industrial injury. Clause 27 of the Bill caters for that, and here I wish to mention that -

“(c) where, as a result of the industrial injury, an employee suffers damage to –

(i) his natural teeth;

- (ii) any artificial aid being used or worn by him at the time of the industrial accident; or
- (iii) clothing or spectacles being worn by him at the time of the industrial accident, be paid, in addition to the industrial injury benefit or disablement benefit, a sum sufficient to cover the reasonable cost in the case of damage.”

And most workers would contribute around 1.5% of their salary for that.

In comparison, an injury insurance may cost up to Rs8,000 annually depending on the nature of the risk of the sector in which the worker operates. And normally, even then, these insurances do not cater for the losses mentioned in Clause 27 of the Bill.

I can also understand the frustration of some professionals of the sector that has been the subject of a lot of Press articles. Managing pension funds is big money, and can sometimes exceed 1.5% of Asset under management if you include custody and other fees. The fact that funds will not be managed in the same way as the NPF, which outsource some of its management functions, it will represent a huge ‘*manque à gagner*’ to these professionals and especially those who have vested interests in the sector. I shall not dwell too long on that but those people will recognise themselves.

Mr Speaker, Sir, let us take the examples of some countries around the world in regard to social benefits.

In UK, the Pensions Act was reviewed in 2014 to make provisions for retirement to be increased to 67 years by 2028.

In the case of Japan, the Government will allow people to choose between age 60 and 75 to begin receiving pensions, thus raising the upper age limit from 70. A new system will be introduced to increase the amount of pensions for workers who continue to work and pay into the pension programme at age 65 and above.

In France it is also envisaged to review upwards the retirement age, and here, I wish to refer to what the French President, Emmanuel Macron, said in a recent speech -

"Yes, our pension system is unfair. We will need to go towards more simplicity, more fairness, we will have to work longer and take our retirement later."

Increasing the retirement age is akin to make people work longer and contribute more towards their rightful benefits.

This Government will seek a contribution representing a small percentage of monthly salary which will ultimately enhance the benefits they would derive under this new system. This will, at the same time, protect workers and their families against any mishap. And this mishap does not only concern the place of work. A worker is covered even if the accident happens when he is travelling on his way to and from work.

Mr Speaker Sir, with an aging population, we cannot just leave our pensioners with a meagre sum that will not be commensurate with their contribution to the society.

This Government is, by far, the most people centred and socialist that this country has known. Mr Speaker, Sir, the Prime Minister has at heart the wellbeing of the nation. Under his able leadership, Government has introduced a series of measures to relieve the burden of the population.

Allow me to remind this august Assembly of some of these initiatives and measures -

- Free university education;
- A special attention to the most vulnerable ones amid the COVID situation;
- And, more recently, this Government, yes, this Government has provided subsidies to the tune of Rs500 m. on some 243 basic commodities to mitigate the effect of the soaring prices of these commodities as a result of increased freight and insurance among others, as the Government is well aware that this will impact on the purchasing power of households.
- And the Bill which is being debated before this House is nothing less than another proof of this Government's vision to ensure a better future to our population and specially the elderly;
- The model adopted in this Bill to provide an enhanced universal pension is considered as the most appropriate and conducive to the Mauritius context. It takes into account the health of the population, the capacity to pay and provides enhanced benefits. It is in line with the socialist vision of the Government.

Certains parleront sans doute de générosité masquée pour que le MSM et ses partenaires en tirent des bénéfices plus tard. Nous avons déjà entendu cela. Il n'y a rien de plus farfelu et de malveillant de la part de ceux qui passent leur temps à critiquer. Qu'ils continuent à vivre dans leur bulle et gardent espoir que la population croira à leurs mensonges.

Ce projet de loi, M. le président, vient également corriger une injustice, notamment l'injustice ayant trait à l'économie parallèle au sein de laquelle opèrent certains qui ne paient pas d'impôts et qui bénéficient également de la pension universelle.

Mr Speaker, Sir, this Bill brings under one umbrella all those who found loopholes in the system. The informal economy is considered by the IMF to be around 15% of GDP as a general rule. And for Mauritius the IMF ranges it from 20 to 25% of GDP.

The Bill also allows those of the informal economy to be mainstreamed and benefit from the various protection under this legislation and I am here thinking of those people earning a living from small jobs such as lorry helpers, many examples have also been mentioned by the mover of the Bill, those who are not covered by any insurance and earning their wages on a daily basis. These people might have to disburse some of their earnings but in turn they will benefit from protection under Clauses 25 to 27 of this Bill.

Mr Speaker, Sir, this Bill also provides for a review mechanism, with the presence of representatives of employees and employers as well as to ensure that the funds from the contribution are invested rightly and in a sustainable way.

In the discharge of its functions under subsection (1), the Committee shall take the following criteria into consideration –

- (a) the erosion of purchasing power;
- (b) the sustainability and affordability of the social benefits, and
- (c) other socio-economic factors.

Before ending, I shall lay emphasis on one macroeconomic aspect of the Bill. There has always been a static constraint to consumption because we can spend only what we earn. This enhanced benefit, that is the substantial increase in pension, reduces the constraint and it has a spill over effect on growth. It is needless for me to explain the contribution of consumption in the economic equation.

Finally, Mr Speaker, Sir, for me this Bill is a consolidation of the Welfare State. It provides benefits to those who are not yet eligible for the universal pension and it is an additional protection to families of workers – yes, families of workers also - and that is the magic of this Reform, Mr Speaker, Sir.

We have been bold, we have been innovative and I shall end with this quote from François Mitterrand. I quote –

« Comment ne pas rêver à une société idéale où des hommes égaux et justes dans une cité ordonnée par leurs soins se repartiraient les fruits de leur travail ».

Nous aussi, de ce côté de la Chambre, nous avons le même rêve, M. le président, et nous ferons tout pour le réaliser. Sur ces mots, j'appuie pleinement les dispositions de ce projet de loi.

Vive la République de l'île Maurice!

Merci, M. le président.

Mr Speaker: Hon. Juman!

(6.57 p.m.)

Mr E. Juman (Fourth Member for Port Louis Maritime & Port Louis East):

Merci, M. le président. Nous avons assisté à la présentation de cette ébauche par un ministre des Finances mal à l'aise, embarrassé mais je peux comprendre son état d'âme. J'ai entendu l'honorable ministre Madame Jeewa-Daureeawoo dire qu'une personne touchant un salaire de R 50,000 mensuellement bénéficiera de R 40,000 en cas d'incapacité au travail mais elle ne nous dit pas que la personne doit contribuer R 4,500 mensuellement. Elle ne nous dit pas aussi R 1,500 par la personne et R 3,000 par son employeur. Oui, l'honorable ministre et elle ne nous dit pas aussi même sur le boni de fin d'année. La contribution sera calculée sur le boni de fin d'année, ce qui n'était pas le cas auparavant. Et aussi j'ai entendu l'honorable ministre Madame Koonjoo-Shah nous dire que la pension était de R 3,600 en 2014. Oui, mais elle ne nous dit pas que le coût de la vie a triplé. Rien qu'en janvier 2021 à juin 2021 ; les prix circulés par le Premier ministre pour les produits de base ont augmenté de 60% et il y a des médicaments qui ont augmenté de 100 à 150 % rien qu'en six mois ; ça elle ne nous dit pas.

M. le président, je sais qu'importe le point que je ferais au cours de mon intervention, j'ai peur que cela n'empêchera pas à ce projet de loi d'être voté et promulgué. Comme l'honorable Dr. Arvin Boolell, mon collègue, dont je déplore en passant la nouvelle suspension arbitraire, a souvent l'habitude ...

Mr Speaker: Hon. Member, you cannot comment upon my ruling! Whether you agree or not this is Parliament, there is only one Speaker! You may continue!

Mr Juman: ... de dire –

« La tyrannie du nombre, couplé d'arrogance du pouvoir peuvent rendre aveugle et borné même quand il s'agit de l'avenir du pays et de la population. »

Je souhaite néanmoins, M. le président, que mes collègues de la majorité, députés, *PPS*, ministres se ressaisissent et qu'ils prennent conscience de ce que contient réellement ce projet de loi et ses implications avant de le voter. Il ne faut pas voter à l'aveuglette simplement parce qu'il a été présenté par l'un de leurs.

Puisque nous évoquons, aujourd'hui, la pension et le *Welfare State*, j'aimerais d'abord rendre hommage à un grand visionnaire qui était Sir Seewoosagur Ramgoolam. C'est lui qui a mis en place un système de pension qui assure toujours que nos aînés puissent avoir une allocation financière, le *Basic Retirement Pension*, la pension de vieillesse et qui leur permet de subvenir à leurs besoins après leur retraite. Et, ça a été consolidé par le Parti travailliste, par le Dr. Ramgoolam, en octroyant le transport gratuit aux personnes âgées. Un système qui, même si les critères actuels ont maintenant fait leur temps, et qu'il faut revoir, bien sûr, a bénéficié à des centaines de milliers de personnes jusqu'ici.

Or, il est aujourd'hui regrettable qu'on est appelé à voter une loi qui impose une taxe directe sur le revenu surtout ceux du secteur informel qui compte en son sein des centaines de milliers de travailleurs, qui travaillent *gramatin pu manze tanto*, pour financer la pension.

