



**SIXTH NATIONAL ASSEMBLY**

**PARLIAMENTARY DEBATES**

**(HANSARD)**

**(UNREVISED)**

**FIRST SESSION**

**TUESDAY 16 MAY 2017**

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**E.S.E. (2015-2016) No. 02 of 2017**

**ADJOURNMENT**

## THE CABINET

**(Formed by Hon. Pravind Kumar Jugnauth)**

Hon. Pravind Kumar Jugnauth	Prime Minister, Minister of Home Affairs, External Communications and National Development Unit, Minister of Finance and Economic Development
Hon. Ivan Leslie Collendavelloo, GCSK, SC	Deputy Prime Minister, Minister of Energy and Public Utilities
Hon. Sir Anerood Jugnauth, GCSK, KCMG, QC	Minister Mentor, Minister of Defence, Minister for Rodrigues
Hon. Showkutally Soodhun, GCSK	Vice-Prime Minister, Minister of Housing and Lands
Hon. Seetanah Lutchmeenaraidoo, GCSK	Minister of Foreign Affairs, Regional Integration and International Trade
Hon. Yogida Sawmynaden	Minister of Technology, Communication and Innovation
Hon. Nandcoomar Bodha, GCSK	Minister of Public Infrastructure and Land Transport
Hon. Mrs Leela Devi Dookun-Luchoomun	Minister of Education and Human Resources, Tertiary Education and Scientific Research
Hon. Anil Kumarsingh Gayan, SC	Minister of Tourism
Dr. the Hon. Mohammad Anwar Husnoo	Minister of Health and Quality of Life
Hon. Prithvirajsing Roopun	Minister of Arts and Culture
Hon. Marie Joseph Noël Etienne Ghislain Sinatambou	Minister of Social Security, National Solidarity, and Environment and Sustainable Development
Hon. Mahen Kumar Seeruttun	Minister of Agro-Industry and Food Security
Hon. Ashit Kumar Gungah	Minister of Industry, Commerce and Consumer Protection
Hon. Ravi Yerrigadoo	Attorney General
Hon. Jean Christophe Stephan Toussaint	Minister of Youth and Sports
Hon. Soomilduth Bholah	Minister of Business, Enterprise and Cooperatives
Hon. Marie Roland Alain Wong Yen Cheong, MSK	Minister of Social Integration and Economic Empowerment

Hon. Mrs Fazila Jeewa-Daureeawoo	Minister of Gender Equality, Child Development and Family Welfare
Hon. Premdut Koonjoo	Minister of Ocean Economy, Marine Resources, Fisheries and Shipping
Hon. Soodesh Satkam Callichurn	Minister of Labour, Industrial Relations, Employment and Training
Hon. Purmanund Jhugroo	Minister of Local Government and Outer Islands
Hon. Marie Cyril Eddy Boissézon	Minister of Civil Service and Administrative Reforms
Hon. Dharmendar Sesungkur	Minister of Financial Services, Good Governance and Institutional Reforms

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Deputy Speaker	Teeluckdharry, Hon. Kalidass
Deputy Chairperson of Committees	Jahangeer, Hon. Ahmad Bashir
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**MAURITIUS**

**Sixth National Assembly**

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**FIRST SESSION**

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**Debate No. 07 of 2017**

**Sitting of 16 May 2017**

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

**The National Anthem was played**

*(Madam Speaker in the Chair)*

**PAPERS LAID**

**The Prime Minister:** Madam Speaker, the Papers have been laid on the Table –

A. **Prime Minister's Office**

- (a) Certificate of Urgency in respect of the Extradition Bill (No. VI of 2017). (In Original)
- (b) Digest of Agricultural Statistics 2015.

B. **Ministry of Technology, Communication and Innovation**

The Annual Reports of the Mauritius Research Council (MRC) for periods ending 31 December 2012 and 2013.

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

- (a) The Annual Report of the Open University of Mauritius for period 01 January to 31 December 2014.
- (b) The Annual Report 2015 of the Early Childhood Care and Education Authority.

D. **Ministry of Industry, Commerce and Consumer Protection**

The Rodrigues Consumer Protection (Control of Price of Taxable and Non-taxable Goods) (Amendment No. 14) Regulations 2017. (Government Notice No. 63 of 2017)

**MOTION**

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

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

**Sir Anerood Jugnauth rose and seconded.**

*Question put and agreed to.*

**PUBLIC BILLS**

*First Reading*

*On motion made and seconded, the Extradition Bill (No. VI of 2017) was read a first time.*

*Second Reading***THE BUSINESS FACILITATION (MISCELLANEOUS PROVISIONS) BILL****(No. V of 2017)**

*Order read for resuming adjourned debate on the Business Facilitation Bill (No. V of 2017).*

*Question again proposed.*

**Madam Speaker:** Hon. Rughoobur!

**Mr S. Rughoobur (Second Member for Grand’Baie & Poudre d’Or):** Thank you Madam Speaker.

Madam Speaker, let me, first of all, thank you for giving me an opportunity to take the time of the House to say a few words on this Bill.

Madam Speaker, this Government 2014/2015 took a commitment towards the population; a commitment for better transparency, a commitment for better quality and social justice, and a commitment for better growth.

Madam Speaker, I have been listening carefully to the hon. Members who have been intervening on this Bill before me. Of course, there have been concerns expressed by some Members on the other side of the House; concerns on the inadequacy of provisions in the Bill to facilitate business.

Madam Speaker, let me at the very outset, emphasise on the fact that this Bill is not a Bill that you are going to take on a road show to convince investors to come and invest in our country. This is not the intention of the Government, but the Government wants to send a strong signal, Madam Speaker, to all the stakeholders. A strong signal! The Prime Minister, these days, has repeatedly been saying that he means business and that discipline and hard work is the only way that we can be competitive as a nation.

Madam Speaker, let me refer to the MCB Focus Economic Update of March 2017, and I quote –

- (i) Are the implementation processes and capabilities – both at public and private sector levels – deemed to be robust and adaptive enough so as to lead projects to conclusion in a speedy and judicious fashion?



- (ii) Can our domestic business environment and policy frameworks be flexible and malleable enough in order to bear up with a global trade and investment landscape that keeps on gyrating as well as spawning new realities and challenges?
- (iii) Can our socio-economic progress be made all encompassing enough so as to maximise the scope for persuasive job and wealth creation, thus generating and embedding a continuously regenerated cycle of high and sustainable economic growth?

Madam Speaker, what are the economists of the MCB referring at here is the mantra that we have been chanting for decades, that the alliance between the private and public partnership is important in this modern new era and the challenges that the country today is facing in this modern world. However, we have to go a step further Madam Speaker. We are speaking of private and public partnership but we have to go a step further and we have to talk of the responsibility of the civil society as well. Madam Speaker, some couple of years back, the Prime Minister of Netherland, in a speech at the Lee Kuan Yew School of Public Policy, clearly stated and, rightly so, that promoting business in a country is not the responsibility of only the Government. It is not the responsibility of only the public sector, but also the private sector, but certainly yes the civil society as well.

Therefore, Madam Speaker, today in my intervention, I am going to elaborate on three issues -

- (i) the role of Government in promoting business;
- (ii) the responsibility of the private sector, and
- (iii) the expectation that we need to have from the civil society as well.

When we refer to the Bill, Madam Speaker, which is in front of this House today, a series of measures are being taken by the Government and we have been consistent in our approach with the Prime Minister last year as Minister of Finance laying a lot of emphasis on the need for better efficiency and effectiveness at the level of the private sector. He is consistent as well today also with a series of measures that are being announced. We are proposing, Madam Speaker, for example, that contribution. We are proposing a reallocation of resources. We have invested in technology, in training at the level of the MRA. We are proposing that contributions of employees are henceforth collected by the MRA. We are proposing the collection of utility bills prior to the issue of BLP. We want to have a one-stop

shop at the level of local authorities. This is how we are going to bring efficiency. At the same time, talking of effectiveness, the management of these institutions that we are about to merge has to be reviewed. The intention is important Madam Speaker.

Since last year, a series of measures have been announced by the hon. Prime Minister and Minister of Finance to ensure that we have better efficiency and effectiveness. In the same Bill, Madam Speaker, there have been other measures that have been announced like, for example, when you talk of effectiveness, we are talking of the time frame for the issue of the EIA licence approval. Whether it is approved or not the time frame should be reduced. The *Morcellement* Permits, similarly, the time frame should be reduced - effectiveness in the management of the public sector. The Prime Minister has been clear to all those who are responsible in managing the public institutions; to all those who are at the Head of the Ministries. The Prime Minister has been very clear. He needs leadership at all levels because this is how we will be able to be competitive as a nation. This is addressed to the CEO, the SCEs of all Ministries, Madam Speaker. We have to be competitive. We have to be effective and we cannot sleep on files. Extremely important! So first, Madam Speaker, the responsibility of the Government, I believe that we are consistent in our approach and it is wrong to say that the Government is coming with this document to go and convince investors only this document. We have been consistent in our approach all throughout Madam Speaker.

This brings me to the second issue I wanted to address. Madam Speaker, we call for the responsibility of the private sector as well. I wanted to address four issues, Madam Speaker. We have been on numerous occasions, Madam Speaker, talking of transparency award of contracts in the public sector. I think it is time *pour une remise en question* in the private sector as well. The Government, for example, Madam Speaker is financing promotion campaigns in the tourism industry for example. Almost billion of rupees! However, we need to ask ourselves, Madam Speaker, those small and medium enterprises when they look for work in these hotels, how are contracts awarded in the private sector? We need to question this as well today Madam Speaker. In the hotel industry, similarly in the construction industry, how are contracts awarded in the private sector? Who are those firms that, regularly, are securing contracts? These are questions not to criticise the private sector, but these are questions that, at this stage, are important for everybody to ask. If we were to work as a partner Madam Speaker, it is important for us to ask these questions. First is the issue of transparency in the Public Sector. Secondly, Madam Speaker, the Government is coming with amendments at the level of these payments of contribution of NPF/NSF. There

is also the responsibility of the employers to pay the trading levy. What are we expecting, Madam Speaker, to be a competitive nation? We have to put emphasis on a culture of training and development. If we ask the HRDC how many employees, one is the issue of whether these employees are contributing the trading levy.