Malheureusement, le présent gouvernement ne peut jamais arriver à la cheville de Sir Seewoosagur Ramgoolam ou du Parti travailliste, surtout en ce qu'il s'agit de l'Etat providence ou de sa consolidation parce que malgré toutes les belles promesses du Premier ministre et de son gouvernement, la supercherie que cache la Contribution Sociale Généralisée, est éloquente.

Laissez-moi, M. le président, avec votre permission, vous citer le 1^{er} octobre 2019, Journée internationale des personnes âgées, au Swami Vivekananda lors d'une fonction organisée par le ministère de la Sécurité sociale, soit 6 jours avant la dissolution du Parlement. Le 1^{er} octobre 2019 ...

Mr Dhunoo: On a point of order!

Mr Juman: ...voilà ce que le Premier ministre avait annoncé.

Mr Speaker: Point of order!

Mr Dhunoo: Sorry, Mr Speaker, Sir, on a point of order. The hon. Member, I am referring to section 40(4) of the Standing Orders –

“Reference shall not be made to any matter on which a judicial decision is pending, in such a way as might, in the opinion of the Chair, prejudice the interests of parties thereto.”

The matter is before the Court.

Mr Speaker: So, I will be fair. Listen to my point! This matter has already been canvassed three times, be careful. If you are not caught under this one, you will be caught under Standing Order 47, Repetition. Okay, go ahead!

Mr Juman: Voilà ce que le Premier ministre nous dit au Swami Vivekananda le 1^{er} octobre 2019, concernant la pension, ce qu'on est en train de débattre aujourd'hui pour les personnes âgées. Je cite –

« Mo kapav dir zot, dan prochain mandat gouvernman, nou pu doubler zot pansion, sorti R 6,710, nou pu fer li vin R 13,500. Aster ! Aster ! Imaginez ... »

Mr Speaker: No! Please, you may quote, but it should not be that lengthy! You should see that in your Standing Orders!

Mr Juman: I will not be long.

(*Interruptions*)

Mr Speaker: Go ahead, hon. Member!

Mr Juman: *« Sirman ena 2 gran-dimounn dan zot lakaz, 2 gran-dimounn dan ene lakaz ki ena plus ki 60 ans, li pu fer ou R 27,000 ... »*

Mr Speaker: No, I will stop you there. I will stop you there.

(*Interruptions*)

You may address the House in English or French.

Mr Juman: No, it's a quote.

Mr Speaker: Yes, but it is going too long, I have told you that!

Mr Juman: Okay. R 27,000 pour deux personnes dans une maison, plus de 60 ans, voilà ce que le Premier ministre avait annoncé le 1^{er} octobre 2019, et l'honorable Dhaliah, vous dites ‘mensonge’ ? Voilà ce qui avait été annoncé : R 13,500, 60 ans plus. A aucun moment, on avait mentionné 65 ans plus. Voilà ! Voilà pourquoi ça fait mal. R 27,000 pour un couple.

M. le président, éloquent, parce qu'il est désormais évident qu'il s'agit d'une taxe directe qui est imposée sur le revenu. C'est là que réside le premier mensonge du gouvernement car il n'a jamais - je viens de vous citer ...

Mr Speaker: Please! ‘*Mensonge*’ would be lies in English, okay? It is just a translation. Be careful about what you say!

(*Interruptions*)

Go ahead!

Mr Juman: Vous savez, M. le président, ce n'est pas drôle quand vous dites que vous êtes le bœuf, parce que vous travaillez très dur. Vous travaillez vraiment très dur.

Mr Speaker: Yes, but, still, you cannot comment on the Chair.

Mr Juman: C'est un compliment.

Mr Speaker: You cannot comment on the Chair.

Mr Juman: C'est un compliment.

Mr Speaker: Hon. Member!

Mr Juman: C'est un compliment.

Mr Speaker: Hon. Member, for private tuition in Standing Orders, ...

Mr Juman: C'est un compliment.

Mr Speaker: ... there are constitutionalists in this country, go and meet them.

Mr Juman: Car il n'a jamais révélé son intention de taxer les travailleurs pour financer la pension. Éloquente aussi parce qu'il est clair que c'est une cotisation visant à financer une éventuel hausse de la pension de retraite de plus de 65 ans, pas 60 ans comme annoncé.

Oui, 65 ans, M. le président, c'est là où tout a commencé et aujourd'hui on est avec ce projet de loi. Et qui paye ? C'est toujours la population, c'est toujours les travailleurs et parmi les travailleurs, on a les *self-employed*, les maçons, les tailleurs, les couturières.

Et, vous savez, M. le président, même les R 375 comme compensation, ce gouvernement-là a refusé à nos ainés, prétextant qu'il faut acheter des vaccins. Alors que le coût de la vie, ce n'est pas un secret pour personne, le Premier ministre lui-même nous a dit,

il y a deux semaines de cela comment les médicaments, comment les produits de base ont augmenté avec la dépréciation de la roupie.

Il est maintenant clair que cette promesse d'augmentation de la pension, durant la dernière campagne électorale, n'était qu'un appât pour obtenir des votes, les votes de nos ainés ; un appât qui nous coûte, malheureusement très cher aujourd'hui, M. le président.

Pourtant le gouvernement, c'était le même Premier ministre, il savait dès le début que cette augmentation serait irréalisable, vue l'état de nos finances et la façon qu'on gouverne, *gaspillage lor gaspillage !*

(*Interruptions*)

Mr Speaker: Order!

Mr Juman: Ce n'est pas un secret, tout le monde connaît. La façon qu'on dirige ce pays dans tous les départements ...

Mr Speaker: Come to the Bill! No politics; come to the Bill!

Mr Juman: *I am talking about the Bill.* La taxe qui servira à financer la hausse additionnelle de R 4,500 qu'il manque à la pension actuelle, R 9,000, pour quelle passe enfin à R 13,500 dans deux ans. On commence à payer le mois prochain. Le 1^{er} septembre, on va demander aux *beach hawkers* qui ne travaillent plus maintenant, aux *taxis drivers* de l'aéroport qui ne travaillent pas, de commencer à contribuer, à payer à partir du 1^{er} septembre. C'est ça que l'honorable Dhaliah se félicite. Nous savons tous que les travailleurs devront encore payer. Si vous taxez les employeurs, ça va passer aux consommateurs définitivement comme ça a été le cas dans le cadre de Betamax, tout comme *BAI*. A la fin du jour, c'est les consommateurs qui passent à la caisse. Ce gouvernement, disons-le haut et fort, ne jure que par la taxation, et la population ne cesse d'en souffrir.

On a vu récemment comment il a imposé une taxe de R 2 annoncé, terminé à R 2.30 sur le prix de carburant, toujours une taxe pour financer prétendument la vaccination alors qu'on avait demandé R 375 aux personnes âgées pour cette même vaccination. Cette taxe pèse lourd dans la balance de la population, surtout à un moment où on fait face à une dépréciation accélérée de la roupie. Comme je vous ai dit auparavant, tous les projets de base sont augmentés. On se retrouve dans une spirale infernale qui nous mènera bientôt à une crise sociale si le gouvernement persiste avec sa politique actuelle. Le moment était pourtant propice, M. le président, pour venir avec une réforme du système de la pension universelle

qui aurait bénéficié aux plus méritants de la société mauricienne. Mais nous savons aussi que le gouvernement a peur d'apporter cette réforme, tant attendue, puisqu'il compte exploiter politiquement à nouveau, aux prochaines élections parce que, là, on commence à payer en septembre. Les bénéficiaires auront ça à la veille des élections prochaines, sauf qu'ils ont oublié qu'il y a une affaire qui est en cours.

Ce qui est malheureux, M. le président, c'est que notre économie continuera aussi à souffrir du manque de vision de ce gouvernement. Comme je viens de le dire, le système qu'ils visent à mettre en place avec l'introduction du CSG, *Social Contribution and Social Benefits Bill* ne résolue pas le problème réel lié à la pension. Avec le vieillissement de la population qui est comme une épée de Damoclès sur nos têtes, avec une population vieillissante, il fallait impérativement que le problème soit adressé avec habileté pour que le système de pension soit soutenable à la longue, mais ce qu'il fait actuellement ne le rendra pas plus soutenable dans quelques années qu'il ne l'est maintenant, M. le président.

Selon *Statistics Mauritius* - j'espère que ces prévisions seront toujours fiables et pas dictées par certains quartiers de l'hôtel du gouvernement - le pays comptait au premier trimestre 2021, une population active de 481,900 personnes, et au dernier chiffre disponible, le nombre de retraités ayant 60 ans ou plus s'est élevé à 228,777, une proportionnalité dérangeante dans la mesure où la population active est en régression face au vieillissement accentué de la population ; effet combiné du déclin de la fécondité et de l'accroissement de la longévité, la perte d'emploi qu'on prévoit prochainement avec l'abolition du *Wage Assistance Scheme* et la fermeture redoutable de nombreuses entreprises aggravant la situation.