This is one of the reasons why the hon. Prime Minister and Minister of Finance has decided to give them the responsibility to monitor these contributions. One is the issue of whether they are contributing. For those employers who are contributing the training levy, Madam Speaker, it is very unfortunate if we ask the HRDC how much of these training levies are being recouped by these employers in the private sector. It is simply because they are not that interested in training. We do not have a culture, unfortunately, of fostering training. It is not only the role of the Government, Madam Speaker. We need to inculcate a culture of training and development and the private sector should fully participate in this as well, Madam Speaker.

The third issue, Madam Speaker. When we talk of the private sector - that I believe is important - when we talk of the responsibility of the Government in promoting business, we also talk of the responsibility to the private sector. This is the third issue, Madam Speaker. We are no longer competing of cheap labour. There are some firms that are delocalising because they want to take advantage of cheap labour in foreign countries, but it is extremely important at this stage when we are talking of the services sector. We are at a different stage of our development, Madam Speaker. It is extremely important for firms to invest in scientific research and innovation. There is a total blackout, Madam Speaker. The hon. Minister of Finance, here also, has been giving funds to the private sector through the Mauritius Research Council, funds for scientific research and innovation. I would like to know how these funds are being used and how much of these funds have been used today, Madam Speaker? It means that there is a total lack of emphasis on this issue of scientific research and innovation. My appeal today as a partner of the private sector, Madam Speaker, and the Government's appeal are also to the Joint Economic Council and the MCCI. They have to question their mode of functioning today, Madam Speaker, in this new modern era where there is stiff competition around the world. It is the responsibility of the private sector to question its functioning today. So, Madam Speaker, regarding investment in scientific research and innovation, unfortunately, we have a serious shortcoming at this stage. It is not only for the Government, but also as a partner to the private sector, the private sector as well has to know its part.

The fourth issue, talking about the responsibility of the private sector, Madam Speaker, is probably when the Government is laying emphasis on the need to come up with new sectors like the Ocean Economy. There is also the need for the private sector to look for strategic partnership. I am sure they are doing, but then I believe there is not enough transfer of technology and expertise from abroad, Madam Speaker. In this area as well, the Government expect that the MCCI, the Joint Economic Council and representatives of the private sector give this a serious thought. That was the second issue I wanted to elaborate, Madam Speaker.

Now, concerning this alliance, there is a new paradigm shift, Madam Speaker. Earlier, we were talking of the role of Government in promoting businesses, and then we started talking about the partnership between the private and the public sector. Today, Madam Speaker, more than ever, it is important that the civil society as well participates in promoting businesses. In this alliance, we cannot have only the public and the private sector. We need to have the contribution of the civil society. They have an important contribution. The PTAs in schools, the Youth Organisations and the NGOs, whether they are fighting in the field of environment or *le combat contre la pauvreté*, all these NGOs and members of the civil society have equally a very important responsibility in contributing and in working in line with Government to ensure that we have a business environment that is competitive for economic development, Madam Speaker.

Let me here, Madam Speaker, come to a very interesting statement made by Barack Obama in a forum on civil society in Panama, in April 2015. He stated, and I quote -

“We also know that our support for civil society is not just for what we’re against, but also what we are for. Because we’ve noticed that governments that are more responsible and effective are typically governments where the people are free to assemble, and speak their minds, and petition their leaders, and hold us accountable.

We know that our economies attract more trade and investment when citizens are free to start a new business without paying a bribe. We know that societies are more likely to succeed when all our people - regardless of colour, or class, or creed, or sexual orientation, or gender - are free to live, pray, and love as they choose.

And, increasingly, civil society is a source of ideas - about everything from promoting transparency and free expression, to reversing inequality and rescuing our environment.”

So, Madam Speaker, to conclude, I believe that an era where there are so much stiff competition around the world when referring to such a Bill, my appeal is to the private sector and the civil society. Everybody should take their responsibility and work hand in hand with the Government for the betterment of the citizens of this country.

With these notes, Madam Speaker, I thank the House and thank you for your attention as well.

**Madam Speaker:** Hon. Ganoo!

(11.51 a.m.)

**Mr A. Ganoo (First Member for Savanne & Black River):** Madam Speaker, the present legislation, the Bill before this House, the Business Facilitation Act comes at an opportune time. It purports to be a major step in this Government's endeavour to combat red tapism, to clear administrative bottleneck, to reduce bureaucracy, to strengthen the digital economy and to give a fresh start in the manufacturing sector accompanied by some hope to thousands of our citizens and in boosting growth. In this respect, I would applaud the hon. Minister. I said an opportune time for different reasons, Madam Speaker, to dynamise the economy, but more importantly to remove the constraints in relation to permits, licences, authorisations and clearances as spelt out in the Explanatory Memorandum. At the same time, I will be failing in my duty, and certainly, Madam Speaker, it would sound odd if I do not point at the weaknesses, the shortcomings, the shady picture, and the structural transformation which elude the present Government admittedly of its own misdoing.

Madam Speaker, the question we have to ask ourselves is: Can the Business Facilitation Act help to reverse the trend in certain specific sectors, for example, the business and the manufactured exports. When we look at the situation, exports are being declining year in and year out, the trade deficit has been widening, by 2016, exports had dropped to Rs83.9 m. In 2017, imports are forecast to stand at Rs181billion against expected exports of Rs87 billion. The trade deficit which were Rs77 billion is forecast to rise to Rs94 billion.

I am quoting these figures, Madam Speaker, so that we should be aware that this type of figures ought to sound the alarm and to reflect whether we, as a nation, are doing enough to reverse the trend. To my mind, Government certainly needs to do much more to stimulate manufactured growth. In this respect, the Act before this House could be a critical stepping-stone to get manufactured exports back on the trail of robust export growth.

This is why I said, the BFA comes at an opportune time, in one very significant manner. We feel it is a good and necessary initiative, but by no means sufficient. The first merit of the legislation is that it brings a long overdue rationalisation of various fragmented legislation that facilitates cross references, simplifies the process and improves the business climate.

To reduce bureaucratic excesses and simplify procedures, the Bill transfers responsibility from the Minister to the Registrar General or institutions. Therefore, it eliminates a step for the eligibility of a permit as can be illustrated, for example, in the foundation Act. Very rarely Ministers willingly relinquish their rights or prerogatives. I believe this is a very positive development in the Minister's mind-set. In various parts, we note the legislation attempts to simplify the procedures and focus on definitions such as the meaning of the commencement of a financial year or obligations to keep records. This, Madam Speaker, definitely adds to both certainty and precision because the businessman faces the world of reality, where there are legal obligations and accounting conventions to be respected. Likewise, Clause 8 transfers responsibility to the MRA just to reflect recent changes so that there is no confusion.

As I pointed out earlier, Madam Speaker, an important factor in this legislation is the consolidation of existing legislations, to reflect latest changes, legislations passed with appropriate cross references. For example, transferring responsibility from Municipalities to Fire Rescue Department of the Fire Services gives direct responsibilities to the Fire Services. Similarly, with the merging of several bodies, as in the case of Landscape, which has taken over the activities of the BPML or Estate Development Ltd, the need to amend the law and the Sugar Industry Efficiency Act was evident. Thus, the words "State Land Development Company Ltd" are being deleted and replaced by the words 'Landscape (Mauritius) Ltd'. There is nothing new, but of a confusion and bring all fragmented legislation up to date was necessary.

While there are some minor issues in areas of employment or environment, which merely are adjustments to reflect recent changes, there are equally important obligations regarding administrative and legal procedures. Other minor issues, Madam Speaker, relate to correction of syntax to grammar. In these cases, of course, there are no novelties, but the Bill is merely putting order, which is still useful. Such small issues may delay project implementation and often lead to confusion. Therefore, correcting, updating and consolidating will help in preventing the system from clogging.

The agencies, departments have to respect deadlines, Madam Speaker, and the present legislation confirms this averment. This will help to improve the ease of doing business. However, a note of warning, at the same time, we should not rush things. For long term gains, environment protection, for the good of the workers of this country, for health and security, for good governance, for protection from dirty money, for risk of tarnishing the country's image or devaluing the role of sacrosanct institution, it may be wiser to appraise the project properly and this does, unfortunately, take some more time.

The point I am making, Madam Speaker, is that we have to distinguish between rushing decisions and scientifically appraising a project. For the good of the nation, we need to act rapidly, but calmly, satisfying all norms and standards, ensuring the project is mounted on strong financial, ethical and technological foundations. Madam Speaker, the amendment proposed in the Notaries Act goes in this direction. From now on, every notary is bound to remit to his client a certified copy of the relevant document or the title deed within a delay of eight days.

Every notary shall submit to the Registrar General, for registration transcription or inscription, the notarial deed and, where applicable, the appropriate form set out in the Sixth Schedule to the Transcription and Mortgage Act, duly filled. Similarly, Madam Speaker the obligations imposed on administration to obtain plant import permit aims to expedite matters. Again, this assumes responsibility checking, cross checking and double-checking.

Madam Speaker to me the single most important aspect of this legislation is that it legalises and makes possible the shift to a digital economy. This is indeed highly laudable. Moving to a digital economy through electronic form filling is positive. In the wake of globalisation, indeed, Madam Speaker, we need to adapt or perish. It authorises electronic payments and creates the environment legally to do away with a cumbersome system. This is highlighted in the Investment Promotion Act. The substance is the same, but changing the form, the legislation eliminates many unimaginable constraints and takes us up to a higher technological path in line with global trend. Seen from another angle, Madam Speaker, one can argue that the legislation is not innovative, but it is catching up with time.