Mais, elle s'empirera encore plus durant la prochaine décennie s'il est d'ailleurs prévu qu'en 2050, au moins 26% de notre population active sera âgée de 60 ans ou plus. Il y a donc une urgence pour que le problème soit taclé au plus vite plus. Plus on le remettra à plus tard, plus la situation s'aggradera. Il faut viser le long terme. Tant qu'on n'adresse pas le vieillissement de la population, tant qu'on n'adresse pas le problème du chômage qui est en hausse et tant qu'on aura toujours beaucoup de jeunes chômeurs sur le marché du travail, la population active devra dans quelques années payer davantage de taux imposé dans le projet de loi et pour pouvoir payer la pension, au cas contraire, le système ne sera plus soutenable. Vous savais, M. le président, Section 36, sous-section 2(b) - "*the sustainability and affordability of the social benefits*" peut être revue, mais avec tout ce que je viens de vous dire, imaginez si on doit revoir ça. L'âge de 65 ans peut être revu à la hausse et ce qui est très grave, vous imaginez tous les professionnels dans le domaine disent que c'est un système

insoutenable. Et là, on a deux choix : ou on bouge l'âge de 65ans, on l'augmente, ou on fait payer plus, encore plus de taxe aux contribuables, aux travailleurs, aux employeurs. Donc, voilà où ça se situe.

Nous savons tous que les caisses sont déjà vides. C'est pour cela d'ailleurs que les travailleurs devront commencer à payer dès maintenant pour qu'ils puissent avoir leur argent en 2023. Et là, M. le président, mes collègues ont parlé de ça aussi...

Mr Speaker: Il ne faut pas en parler maintenant.

Mr Juman: Mes collègues, honorable...

Mr Speaker: They have already spoken. Bring new arguments!

Mr Juman: Oui.

Mr Speaker: You yourself you are saying it.

Mr Juman: Aujourd'hui si nous avons quelqu'un qui travaille comme planteur ou aide-chauffeur, il doit trouver un comptable pour faire son *return* électroniquement tous les mois s'il n'est pas habitué à utiliser un système informatique. Vous réalisez, mes chers collègues, on est en train de taper la table pour ça. On demande à un laboureur aujourd'hui, mensuellement d'aller trouver quelqu'un pour faire son *return* et payer tous les mois et s'il ne paye pas d'après la section qu'il y a, il y a une pénalité de 25% et la *MRA* peut aussi retirer un *assessment* pour un marchand ambulant, pour un chauffeur de taxi. C'est ça la situation. C'est absurde ce que ce gouvernement est en train de faire. Les *ti-dimounne* sont soumis à des calvaires systématiques sous ce présent régime.

Et, M. le président, pour conclure, j'aimerai faire un appel aux membres de la majorité. Chers collègues, s'ils ont le bon sens, s'ils ont à cœur l'intérêt de la population et du pays, s'ils ont en faveur l'équité et la justice sociale, s'ils ne veulent pas qu'on se retrouve avec une crise sociale sur le bras, ne votez pas pour ce projet de loi qui appauvrira davantage les petits travailleurs. Ne votez pas pour ce projet de loi qui mettra encore plus en péril notre économie. Ne votez pas pour ce projet de loi...

Mr Speaker: Come to the Bill!

Mr Juman: Je termine, M. le président.

(Interruptions)

Mr Speaker: This is not Bill!

(*Interruptions*)

Do you see that in the Bill?

Mr Juman: You shift from goalkeeper to defender, *non*?

Mr Speaker: There is nothing like that in the Bill!

Mr Bérenger: He is concluding.

Mr Juman: I am concluding.

Mr Speaker: You have a better statement?

(*Interruptions*)

Mr Bérenger: It is very unfair.

Mr Speaker: Conclusion? Rapidly!

Mr Juman: Ne votez pas pour ce projet de loi qui place les intérêts personnels et égoïstes avant ceux du pays.

Merci, M. le président.

Mr Speaker: Let me also make an appeal to you to withdraw the words ‘*suspensions arbitraires*’ and to apologise for that.

Mr Juman: Sorry?

(*Interruptions*)

Mr Speaker: During your intervention, you said ‘*suspensions arbitraires*,’ accidentally maybe, without knowing it but this is contrary to Standing Order. There has been a motion voted by a majority in the House, you should know where you are treading. Please...

Mr Juman: Yes, I withdraw.

Mr Speaker: ...withdraw the words!

Mr Juman: Already withdrawn.

Mr Speaker: And apologise!

Mr Juman: Okay, I apologise.

(*Interruptions*)

Mr Speaker: You apologise. Thank you very much. Now, we come to turn. Hon. Léopold!

(7.23 p.m.)

Mr J. Léopold (Second Member for Rodrigues): Thank you, Mr Speaker, Sir. I will not be long so as to reduce the risk of breaching S.O. 47, but I would like to express my view on such an important piece of legislation in support of it.

Mr Speaker, Sir, it is understood that all the political parties in this House are social democrats and our core values are freedom, justice and solidarity. Therefore, to ensure that the basic rights can be realised through economic progress into social progress, there is no better way apart from the redistributive activities of the so-called Welfare State.

Welfare State denotes a democratic State that not only guarantees basic rights, personal and economic freedom but also takes legal, financial and material measures to equalise social differences and tensions.

The Welfare State is part of social democracy. They both deal with values and principles of key policy areas such as tax system, unemployment insurance, basic income security, pension system, healthcare, education and training. But, Mr Speaker, Sir, because of challenges arising from demographic changes such as aging societies, social change with less children and decrease in fertility rate leading to constraints on competitiveness, causing contraction to social safety nets, these cause considerable pressure on Welfare States. The pressure may lead to substantially increased inequality in our society which may hinder the core foundation of the ideal of social democracy.

With the increased pressure and the need to maintain the fundamental relationship between the Welfare State and social democracy, changes need to be done and it is inevitable. The changes that this Bill is bringing tonight have been indicated so long ago. In fact, pressure on the need to reform our pension system has become more of a concern since the years 2008 and 2009 because of the known financial crisis.

It is surely after thorough assessments of our welfare system, as a responsible Government, an assessment of its coping capacity which is now necessitating changes for a more comprehensive and sustainable social production system with a more regulated labour market to respond in reorganising solidarity and justice within our society caused by those numerous challenges such as the pandemic, public debt, financial crisis, aging population and so on.

In so doing, we are maintaining the economic value of the Welfare State and safeguarding the core ideologies that we all defend in this House. Because of these reasons, Mr Speaker, Sir, I am supporting this Bill. If the Bill sets out all the elements which are needed, this reform is the concern of everyone.

There are so many previous reform models in that regard, Mr Speaker, Sir. We can undergo a never-ending debate on this Bill, but, at the end, Mr Speaker, Sir, what is fundamental is that the key goals of pension reform be met in this Bill.

What is more fundamental in a pension reform is that every worker is sufficiently covered so that all workers at the old age get a decent income, guarantee that the reform mitigates the adverse impact of the demographic shift and making sure that there is an assumed policy scenario, that the pension system be sustained in the long-term. Proper mechanism needs to be developed to increase fertility rate, as one example, as a positive impact on financial sustainability or pension fund.

Mr Speaker, Sir, pension reforms have been high on Government's agenda as I have said since 2008/2009. I am sure that the Mauritian Government has made enough assessments on the various pension schemes reforms of the different countries to adjust ours, to fine-tune ours, this brave step of reform and the ultimate aims to provide fiscal sustainability, fairness, practicality in support of a strong retirement system.

That is all I wanted to say, Mr Speaker, Sir, with regard to this Bill and in support to this Bill. Many thanks for your attention.

Mr Speaker: Hon. Ramful!

(7.30 p.m.)

Mr D. Ramful (First Member for Mahebourg & Plaine Magnien): Thank you, Mr Speaker, Sir. Mr Speaker, Sir, there will come a time when our children will be standing at the pinnacle of history of this country and they will look back down memory lane and they will say that there was a time in the history of this country when we had a Government, an MSM-led Government, who looted away our pensions and luring, I will not say bribing, luring our elders to cling to power!

With this Bill, Mr Speaker, Sir, we are sure of one thing, we are stealing from our children their right to a State pension! And, I will, during my intervention, Mr Speaker, Sir, explain why I say so. Let me start by referring to what the Minister of Finance himself said

when he intervened during the 2020-2021 Budget. People will judge him, people will see how irresponsible a Government could be, and I quote from his own speech at Paragraphs 158 to 161 of the Budget Speech of last year. He said –

“The pandemic has changed the lives and livelihoods of billions of citizens worldwide, and our country has not been spared.

We are no longer in an era of endless growth.

And our demographic trend, with an ageing and decreasing population, as underlined by various international institutions, make our pension system unsustainable for the future.

We need to act and we need to act today.”

So, there we have, Mr Speaker, Sir, a Finance Minister who himself realises and acknowledges that we are living in an era of endless growth, and that we have an ageing and decreasing population. Instead of acting responsibly, what he does, he scraps the whole pension system and replaces it by an unsustainable pension scheme, which contrary to what he acknowledged, which contrary to what he realised himself will depend on growth. And, he imposed a discriminatory tax contribution mechanism, not a social contribution; a tax on the workers of this country, compromising the future of our children, just to stay in power.

What does the World Bank say about ageing population, Mr Speaker, Sir? I will quote from the World Bank Report –

“Mauritius is a rapidly aging society which is causing pressure on both the labour market and social security system. The population aged 60 and older, currently 16.8 per cent, (213,000 out of 1.2 m.) of the total population is expected to reach almost 25 per cent by 2030 (...)"

Not far away, in 10 years' time, *25% de la population* will be consisting of old age pensioners.