It creates links with different bodies; it permits links to be created with different bodies and gives access to other bodies to retrieve information fairly rapidly. For example, Clause 6 which amends the Local Government states as follows -

“A local authority having access to the Central Business Registration Database (CBRD) under the Business Registration Act and to the Central Population Database under the Civil Status Act shall not require an applicant to submit or produce his National Identity Card or, where the applicant is a company, its certificate of incorporation”.

Madam Speaker, the electronic conformity report will help firms and the authorities to expedite matters, save on costs and raise productivity while facilitating interdepartmental coordination through direct access to specific database. However, a note of warning again, when we talk of the digital revolution it is important that we take the middle course. We should not repeat the mistakes of other countries, European countries. We must not fall in the trap of the paradox of technology as warned by a noble prize recipient for economics.

We need to preserve the personalised touch. The absence of personalised touch has often led to good projects being rejected. Bankers and other institutions have to use a blend of personalised touch and the good side of the digital revolution. From time, Madam Speaker, the implementation of a good revenue-generating project requires both the digital revolution and the support of the banker and officers at different level. Nevertheless, one of the most fundamental issues that this legislation addresses is the payment that has been commented upon by different orators before me in the payment of the NPF and the NSF. This would ensure the rights of individuals and facilitate administration. The amendment to the Income Tax Act provides for incorporation of social chargers, National Pension Saving Funds, basically it is a consolidation and rationalisation process and therefore constitutes again a positive note.

Madam Speaker, the rights of workers in a democracy have to be strictly observed, similarly the revenue due to the State has to be collected. However, ensuring the rights of individuals against any potential arbitrariness of the State through the over zealousness of authoritarian bureaucrats is equally vital. At present the appeal against the MRA should be enforced as a vital bolt in further extending democracy.

Madam Speaker, Clause 13 of the Bill which amends the Land Duties and Taxes Act is another good attempt to deter fraudulent activities and to prevent tax evasion and tax avoidance.

Having said all this, Madam Speaker, I must say that this Bill is, therefore, one-step forward in a long journey. To me, there are other areas important to business facilitation,



important to the climate of confidence, which should have been addressed by Government. For example, the transparency of Government procurement, the strength of other institutions in terms of their independence and their protection from political interference, our labour market regulations. In other words, other dimensions which this Bill has, unfortunately, failed to touch upon, but which would have improved our economy's regulatory environment for easing and attracting business.

Madam Speaker, a common perception, I repeat it, a common perception, is that procurement has been of late vitiated. This, in turn, causes tremendous havoc in changing the image of our country. On many occasions, the procurement authorities have undergone some form of trial by the Press and the public because of perceived excesses. These are the last straws in sending the wrong signals both to international and domestic investors. This is why I say the procurement exercise has to be beyond reproach, beyond reasonable doubts, so that Mauritians end up having confidence, admiring and even emulating the entrepreneurs, the bidders, instead of despising them.

As a Government, as a nation, as a people, we should ensure that our institutions work, but also that they command respect and credibility. By tampering with standard procedures, we cause immense harm to public confidence in our institutions, in the economy, and end up in a worse scenario.

I need not to say, Madam Speaker, that, in the last two years, this Government has been discredited by countless transgressions of administrative and business ethics, favouritism that far perhaps surpassed its predecessor, for which the then Government was mercilessly ousted of power. When scandals multiply at the current rate, the nation inevitably jumps to the conclusion that those who condone or participate in them are ripe for shaking. Can we imagine that in less than two years, over a dozen of political nominees of this Government have been forced to resign or leave their position? Who would, Madam Speaker, in their right mind, invest in a country besieged by scams and ethics violation? Once this country which occupied the top five positions among most liked investment hosting country, we have now tumbled to the 16<sup>th</sup> place in Africa in the latest survey. This is scarcely a record to be proud of, and many other factors contributing to the sad performance are tributary to some other constraining legislation which Government has enacted, the conduct of the political nominees of this Government and the indifference of some departments.

According to Transparency International, Madam Speaker, the perceived level of public sector corruption, the Perception Index (CPI), Mauritius scored 57 and was ranked 43<sup>rd</sup> out of 176 countries and third in Africa. Since then, unfortunately, there seemed to have been a deterioration, which has evidently and adversely impacted on the business climate. We are no longer number one in Africa and we are fast losing places. If this trend persists, we shall be jeopardising our financial sector, the pillar on which the economy depends and the sector with which we can penetrate Africa.

The conduct, unfortunately, of many of our compatriots is undermining the growth prospects and leaving a heavy legacy on future generation. The perception of corruption, favouritism and nepotism has to be uprooted at all costs, Madam Speaker.

Our predecessors have built many institutions which became valuable assets in creating growth for this country. Today, many of these institutions do not have any anchorage; do not have any proper stewardship. There are no Chief Executives in many of these vital institutions. We know of these cases. These peculiar factors create unhealthy business climate that do not at all facilitate business.