Mr Speaker: You are repeating.

Mr Ramful: “...30 per cent by 2045 and 35 per cent in 2058.”

Mr Speaker: Standing Order 47, don't repeat arguments!

Mr Ramful: It says tedious repetition.

“In addition, the working age population, aged 15 to 59, is expected to fall from the current 65 per cent of the population to 53 per cent of the population by 2058, with an absolute decline of about 45 per cent. Maintaining growth as the working age population declines has proven to be challenging in other rapidly aging countries, and a rising dependency ratio will put increasing pressure on the social protection system in the coming decades through a rising share of pension recipients vis-à-vis contributors.”

In 1982, there were for every nine people of working age - I am referring to the Actuarial Review of the NPF fund made in 1982. At that time, there were nine people of working age for every one old age pensioner. Currently, we have three people of working age for one old age pensioner and according to the forecast of the World Bank that I have just quoted, in 2058, for every two persons of working age there will be three old age pensioners. But, the Minister of Finance does not care. He is oblivious about the ageing population. He does not want to see beyond his nose. He only wants power. *C'est un gouvernement qui veut à tout prix s'agripper au pouvoir.* I am going to show to you. They are talking about the unsustainability of the NPF fund. The best way to know about the sustainability of the NPF fund is to have a look at its own report. Last year, in a PQ I asked the Minister of Social Security about the Actuarial Review of the NPF fund which she did table before this House.

Mr Speaker, Sir, let us see what the Actuaries said about the fund. I am going to refer to page 20. They are talking about unsustainability. Let us see how unsustainable the NPF fund is. So, I quote from the report –

“True it is that they say there is a shortfall, but they said that this shortfall must be met from investment income and all the proceeds for the sale of assets. As at 31 December 2013, the fund amounted to some Rs87.4 billion, over 47 times the annual level of expenditure on contributory and industrial injury pensions. The value of assets in the fund as at 2013 was 47 times the contributory and industrial injury pensions. By the year 2033, the fund is projected to have increased to over Rs119 billion. By 2053, the projected fund balance is over Rs157 billion, equivalent to about 9.85 times annual expenditure on contributory and industrial injury pensions.”

And, they are saying that the Fund is unsustainable.

Let me refer to the conclusion of the Actuaries. In one line, they said –

“This would suggest that there is no need to take action to improve the financial position of the Fund.”

They, themselves - the Actuarial Report filed by the Minister of Social Security, saying that there is no need to take action with regard to the Fund. Now, they are bringing a Bill basing themselves on false pretences, on false facts that there is a need to review the Pension Fund.

Mr Speaker, Sir, in fact, there is no urgency to reform the Pension Fund for the time being and least, to scrap the whole NPF Fund. So, why then are they coming with this Bill, Mr Speaker, Sir? There is only one reason. *C'est d'exploiter la sagesse, pour ne pas dire la vieillesse de nos aînés, afin de s'agripper au pouvoir!* And it is a shame! It is a shame!

Mr Speaker: No! No! Please!

Mr Ramful: I can say it is a shame, the Government! The Government...

Mr Speaker: Please, withdraw that word!

Mr Ramful: Not you, the Government!

Mr Speaker: No! Not you also! Withdraw that word!

(Interruptions)

Mr Ramful: I withdraw!

Mr Speaker: Yes, good! Thank you!

Mr Ramful: And this is why to another question, unsustainability of the Fund? Another question put by my learned colleague, hon. Woochit, asking to give details about the amount of the funds available as at 15 July 2020. You know, the market value of the funds in NPF is *R 136.5 milliards* in the NPF Fund as at 2020 and they are talking about the unsustainability of the NPF fund.

Now, I have said that this *CSG* is a tax. It is a tax on the workers of this country and it is clear, when you look at section 3 of the Bill, it says that every payment made in respect of social contribution shall be credited in the Consolidated Fund. So, once the money is credited in the Consolidated Fund, it can be used to finance anything, public infrastructure projects, Metro, Côte d'Or and that will not bring any return on investment, Mr Speaker, Sir. The money could even be used to finance recurrent expenditure whereas, under the NPF Fund, the money was going into a special fund to be invested in secured investments to generate future profits.

Why again do we say that this is a tax on the workers? Under the NPF Fund, contributory pensions depended on the amount of earnings. It was earnings-related contributions that have been paid in respect of the individual. Contributions are applied to purchase pension points which, in turn, are converted into pension at the date of retirement. Those pension points gave the individual an acquired right to pension benefits. There was an assurance that whatever he contributed will be paid to him as pension but under the *CSG*, there is no acquired right to pension benefits. The money goes into the Consolidated Fund. Instead, the contribution made by the individual does not provide him with pension points but he gets a flat pension at retirement age which is fixed at the discretion of the Government. This is why we say that this contribution is not a social contribution but a tax on the workers of this country.

Now, my second point: why do we say that this *Contribution Sociale Généralisée* which is a tax, why is it discriminatory? The Government wants, at all costs, to honour its commitment to provide a pension of Rs13,500 to all those attaining 65 years. The BRP (Basic Retirement Pension) according to the estimates to the Budget is at *R 31.5 milliards* in 2023. Raising the BRP to Rs13,500 monthly, will require an additional *R 12 milliards* and that *R 12 milliards* will be drawn from the *CSG* contribution made by self-employed and workers from the private sector to provide for all those attaining 65, whether or not some of them have contributed.

So, irrespective of whether or not some have contributed, at the age of 65, all of the old aged pensioners will get Rs13,500. What makes it even more discriminatory, Mr Speaker, Sir, is that whereas workers from the private sector and self-employed will have to contribute from their salary and remuneration to pay pension for all in order to get Rs13,500 at retirement age, public sector workers will benefit the same pension, Rs13,500 plus the public service pension and their share of contribution which is *R 2 milliards* will not be charged from their salary but shall be borne by taxpayers, including the workers from the private sector.

I have nothing against workers in the public sector, we have relatives, we have friends working in the public sector.

Mr Speaker: But this has been canvassed! For 3 times, this has been canvassed! Change argument! If you have nothing against, change!

Mr Ramful: Yes, but unless the hon. Minister of Finance, Economic Planning and Development will tell us whether he intends to make...

Mr Speaker: Hon. Uteem said that, the hon. Leader of the Opposition said that. Many people have said that, so ...

Mr Ramful: Yes, I am saying that as well!

Mr Speaker: ... expressing that!

Mr Ramful: I am saying that as well ...

Mr Speaker: Go ahead!

Mr Ramful: ... which is not good!

Mr Speaker: Go ahead!

Mr Ramful: Yes. Unless the hon. Minister of Finance, Economic Planning and Development tells us that in the PRB Report, which will come out later, public servants are going to contribute. We have to wait and see. Otherwise, it is clear that this is highly discriminatory and unfair vis-à-vis the self-employed and workers from the private sector.

Now, let me just take an example, Mr Speaker, Sir. A professional self-employed, be it a doctor or a lawyer, gaining more than Rs50,000, and let us compare his contribution with his fellow colleagues in the public service, who is also getting more than Rs50,000. That self-employed professional will have to contribute 3% of 90% of his salary, plus 1.5% of the salary of each employee, if he is employing a secretary, to get Rs13,500 at the retirement age. Whereas, his colleague in the public service contributes nothing, except for his public service pension and at the time of retirement, he also gets Rs13,500 without contributing a Rupee plus his public service pension.

The third issue is about the sustainability of the *CSG* in the future. When you look at the estimates of the Budget, Mr Speaker, Sir, our revenue for 2021-2022 is expected to decline to *R 137.7 milliards*. The expenditure for social benefits only, is expected to be *R 50 milliards* for financial year 2023-2024 which includes the *R 12 milliards* for *CSG* contribution. With the aging population and the decrease in the working population, it is clear, Mr Speaker, Sir, that this pension will become unsustainable in the future.

Moreover, as per the estimates, Government is expected to recover only Rs6 billion from *CSG* contribution from private welfares and self-employed but will have to provide for

Rs12 billion, leaving a deficit of Rs5 million. Well, I will not go over this because this has already been canvassed ...

Mr Speaker: This is the third time you are saying it yourself.

Mr Ramful: Now...

Mr Speaker: Standing Order 47 prevents you to do that.

Mr Ramful: Yes. Now, what is more important about the sustainability? Mr Speaker, Sir, under the NPF, contributions were paid in the NPF Fund. The investment of the assets of the Fund was being done by an Investment Committee and the Investment Committee consisted of – if you look at Section 38 of the National Pensions Act : “the Financial Secretary as Chairperson, 3 public officers appointed by the Minister, 3 representatives of employers and 3 representatives of employees and the public officer and representatives of the employers and workers is required to have experience in fund management, actuarial science, accountancy or economics.”

And, under 38A, it was provided that –

“The Minister shall, at intervals of not more than 5 years, cause an actuarial valuation of the Fund to be made and in the light of such valuations whether an adjustment is necessary to secure future value of the fund.”

And it is important, for the purposes of the records that I refer to the first actuarial review of the NPF Fund that was made in 1982 by Mr DeMay, Fellow of the Institute of Actuaries, and this is what he said about the Investment Committee, at page 17, talking about the influence of Government with regard to the Fund, the investment of the Fund in the NPF Fund -

“to some extent these investment objectives are in conflict with one another. For example, objective (b), the need to secure the future value of the Fund might suggest that investment policy should be decided at arm’s length from Government influence and that the main aim should be that investment should deal the maximum possible return commensurate with security.”