Only the Business Facilitation Act by itself is not sufficient, Madam Speaker. We must look beyond this Act. The hon. Prime Minister would be wise to spend some time in coming to grips with the sickness of the State. Can we imagine, in this respected Assembly, that the NTC is without a General Manager for nearly two years? The interviews for recruitment have been going on and on, and the consequences are revealing. Rs685 m. of debt, Madam Speaker, regarding the NTC! In the streets, what the common man is saying is that this Government is trying to make the Metro Express feasible and is actually allowing the situation of the NTC to rot until it becomes unbearable and the nation then applauds Government's decision in favour of the Metro Express.

Madam Speaker, let us look at another vital institution, that is, the financial services sector. On that score, we would wish to cry, Madam Speaker. We should start singing 'Cry Mauritius' instead of 'Cry Argentina', because those who have been responsible for this sector have been doing a disservice against the economy of this country. The FSC is without a proper Chief Executive since nearly two years - a sector which is about to contribute 12.5% of the economy and has the potential to grow at 7% annually. Such an irresponsible act is fraught with the danger of slowly killing the sector. Now is the time to penetrate Africa with

a sense of direction and a sense of purpose. How can we expect to grow exponentially in such circumstances, Madam Speaker?

The hon. Minister presently responsible for this sector went publicly and stated unreservedly, 'Mauritius has no competence'. Madam Speaker, this is an insult to the Mauritian intelligence. A look at the Commonwealth Secretariat, at the World Bank, at the IMF, at the IFC would reveal that Mauritius is over represented in these prestigious world institutions. Yet, more Mauritians are being interviewed every month by these institutions and kept on the waiting list.

The hon. Minister does not find any Mauritian fit for the job. Several other posts at administrative level or directorial level have been advertised. Interviews are going on. Are we setting false hope to prospective applicants and giving a semblance to the public that the Government is trying to fill vacancies or creating jobs? The way the Government is managing the situation does not support the facilitation concept the hon. Prime Minister wants us to believe. Indeed, the way recruitment is being done reinforces the belief that it is not competence that this Government has not found in Mauritius, and this unhealthy situation will clearly annul all good intentions of the Business Facilitation Act and the objectives of the legislation.

Let us take the DBM, which is under the responsibility of the hon. Prime Minister and the Minister of Finance and Economic Development. Let us take the SIC, the investment arm of the Government, which falls in the same category. At the SIC, after an apparent call for candidates, a candidate has been offered an actingship for more than two years. If he or she is competent for the job, then, at least, give him or her the post to eliminate uncertainty. We cannot live in a situation of perpetual uncertainty. In the meantime, what such Acting Chief Executives are doing is that, being afraid to take decisions, they adopt a play safe attitude and the work becomes a half-baked exercise. All this, again, results in an unhealthy situation.

Madam Speaker, in the meantime, CEOs or Acting CEOs are sitting on dozens of Boards, and the public is wondering if such CEOs have the time to attend properly to their responsibilities. Yet, Madam Speaker, as I said earlier, this Bill is long overdue. It must be supported. Earlier, I commented, for the benefit of this Assembly, on the situation in our manufactured exports. We must know that since the present Government has been in power, the statistics published by the official Statistics Office show that in this sector there has been uncontradicted, undeniable declining.

In 2013, Madam Speaker, the real annual growth of the industrial sector was 4.1%. In 2015, after one year this Government took over, the growth went further down to 1.9%. In 2013, the number of enterprises was 309. At the end of 2016, only 280 enterprises were operating. Did you know, Madam Speaker, that not a single manufacturing firm opened its door in 2016? This is a country that was dubbed the star performer by reputed international agencies like the World Bank. Today, we have become such an underachiever in a couple of years. These statistics unambiguously show that Government has failed in picking the priority of the nation. It went for the wrong targets and is trying to remedy this situation with the present Bill.

Madam Speaker, I will not delay more by looking at employment in this sector, but suffice it to say, during the last 10 years, this sector has lost over 10,000 jobs. When this Government came to power in 2014, it did not get great expectations. The preceding Government was removed from office, precisely because it failed the nation. This is why the nation called them out. What an irony, during the last two years, this Government has held power for two and a half years, the employment situation in the manufacturing sector has worsened, it has less over 2,500 jobs when it was actually picking at some time in the early 2010.

Madam Speaker, we were expecting that this Government would reverse the trend, but it contributed to the contraction of this sector. The nation built great expectation, but, unfortunately, Government as regards this sector turned out to be a great deception. I am not inventing these figures. They are officially published in the Statistics Mauritius and the statistics do not lie, Madam Speaker. If we were honest to ourselves, we must say this disappointing situation stems from our Government's own lethargy. There is no sense of direction. In this sector, Madam Speaker, not a single strategy paper has been produced to chart the direction, the manufacturing sector should take, and yet, the avenues for development in this area are only limited by the sky. There has been no critical review of the performance of this sector, no investigation of the market prospects, no assessment of the effectiveness of investment, no international seminars to pick on the brain of Government officers, the business captains, the academics or the international experts. At a time of rapid globalisation, at a time of political uncertainties, including Brexit and Trump, the Trump phenomenon, rising protectionism and populism, our Government is sitting on path records and thinks development jobs and exports will fall from heaven, Madam Speaker. When we

look at the data, we have another story. Not only are we not growing, but we are actually regressing, Madam Speaker.