So, that was the objective of the Investment Committee, that it should remain independent from the influence of Government or the Minister of Finance. But, what do we see under the Bill which is being proposed? The contribution will not be paid in any particular fund, there will be no Investment Committee, there will be no valuation, the money will go directly in the Consolidated Fund but at Section 35 of the Bill, now the Investment

Committee is being replaced by what they call a Social Benefit Review Committee and the purpose of the Committee shall be to make recommendations to the Minister to enhance the social benefits and maintain its sustainability. How do you maintain the sustainability of the contribution when there is no fund? What are they going to advise the Minister? And, once the money, as I have said, goes into the Consolidated Fund, it will be invested, at the discretion of Government, in any particular project.

So, Mr Speaker, Sir, therefore I will conclude by saying that with this Bill, we are engaging in a very dangerous path, putting at risk the pension rights of our children, but, unfortunately, we have in front of us a Government which after looting our reserves that the BOM is now on its way to hijack our Pension Fund.

Thank you, Mr Speaker, Sir.

Mr Speaker: Hon. Members, I will suspend the Sitting for one hour and a half.

At 7.57 p.m., the Sitting was suspended.

On resuming at 9.44 p.m. with the Deputy Speaker in the Chair.

The Deputy Speaker: Thank you very much. Please, be seated!

Hon. Minister Bholah!

(9.43 p.m.)

The Minister of Industrial Development, SMEs and Cooperatives (Mr S. Bholah): Thank you, Mr Deputy Speaker, Sir. This Bill seeks to provide the appropriate legal framework for the implementation of a new mechanism for social contribution and social benefits; new, in the form of a fairer and more inclusive structure.

Since 2014, Mr Deputy Speaker, Sir, this Government has come up with landmark measures to expand and to reinforce the Welfare State. Just to name a few –

- the substantial increase of Basic Retirement Pension;
- the introduction of a National Minimum Wage, and
- revision of age for pension to disabled children.

This only was a single most important measure to correct an injustice to disabled children, Mr Deputy Speaker, Sir.

Regarding the Basic Retirement Pension which was revised to Rs5,000 in December 2014, what was not said outside, mainly from our opponents! What did not we hear? And when we announced that we were going to pass to Rs9,000, you know, Mr Deputy Speaker, Sir, I was having a conversation with a friend of mine, a retired person who is now 68-69 years old, and he was telling me how with his meagre pension, which was around Rs3,600, how it was difficult to run the household. Now, with Rs9,000 - I was having the conversation, we continued the conversation - how when on the first of the month his amount is credited to his bank account, and when he goes to the bank to cash out some money, and when he comes home, how his grandchildren now look for cakes and sweets from him. And now he can afford it. And while I was talking to him, he said in a teasing mode to his grandchildren, '*aster Dada*'. It was only a joke to his grandchildren. Mr Deputy Speaker, Sir, these are expression of fairness, acts of faith in social justice.

I see hon. Dr. Aumeer is not here. When he mentioned, "*bef travay, souval manze*," I am afraid that this is perceived as an insult to our elders because what we are doing in this Bill...

(Interruptions)

... what we are doing in this Bill, is to give some more money to our elders, especially those who are 65 and above. And we cannot - I know Dr. Aumeer is a nice person, he is a respected professional, but I am afraid. Hon. Dr. Aumeer also said that we are here to enact this Law and that maybe tomorrow, afterwards we will not be here, and when they will be in power; they will have to bear the consequences. Maybe, he is referring to the Betamax contract because although he was not in Government, but his party allowed the Betamax contract to happen and it is this Government that has to pay for that.

Mr Deputy Speaker, Sir, welfare does not belong to any political party. When it comes to debating on welfare, we must ensure that our words and acts are in the best interests of our people. As a Government, we are faced with the tedious task, of not only lifting people out of poverty but we must transform their horizons, live up to their aspirations and hopes as well. Only in this way will we drive up social mobility, the great force for equality in liberal market economies. To achieve this, the country has to evolve into an enabling Welfare State - one which helps people to help themselves. A solid Welfare State is based on rights and responsibilities as well. All of our reforms have the same underlying principles: opportunity for all, fairness and mutual responsibility. We want to give people the chance to fulfil their

potential. We want to raise people's expectations and their self-belief, by giving them the tools to help themselves.

Today, the reform of social security pension systems represents the biggest share of ongoing and planned social protection reform processes. We are facing a wide range of challenges, Mr Deputy Speaker, Sir. Ageing population; the growing informality of labour markets and the emergence of new forms of employment. These challenges, Mr Deputy Speaker, Sir, have led in many countries to lively public and policy debates and reforms of national pension systems.

Do we realise that ensuring universal income security in old age requires mobilising powerful tools in terms of financing? For the pension system to be sustainable, it must be able to provide adequate funding levels. *On ne doit pas passer par quatre chemins pour le dire.* Social solidarity and solidarity in financing imply a fair distribution of contributions between employers and workers but not limited only to that. It also requires solidarity –

- between economically active and non-active members of society;
- between high earners and low earners, and
- between the present and future generations.

Old age pensions are thus the result of social solidarity, but, at the same time, a way to boost social cohesion through redistribution towards the vulnerable members of society.

Let us see the other side of the coin. The future of the Welfare State is only secure if both young and old are willing to support it. Too often, we pit one against the other when we should be making the case that there are mutual benefits for both. This is urgent, Mr Deputy Speaker, Sir. The invisible contract between generations is under strain when it comes to supporting social benefits. Younger people, or let's say, the active population, feel the economy is tilted towards elders. The Universal Declaration of Human Rights, Article 22 mentions that, and I quote –

“Everyone, as a member of society, has the right to social security”.

The right to income security in old age, of course, encapsulates the right to an adequate old age pension.

For decades now, irrespective of earnings of an employee, the same rate of contribution is applied. Is that fair? Is this how we want to ensure redistribution of wealth? Is it sustainable in the long run?

While the National Pension Fund is being strained, what do we do, Mr Deputy Speaker, Sir? And hon. Dhaliah mentioned and, rightly so, do we reduce the Basic Retirement Pension or targeting or selectivity? Or simply extend the age limit to 65 years to be eligible for old-age pension? You will agree that socially and economically, this cannot be envisaged. This is why, Mr Deputy Speaker, Sir, we have to do away with the “one-size-fits all” policy. Because it is not fair; it is not sustainable.

For 40 years now, year in year out, we have been talking, debating, opining about the unsustainability of our pension system. But what has been done in concrete? For the pension system to be sustainable, it must muster and harness adequate funding levels. Mr Deputy Speaker, Sir, this Government is ready to walk the talk. It is high time we ask ourselves, Mr Deputy Speaker, Sir, what would a genuinely empowering and inclusive social security system entail? Through the Social Contribution and Social Benefits Bill, Government is putting in place a regime which is fairer and just for all contributors based on the principle of the ‘ability to contribute’. The equation is simple. People at the lower rungs of the ladder who earn less will contribute less while people at the higher rungs of the ladder who earn more will contribute more. The same will apply to businesses and enterprises. It will not be equitable to expect the same percentage contribution from a person earning Rs15,000 per month and from another one earning Rs75,000 a month. If the existing contribution rate is maintained, it is certain that the whole system will crash in the future, thus putting in peril the very security of our 260,000 or so elders.

As a responsible Government, we have to be proactive and intervene way before this happens. We cannot wait for a system to collapse or become inefficient before reacting, Mr Deputy Speaker, Sir. This is why I believe that the Bill paves the way for a more robust social security system where every party stands to gain.

Contributors of today will be beneficiaries of tomorrow! This, we should not forget.

A Welfare State means people who not only act in line with the culture of trust but also contribute to building it themselves. This is what the Bill will promote as a new mindset. Till now, most employers have partnered with Government, as and when statutory obligations have been established to uplift conditions of workers. Equally, we should champion those employers who pay their taxes, invest in their staff and engage meaningfully with the community. This is not just about financial sustainability. It is about making your contribution and showing respect for the contribution workers make.

Mr Deputy Speaker, Sir, compared with the present National Pension Fund regime, SMEs and their employees tend to contribute less under the Social Contribution and Social Benefits regime. Allow me to develop this argument further. For the purpose of demonstration, let us assume an employee employed by an SME draws average monthly earnings of Rs17,283. In fact, why this figure? Because, this is the average earnings of an employee in the export-oriented enterprises.

Under the NPF regime, the employee's monthly contribution would amount to 3% of that amount, Rs17,283, that is, Rs518 while the share of the employer would amount to 6% of Rs17,283, that is, Rs1,036. Under this Bill, the employee's monthly contribution would amount to 1.5%, that is, Rs259 while that of the employer would amount to 3% of that figure, of the salary, that is, Rs518. With the new regime, the employee's contribution is reduced by Rs259 per month while that of the employer, by Rs518 per employee.