Therefore, I have been very positive on the contents of this Bill so far, Madam Speaker, because it is another piece of legislation in a series of legislation and measures that have been introduced in the very House to attract FDI, to improve the business environment in our country. True, Madam Speaker, our legal framework has been revamped by the introduction of the new Companies Act in 2001 which was followed by the Trust Tax, the Financial Services Act, the Limited Partnerships Act, that the Captive Insurance Act, the amendments to our Labour legislations.

All these new legislations have been driven by the consideration of making our regulatory framework more in tune with modern requirements and, in particular, to be more business friendly and competitive. How many efforts have the Governments, this one and the past ones, not spent on improving our telecommunications, logistics, road, energy, warehousing services and infrastructure! Madam Speaker, despite all these initiatives, we sadly note that we have been regressing in the classification of the Ease of Doing Business. We have fallen from the 42<sup>nd</sup> position in 2010 to the 49<sup>th</sup> position in 2017, as has already been commented upon by other orators before me.

When we consider the methodology used for this assessment, namely starting a business, dealing with construction permits, getting electricity, registration of property, getting credit, protecting investors, paying taxes, trading across borders, enforcing contracts and resolving insolvency, it is important that we seriously look at the effectiveness of the initiatives we took so far and weaknesses we have with regard to these criteria.

Madam speaker, we strongly believe that serious consideration should be paid to these international rating and classifications as they have good benchmark through which we shall be assessed by investors when deciding their choice of location for investment.

Now, I would like to make a few suggestions to the hon. Prime Minister and Minister of Finance and Economic Development, but I will start by saying, as we all know, in order for a country to be more attractive to investors, there is need to create an enabling environment by reducing firstly, so-called hassle cost. What are these costs, Madam Speaker? A new study, involving 32 developing economies, indicates that there exists a statistically and economically significant negative nexus between administrative cost and FDI to the GDP

ratio. We must devise a cost reduction strategy which should review our business set-up cost, Madam Speaker.

You would be surprised to know the requirement for multiple licences should be stopped. You would be surprised, for instance, to know that to obtain an Asset Management Licence, one has to pay to the Registrar of Companies an incorporation fee, to the FSC a GBL licence fee. Then, another fee for the Assessment Management Licence and all this could amount to 8,000 USD, excluding the professional fees, Madam Speaker. Likewise, the requirements for permits, e.g. trading licence, etc., add to the set-up cost and also lead to delays and abuses.

Madam Speaker, I suggest that it will be worthwhile that the Board of Investment carries out a study to identify all the permits that are required for conducting business and an effort to be made for rationalising same and care should be taken in ensuring that the issue of any permits should not be the prerogative of any Minister. Simultaneously, a comparative study should be carried out on the cost of operating a business in Mauritius to see how the banking, the trade financing, credit, leasing, courier, warehousing, rents, freight, telecommunications logistics, legal and professional costs compare with the best performing practices in other countries. Once these facts are established, a proper strategy is put in place to minimise our cost of operation and a competitive strategy is developed, Madam Speaker.

Moreover, the legal cost and the time factor cost for Court decisions, delays and the overregulation constitute also serious impediments for the attractiveness of our jurisdiction.

It is true, Madam Speaker, that Alternative Dispute Resolution Mechanisms such as mediation, arbitration do exist in our day-to-day practice, but more expedient means should be made available to resolve dispute. I think, hon. Prime Minister, that we should reflect on the setting up of a business Ombudsman to settle in an expedient way with celerity certain commercial disputes that may arise in the course of business. It is also proposed that legal procedures before the Commercial Court be further simplified.

Madam Speaker, as I said earlier, in parallel to the Ease of Doing Business Report, our rank has also been declining in the Competitiveness Index. Much is due to the lack of transparency and perception of corruption in our country.

There is no doubt that an efficient way of dealing with the lack of transparency is precisely what this Bill is introducing, that is, the digitalization of the economy. All the Ministries and parastatal bodies should aim to have all their services and accounts online

accessible to the public and rights of questions and reply should be provided to members of the public.

In line with this measure, Madam Speaker, a law on the '*moralisation de la vie publique*' must be introduced to strengthen overall governance. It will not only be a code of good governance for the Ministers, the civil servants and the parastatal bodies or the local government employees, but it will define the obligations, it will establish responsibilities of each and every one in case of non-compliance.

To establish our competitiveness, it is important also that the Competition Commission be revamped by broadening its scope to look at the costs of operation of the 'natural monopolies': water, electricity, sewage, telecom and see truly the extent to which the costs of these services are justified.

Madam Speaker, the funding of business cost should be monitored by this Commission I just referred to; to avoid banks and financial institutions fixing cost of lending, trade financing. Competition should be allowed by allowing even non-banking institutions such as venture capital fund, capital markets to finance business operations. Credit instruments should be created and accordingly more financial intermediaries, such as investment banker, asset manager, should be allowed to establish themselves.