Mr Deputy Speaker, Sir, for an employee, this would represent a savings of Rs3,108 per annum. And for the 284,000 employees or so employed by SMEs, this would represent a savings of Rs73.7 m. per month and Rs884 m. per year. For employers, the savings would amount to Rs6,216 per employee per year. Taking into account that an SME employs on average between 2 and 3 employees, an SME would save Rs1,191 per month or Rs14,297 per year. And for the 284,000 employees in SMEs, this would represent savings of Rs147.4 m. per month or Rs1.77 billion per year. These are not illogical assumptions but credible illustrations based on available statistics, Mr Deputy Speaker, Sir.

There is a substantial number of self-employed in Mauritius. The majority of these persons are not registered. Unfortunately, these people cannot avail themselves of the support schemes and facilities put in place by Government, especially in this COVID-era. Contribution for self-employed persons under the present regime is on a voluntary basis. Under the social contribution regime, the share of a self-employed is fixed at Rs150 per month. This is quite a modest contribution that will allow a self-employed to be eligible to a retirement benefit, to a lump sum and cover for industrial injury and other benefits. Any self-employed will understand that the benefits of the social contribution by far outweigh the monthly contribution of Rs150.

For self-employed professionals such as accountants, engineers, medical officers, etc. deriving higher earnings, provisions have been made for higher contributions as per Clause 4 (e). Insurance and security at work are becoming increasingly important. Although the

present pandemic is not over yet and may persist for years, the scientific community has already started warning about more pandemics to come. The question they say is not if a pandemic is forthcoming but when is the next pandemic.

Mr Deputy Speaker, Sir, it is an acknowledged fact today that one of the conditions to have access to support measures is the contribution of *CSG*, for example, for DBM working capital loans.

Mr Deputy Speaker, Sir, it is also gratifying to note that some 65,000 workers in the manufacturing sector (Large establishments and excluding foreign workers) are expected to benefit directly from this legislation. The new provisions will contribute to enhance the security and the “feel good” factor of employees in the sector which will result in greater motivation and commitment and eventually productivity gains.

Under the NPF, Mauritians and non-citizens were eligible to retirement benefits provided they had contributed to the NPF. Under this Bill, Mauritians residing in Mauritius will be eligible to the retirement benefits even if they have not effected any Social Contribution subject to provision as per Clause 18. Government is thus ensuring that eligibility to retirement benefits is extended to one and all.

Mr Deputy Speaker, Sir, under the NPF, industrial injury allowance was capped to a maximum amount of Rs15,920, that is, 80% of Rs19,900. Under this regime provided under this Bill, as per Clause 25, the ceiling has been removed. Hence, the possibility of higher industrial injury benefits, it is highly laudable that under this present Bill, registered self-employed will also be eligible to industrial injury and other related benefits.

Likewise for disablement allowance, the amount payable in case of 100% incapacity was 80% of monthly earnings subject to a maximum of Rs15,920. It will now be equal to 80% of monthly earnings without any capping. Under the NPF, the spouse of a deceased employee as a result of an industrial accident was paid survivor’s allowance at the rate of 50% of the monthly earnings subject to a maximum of Rs9,950.

Under this Social Contribution and Social Benefits Bill (SCSB), the spouse of a deceased employee will be entitled to survivor’s benefit equal to half of the monthly earnings of the deceased employee or self-employed. There is no maximum limit as with the NPF, Mr Deputy Speaker, Sir. Under the NPF, orphan’s industrial injury allowance was paid at the rate of 7.5% of the monthly earnings of the deceased parent subject to a maximum of Rs1,493 to orphans.

Under this Bill, the orphan's benefit would represent 15% of half of the monthly earnings of the employee or self-employed but shall, in no case, be less than the orphan's pension payable under the NPF. As for the Dependent's Benefit, it will be paid at the prescribed rate.

To conclude, Mr Deputy Speaker, Sir, to achieve a successful welfare system in the 21st century, we need a balanced mechanism where responsibilities are equitably shared. Our common welfare and wellbeing as a society depend on tackling key problems, on imagining sustainable and consistent solutions, strong institutions and above all dialogue and consensus. A lot of the future sustainability of the new structure will depend on our ability to assess whether adequate funds are allocated for social security and social benefits. Our shared responsibility for the public good, our unity and solidarity, our determination to uphold respect for each other is no less important.

With the provisions of the Social Contribution and Social Benefits Bill, I am confident that we are laying the right foundations for a better and more inclusive society without jeopardizing the future of our citizens. It is our firm intent as responsible Government to set the ball rolling for a more robust Welfare State.

Thank you, Mr Deputy Speaker, Sir.

The Deputy Speaker: Thank you very much. Hon. Paul Bérenger!

(10.06 p.m.)

Mr P. Bérenger (First Member for Stanley & Rose Hill): M. le président, j'ai écouté attentivement le discours du ministre des Finances. Beaucoup de verbiage mais rien, pas un mot sur les objections, les critiques de tous les spécialistes et professionnels du secteur. Donc, revenons au point de départ, revenons à ce qui avait été promis par le MSM pour gagner les dernières élections générales. Ce qui avait été promis, M. le président, c'était ce que nous appelons la pension vieillesse, c'est-à-dire, le *Non-Contributory Basic Pension*. Ce qui avait été promis c'était que la pension vieillesse arriverait à R 13,500 par mois d'ici la fin du mandat du gouvernement élu aux dernières élections générales.

M. le président, personne n'avait dit un mot sur la mort, la disparition, la destruction du *National Pension Fund*; *National Pension Fund* auquel les salariés du pays avaient contribué depuis des années et des années, qui était leur bien à eux et qui avait ses fonds et investissements propres par milliards et milliards de roupies. Personne n'avait dit qu'au nom de la Contribution Sociale Généralisée, le gouvernement tuerait le *National Pension Fund*.

Personne, M. le président, n'avait dit que la pension vieillesse - comme on dit chez nous - serait *capped*, gelée, bloquée à R 9,000 par mois, personne n'avait dit cela. On avait promis que d'ici la fin du mandat du gouvernement à être élu, la pension vieillesse serait de R 13,500 par mois. Personne n'avait prévu, n'avait dit que la pension vieillesse serait gelée, bloquée, *capped* à R 9,000 par mois et qui plus est on sait maintenant que ces malheureux R 9,000 par mois ne sont pas frappées par la compensation salariale annuelle et le même sort a été réservé aux autres pensions, aux pensions des veuves, des orphelins, des handicapés et demain on peut prévoir que la compensation salariale ne sera pas frappée sur la Contribution Sociale Généralisée de R 4,500 par mois. Si ce n'est pas le cas, dites-le tout de suite, si vous allez recommencer à laisser la compensation salariale frapper la pension vieillesse, pensions des veuves, des orphelins, des handicapés et donc être frappé aussi sur les R 4,500, dites-le.

Les salariés, les travailleurs, la population a le droit de le savoir, parce que je le répète, ces derniers temps la compensation salariale n'a pas été frappée sur la pension vieillesse et des autres pensions. Cela n'avait pas été dit, personne n'avait dit que dans la loi l'âge de la pension passerait dorénavant à 65 ans pour tous et ce qui est prévu dans la section 21 ne change rien à cela. La section 21, comme vous le savez, M. le président, prévoit que dans six secteurs : laboureurs, artisans de l'industrie sucrière, travailleurs de l'industrie du thé, transport, construction et un groupe de salariés pour lesquels je me suis battu il y a des années de cela, les travailleurs et travailleuses des salines.

Il est dit à la section 21 que pour ces six catégories, il faudra attendre 65 ans pour bénéficier de la Contribution Sociale Généralisée des R 4,500, à condition que, et là je demanderai au ministre des Finances par *fair play* vis-à-vis de la population, je demanderai au ministre des Finances de relire ce qu'il a dit et d'apporter une précision ou de corriger si nécessaire. Parce que la section 21 dit –

“Notwithstanding [section 18,” pension à 65 ans], “a person who is employed in a specified sector; [les six secteurs que je viens de mentionner] and has the option to retire before attaining the age of 65 ...”

Has the option to retire before attaining the age of 65, tandis que les mots utilisés, on peut vérifier, les mots utilisés par le ministre, c'est – si des travailleurs de ce secteur ont plus que 60 ans, moins que 65 ans et sont obligés – le mot que j'ai entendu et que j'ai noté, s'il faut corriger, il vaut mieux corriger pour qu'il n'y ait pas un malentendu. Cela concerne les salariés de ces six secteurs concernés.

Donc, là aussi, M. le président, personne n'avait dit que l'âge de la pension dans la loi passerait à 65 ans pour tout le monde et encore, dans ces six catégories, les travailleurs de plus de 60 ans et jusqu'à 65 ans qui bénéficieront de la Contribution Sociale Généralisée, doivent remplir trois conditions pour pouvoir en bénéficier –

- (1) Il faut qu'ils arrêtent de travailler, s'ils travaillent quelque part, ils n'auront pas;
- (2) Il faut qu'ils aient travaillé au moins 10 ans, *10 consecutive years*, dans le secteur concerné et comme je le disais que dans ce secteur-là, il y a *l'option* de bénéficier de ces R 4,500 avant d'atteindre l'âge de 65 ans. Cela aussi on ne nous a pas dit. Personne n'avait parlé de la pension à 65 ans,
- (3) Il y a aussi ensuite, M. le président, le leurre des petits payants supposément moins, alors on a mené campagne, le gouvernement a mené campagne que les petits salariés contribuaient 3%, maintenant ils contribuent 1. 5%, mais, M. le président, il faut comparer *like with like!*

Cette comparaison ne s'applique pas du tout! Avant les salariés contribuaient 3% dans leur fond de pension, pour leur vieux jour, pour leur pension à travers la *National Pensions Fund*, c'est complètement différent maintenant.

Sous le *National Pensions Fund*, chacun avait son compte. Il contribuait et arrivé l'âge de retraite, il bénéficiait de ce qu'il avait contribué. Maintenant, il contribue comme *un income tax!* Il contribue 1.5% mais ça disparaît. Il n'a plus aucun contrôle là-dessus, ça part et c'est comme *income tax* là-bas dans le *Consolidated Fund!* Donc, il faut comparer *like with like!* On ne peut pas le faire, ce n'est pas raisonnable!

Mais aussi on dit aux travailleurs, aux petits salariés, que vous allez payer moins. Je ne vais pas chipoter sur les chiffres mais tout le monde sait qu'à partir de 2023-2024, il y aura un trou d'à peu-près, s'arrondit, il y aura un trou d'à-peu-près R 5 milliards tous les ans, la différence entre les contributions et les sommes qui seront payées à partir de 2023-2024.

Un trou d'autour de R 5 milliards par an et il faudra combler ce déficit-là. Très probablement, les contributions qu'on présente comme ayant diminuées de 3% à 1.5%, ce qui n'est pas une comparaison valable mais très probablement au train où vont les choses, il faudra augmenter les contributions des salariés à cause de ce trou d'autour de R 5 milliards.

C'est dans ce sens que nous disons, nous ne disons pas ça parce que ça nous fait plaisir, mais tous les chiffres sont là, tous les experts s'expriment, tous les spécialistes s'expriment, il y aura un trou pareil qui ne fera qu'augmenter au cours des années suivantes.

C'est dans ce sens-là, sans aucune arrière-pensée politique que nous disons que c'est une bombe à retardement. *A time bomb!* Une bombe à retardement que les générations à venir, les jeunes surtout, paieront pour combler ce déficit-là, pour remplir ce trou d'autour de R 5 milliards.

Tout cela on ne l'a pas dit. Il faut le dire et des solutions, on peut les trouver. Il y a eu beaucoup de suggestions, d'autres peuvent venir, on peut le trouver dans le dialogue mais au lieu du dialogue, on a tué *la National Pensions Fund*. Sans aucun dialogue avec les salariés concernés et aujourd'hui on se retrouve avec une bombe à retardement, M. le président.

Les *self-employed*, je n'hésite pas à dire, on a leurré les petits, vous allez payer moins, on a leurré les petits salariés et on a piégé les *self-employed*; littéralement piégé les *self-employed*, qui ne payaient pas. Alors le piège a été les R 10,000 offertes en mars 2021 comme appât et saisissant l'appât, 226,758 malheureux *self-employed*, qui ne payaient pas, se sont retrouvés piégés et auront à contribuer à leur tour et pas seulement ça, M. le président, on avait dit qu'il y aurait un *flat contribution* pour les *self-employed* de R 150. Ce sera beaucoup plus que ça, ça a changé surtout pour les *self-employed* qui empochent plus de R 10,000 par mois. Tout cela on ne l'avait pas dit au *self-employed*, ils se sont laissés appâter, piégés par ces malheureuses R 10,000 et aujourd'hui, non seulement ils auront à contribuer, mais comme d'autres l'ont dit avant moi, M. le président, il y aura des comptes à garder, des comptes détaillés à garder, à communiquer au *MRA* et par voie électronique s'il-vous-plaît!

Au cours des jours, des semaines, des mois à venir, je conseille au gouvernement de faire très attention à la réaction des *self-employed* en général quand ils réaliseront comment ils se sont fait piégés et qu'elles sont, dorénavant leurs responsabilités et j'en viens aux fonctionnaires. La loi prévoit que le gouvernement paiera pour les fonctionnaires, leurs contributions à la Contribution Sociale Généralisée *until otherwise prescribed*. On comprend que ce sera fait par *regulations*, et il n'est pas difficile de deviner que le gouvernement va attendre le *PRB* pour *prescribe*, *until otherwise prescribed*, quand le *PRB* viendra, le *PRB* donnera d'une main ce que le gouvernement et la *MRA* reprendra de l'autre main.

Précisez les choses, jouons cartes sur table et si j'ai tort, je serai le premier d'être ravi d'avoir eu tort. Mais dites-le, prenez un engagement qu'avec la publication et la mise en

pratique du *PRB*, on ne reprendra pas d'une main ce qu'on avait fait semblant de donner de l'autre main. La population, encore une fois, a le droit d'être rassurée, a le droit de savoir à quoi s'en tenir, M. le président.

Nous avons tellement débattu du projet de loi ici et hors de la Chambre. Donc, je conclurai, M. le président, que toute une population a été bernée et est maintenant assise sur une bombe à retardement, malheureusement. Je ne le dis pas de gaieté de cœur pour m'en réjouir. Personne n'a le monopole du patriotisme, mais toute une population a été bernée et est aujourd'hui assise sur une bombe à retardement. Une arnaque massive est en train d'être commise. Une escroquerie historique est en train d'être commise sur le dos des jeunes et des générations à venir, mais aussi une escroquerie électorale sur le dos des *gran dimun* de notre pays qui - là-dessus, on est d'accord des deux côtés de la Chambre - ont tant contribué au développement du pays dans le passé. L'histoire, M. le président, nous jugera tous dans les quelques années à venir.

Je vous remercie.

The Deputy Speaker: Thank you very much. Hon. Minister Ganoo!

The Minister of Land Transport and Light Rail, Minister of Foreign Affairs, Regional Integration and International Trade (Mr Ganoo): Mr Deputy Speaker, Sir, I move for the adjournment of the debate.

Mr Bérenger: Lâche!

The Deputy Speaker: Order! Order! Order!

Hon. Paul Raymond Bérenger ...

Mr Bérenger: Lâcheté!

(*Interruptions*)

The Deputy Speaker: No, withdraw the word, please!

(*Interruptions*)

Order!

(*Interruptions*)

Order! Order! Hon. Paul Raymond Bérenger, can you kindly withdraw the word?

Mr Bérenger: *Je n'ai jamais entendu mon nom complet comme ça!* I withdraw.

The Deputy Speaker: Thank you very much. I am grateful, and next time I will take your full name again if I have to ask you to withdraw something. Thank you very much.

So, is it being seconded?

Dr. Padayachy seconded.

Question put and agreed to.

ADJOURNMENT

The Deputy Prime Minister: Mr Deputy Speaker, Sir, I beg to move that this Assembly do now adjourn to Tuesday 27 July 2021 at 11.30 a.m.

Dr. Padayachy seconded.

Question put and agreed to.

The Deputy Speaker: The House stands adjourned!

Adjournment Matters! Hon. Bhagwan!

MATTERS RAISED

(10.25 p.m.)

ALBION - SECURITY

Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière): Thank you. Mr Deputy Speaker, Sir, I would like to raise an issue concerning security in my constituency with my colleagues, hon. F. Quirin and hon. Mrs Foo Kune-Bacha.

It concerns a problem at Albion, Splendid View, where il y eu des coups de feu, des attaques ; des gens ont été attaqués, une dame, particulièrement, et il y a un climat de frayeur. C'est sur le net, à travers les vidéos caméras qui ont été circulées, et je demanderai au vice-Premier ministre de transmettre au Premier ministre de voir avec la police d'Albion pour accélérer le processus de recherche et de rassurer la population d'Albion en ce qui concerne le policing au niveau de la région, non seulement de Splendid View, mais aussi de Terres d'Albion où il y eu le problème en particulier et aussi au niveau du village d'Albion. C'est quelque chose de très, très urgent, et il est très important que la police fasse le nécessaire pour rassurer les habitants de ce quartier qui est très habité, qui est un quartier résidentiel où il y pas mal d'inquiétude.

The Deputy Speaker: Thank you very much. Hon. Deputy Prime Minister!

The Deputy Prime Minister: I thank the hon. gentleman for sharing his concern with the House, and I shall certainly convey the message to the hon. Prime Minister.

The Deputy Speaker: Hon. Dhunoo!

(10.26 p.m.)

FLOREAL JUNCTION - TRAFFIC LIGHT - REINSTATEMENT

Mr S. Dhunoo (Third Member for Curepipe & Midlands): Thank you, Mr Deputy Speaker, Sir. My request tonight is addressed to hon. Alan Ganoo, Minister of Land Transport and Light Rail. The matter I would like to raise tonight is an issue which has been caused since the 1999 riot, following the death of the Mauritian singer, Kaya, where the traffic light situated at the junction of Floreal Road, Allée Brillant Road B74 and Georges Guibert B5 towards Curepipe has been damaged and removed. The junction without the traffic lights causes many inconveniences for automobilists and has led to many road accidents. In this respect, I will request the hon. Minister Ganoo, who has been doing a very good job in Constituency No. 17, Curepipe & Midlands, and all over Mauritius, if he could use his good office to talk to the Traffic Road Management and Safety Unit, if they could survey to reinstate the traffic light. I thank him in advance, and I thank you also, Mr Deputy Speaker, Sir.

The Deputy Speaker: Thank you. Hon. Minister!

The Minister of Land Transport and Light Rail, Minister of Foreign Affairs, Regional Integration and International Trade (Mr A. Ganoo): Mr Deputy Speaker, Sir, I have listened attentively to the hon. Member. I will contact the TRMSU on Monday and discuss with them to find a solution to the problem.

The Deputy Speaker: Thank you very much. Hon. Ms Anquetil!

(10.27 p.m.)

HOSPITALS - EMERGENCY SERVICES

Ms S. Anquetil (Fourth Member for Vacoas & Floréal): Je vous remercie, M. le président. Ma requête s'adresse au ministre de la Santé concernant un grave accident survenu à Floréal le dimanche 18 juillet à 11h15, qui a coûté la vie à Monsieur N. S. Les services d'urgence, alertés à plusieurs reprises, ont été informés qu'il s'agissait d'un cas de fracture de crâne. L'ambulance est arrivée 45 minutes plus tard et n'était pas équipée de matériels médicaux et aucun personnel médical était à bord. Pourtant, à l'hôpital, le volontaire qui a

accompagné le blessé, a constaté sept ambulances sur le parking de l'hôpital. Je fais un vibrant appel au ministre pour initier une enquête dans ce cas précis et revoir les services d'urgence hospitaliers pour sauver des vies humaines.

Je vous remercie, M. le président.

The Deputy Speaker: Thank you very much. Hon. Deputy Prime Minister!

The Deputy Prime Minister: M. le président, j'attirerais l'attention du ministre au cas soulevé par madame la députée.

The Deputy Speaker: Hon. Osman Mahomed!

(10.29 p.m.)

VALLEE PITOT & TRANQUEBAR - MINIBUS SERVICE

Mr Osman Mahomed (First Member for Port Louis South & Port Louis Central): Thank you. I would like to address the Minister responsible for Land Transport, hon. Alan Ganoo. Recently, four minibuses have been launched in four regions of the country, which I think is a good initiative. Why I say so? Because there are two regions in my constituency which are inaccessible to normal buses, either because of turning radius or the roads are too small at certain places, and those are near the Eidgah region and Chalets Street in Vallée Pitot and in Bangladesh in Tranquebar, and the consequences is the hardship caused to people. My proposition is to extend the same facility; not two minibuses but only one, because those two regions are near so that they can alternate by bringing people from Bangladesh to Mahatma Gandhi Street, where they can catch a bus at the normal bus stop and the same facility from the Eidgah and Chalets region to Boulevard Victoria, and then easing the life of people in those two regions.

The Deputy Speaker: Thank you very much. Hon. Minister!

The Minister of Land Transport and Light Rail, Minister of Foreign Affairs, Regional Integration and International Trade (Mr A. Ganoo): I have listened carefully to the hon. Member, Mr Deputy Speaker, Sir. He is referring to the innovative measure that the NTC took a few days ago by launching a new service with the minibuses to service areas, which have been, unfortunately, irregularly and poorly served in the past. Many of my colleague parliamentarians on both sides of the House have requested me to look at the possibility of transferring this measure to their constituencies.

In this context, I can understand the point raised by the hon. Member. I remember he made a similar complaint to me in the past about the bus service in that region. I will certainly look into the matter. In fact, now, my Ministry together with the NTC collaboratively, we are going to examine the different constituencies and where the shoe pinches effectively, as fast as we can, because there is a question of budget also. All these minibuses, we have to buy them because they are new, and also they have helped to rebrand the NTC, Mr Deputy Speaker, Sir. But I will certainly look at the case of Constituency No. 2, with particular reference to this area which has been mentioned by the hon. Member.

The Deputy Speaker: Thank you Minister. Hon. Fabrice David!

(10.31 p.m.)

JAMES RUSSELL STREET, GRNW - WATER FLOW & SLIPPERY ROAD

Mr F. David (First Member for GRNW & Port Louis West): Merci, M. le président. Ma requête de ce soir s'adresse au ministre de l'Energie et des Utilités publiques qui n'est pas présent dans la Chambre. Elle concerne la rue James Russell à Grande Rivière, où, depuis des années, sept familles sont impactées par l'écoulement continu d'une eau superficielle et souterraine dont la cause semble difficile à déterminer par les services techniques mais dont les conséquences sont quant à elles dérangeantes pour les habitants et les usagers de cette rue. Plusieurs chutes à vélo et à motocyclette sont d'ailleurs la conséquence directe de cette chaussée qui systématiquement reste glissante. La CWA a été informée mais le problème persiste. Puis-je, donc, demander à ce que le ministre intervienne afin de trouver une solution définitive à ce problème.

Merci.

The Deputy Speaker: Thank you very much. Hon. Minister!

The Minister of Finance, Economic Planning and Development (Dr. R. Padayachy): M. le président, je vais informer le ministre, et il prendra les actions nécessaires. Merci.

The Deputy Speaker: Thank you, Minister. Hon. Reza Uteem!

(10.32 p.m.)

WAGE ASSISTANCE SCHEME & SELF-EMPLOYED ASSISTANCE SCHEME – RED ZONE – VALLÉE PITOT

Mr R. Uteem (Second Member for Port Louis South & Port Louis Central):

Thank you, Mr Deputy Speaker, Sir. I would like to raise an issue which I raised previously in this House a few weeks ago. It is addressed to the hon. Minister of Finance, Economic Planning and Development and it concerns the payment of Wage Assistance Scheme and Self-employed Assistance Scheme.

(Interruptions)

So, since 17 June 2021, the MRA has issued a Communiqué informing operators in the red zone, including Vallée Pitot, that they will be paid – the Government has taken a decision – they will be paid Government Wage Assistance Scheme and Self-Employed Assistance Scheme. It is now more than a month since the MRA has said this. Instead of paying, the MRA are harassing and I will not be...

The Deputy Speaker: No, no!

(Interruptions)

Mr Uteem: I will not make any apology for saying that...

(Interruptions)

The Deputy Speaker: No, no! Order!

Mr Uteem: Harassing people.

The Deputy Speaker: Hon. Member! You are...

(Interruptions)

Order! You have been here longer than me! Adjournment matters; I want you to be able to make your request, not qualify your request with adjectives, please!

Mr Uteem: The MRA has been calling people from Vallée Pitot and asking them a lot of questions, when these same people had already obtained Self-Employed Assistance Scheme in the past; they had already obtained Rs10,000 in the past. But now, suddenly, the MRA has decided that they are not going to distribute and put in place a decision of Government. So, I would ask the hon. Minister of Finance Economic Planning and Development to take the matter up with the MRA because this is causing a lot of harm to your own Government.

The Deputy Speaker: Thank you very much!

The Minister of Finance, Economic Planning and Development (Dr. R. Padayachy): M. le président, je l'ai dit, et je le répète à chaque fois, l'intervention concernant le gouvernement, concernant le *Wage Assistance Scheme* et le *Self-Employed Assistance Scheme*, c'est de venir en aide aux plus faibles et aux plus vulnérables, et de ce côté de la Chambre, on travaille dans ce sens.

Donc, concernant tous ceux qui sont touchés par les zones rouges, toutes les entreprises qui sont affectées, même pour une ou deux semaines, on est en train de payer le mois complet concernant le *Self-Employed Assistance Scheme* et le *Wage Assistance Scheme*. Donc, c'est sûr que dans certains cas il y eu des problèmes. Mais à ma connaissance, ils ont déjà fait le nécessaire pour le mois de juin, et ils sont en train de travailler pour le mois de juillet. Je demanderais à l'honorable membre de me faire parvenir, s'il vous plaît, – je ne demande pas les noms – peut-être les régions qui sont concernées, combien de personnes sont concernées. Je vais faire le nécessaire personnellement dès lundi matin.

Merci.

The Deputy Speaker: Thank you very much. Hon. Ms Joanna Bérenger!

(10.35 p.m.)

ALLÉE BRILLANT – UNDERGROUND WATER, STREET LAMPS & FALLOW LANDS

Ms J. Bérenger (First Member for Vacoas & Floréal): *Thank you.* Ma requête s'adresse au ministre des Collectivités locales et de la gestion des catastrophes et des risques. Je lui demanderais de bien vouloir prêter attention à une ...

(Interruptions)

The Deputy Speaker: Order! Continue, continue! Look at me! Continue! I will take care of him!

Ms J. Bérenger: Merci. Donc, je lui demanderais de bien vouloir prêter attention à une pétition qui a été communiquée à son ministère par les habitants de la région d'Allée Brillant, faisant état de trois éléments, notamment –

- (i) le débordement d'une nappe phréatique qui inonde les maisons et les routes en temps de pluie, étant donné l'absence de drains ;

- (ii) les lampadaires défectueux qui mettent en péril la sécurité, notamment des femmes qui se déplacent à pieds le soir en rentrant du travail, dont une femme a été agressée récemment, et aussi
- (iii) des terrains en friches dans la région d'Allée Brillant et encore une fois, notamment à la rue Hazareesing.

Merci beaucoup.

The Deputy Speaker: Thank you very much, hon. Member! Hon. Minister!

The Vice-Prime Minister, Minister of Local Government and Disaster Risk Management (Dr. A. Husnoo): Yes, Mr Deputy Speaker, Sir, I will look into the matter.

The Deputy Speaker: Thank you very much. No more hand raised! Have a good weekend!

At 10.37 p.m., the Assembly, was, on its rising, adjourned to Tuesday 27 July 2021 at 11.30 a.m.