On a national level, Madam Speaker, we have to ensure that we have in place sound macroeconomic policies and a favourable investment climate so as to be seen as a viable investment jurisdiction.

In this regard, there are six factors that we have to look upon to ensure an enabling business environment centre -

- (1) enhancing inter-sectoral factor mobility: I am talking of reducing labour market rigidities;
- (2) dismantling barriers to the free entry and exit of firms;
- (3) relieving some infrastructural bottlenecks - roads, ports and storage; removing regulatory and legal impediments where necessary, and
- (4) introducing new business and friendly innovative legislation that will give our country a real competitive advantage, for example, the e-money legislation;

- (5) strengthening overall governance - if we cannot eliminate it - by minimising ministerial prerogatives and by limiting the role of Ministers to policy implementation rather than involvement in administrative duties;
- (6) strengthening intellectual property rights by setting up a body, the Intellectual Property Office dedicated to implement and ensure compliance with TRIPS, WIPO, Madrid treaty and multi-lateral Anti-Counterfeiting Trade Agreement.

Madam Speaker, the name of the game is the promotion and branding of Mauritius. In other words, I am talking of image building, investor facilitation and investment generation, Madam Speaker. We must and we can create the perception of a country as an attractive side for international investment. Activities commonly associated with image building include focused advertising, public relations events and the generation of favourable new stories by professional journalists.

Investor Facilitation and Investor Servicing mean the range of services provided in our country that can assist an investor in analysing investment decisions, establishing a business and maintaining it in good standing. Activities including formation provision, ‘one stop-shop’ service aimed at expediting approval process and various assistance in obtaining sites and utilities.

Finally, what do I mean by investment generation, targeting specific sectors and companies with the aim of creating investment leads? Activities include identification of potential sectors and investors, direct mailing, telephone campaign, investor forums and seminars, and individual presentations to targeted investors.

This role, Madam Speaker, we all know, has been attributed largely to the BOI, but we cannot, at this juncture, confidently say that today the BOI has satisfactorily fulfilled that role.

We believe that the BOI should be structured, in fact, within a two-tier approach. One tier should cater for an international Advisory Board consisting of international professionals and corporate executives who shall be responsible for defining competitive strategic policies, new economic pillars, marketing and project finance operations. Therefore, this tier shall be involved in policy advocacy, image building and investment generation.

The second tier, the second level will be the executive arm. It will be responsible for implementing the policy of the Advisory Board so that it will be more a project management team.



Madam Speaker, I will end up by saying and by concluding, unfortunately we have lost seven places in the Wall Street Heritage Index, dropping to the 15<sup>th</sup> place. A recent index on Africa gives Mauritius the 15<sup>th</sup> rank for hosting investment. We are regressing unfortunately. We have taken too much for granted. We must stop to believe that we are doing an excellent job. The statistics do not support this belief. This attitude will not help us to move out of the middle-income trap or attain the High-Income status in three years. Nevertheless, Madam Speaker, I support this Bill and I wish the Prime Minister and the Minister of Finance good luck. As a person loving my country, I wish this legislation reserves the negative trend. I wish this Bill good luck with all the reservations I have just expressed.

Thank you. I have done, Madam Speaker.

**The Prime Minister:** Madam Speaker, let me thank all hon. Members who have participated in the debates on the Business Facilitation (Miscellaneous Provisions) Bill 2017.

Madam Speaker, reforming the business environment and streamlining procedures are, in fact, ongoing processes and do not begin or end with this Bill.

The House will recall that business facilitation was one of the ten key strategies that I had announced in my Budget speech, where a series of measures were then announced to provide a friendly environment for the business community and, I must say, these measures have already been implemented.

In the same drive, Government will continue to remove the bottlenecks that are hindering the ease of doing business and this Bill is a testimony of this very endeavour.

Madam Speaker, let me now clarify some of the issues raised by hon. Members in regard to the comments that I had made going through this bill.

Both the Leader of the Opposition and hon. Uteem mentioned that the Bill does not contain significant reforms that will make a difference in the ease of doing business. I must point out that the purpose of this Bill was not, in fact, meant to be exhaustive, but to address certain weaknesses that needed urgent solutions and, in these areas, the impact will indeed be significant. Moreover, this Bill only addresses issues which require legislative amendments, whereas in parallel we have been acting to improve the doing business environment by re-engineering the business processes.

Let me just give two examples. To expedite the process for VAT refund, the MRA has implemented an automatic fast track refund mechanism whereby a claim for refund can

be processed and paid within seven days only. Another example to facilitate the construction sector is the outsourcing of sewer connection by Wastewater Management Authority, following which the time taken to obtain connection has been reduced from 90 days to less than 30 days, and I must say there are a number of initiatives that have been taken and that, of course, it will be too long for me to elaborate. Of course, there will be a number of other measures that are forthcoming in the Budget that will focus mainly on how to improve the business environment, but for that, of course, Members have to be patient, and I can assure the House that the Budget will be presented very soon.

On the issue raised by the Leader of the Opposition concerning the amendments to the Environment Protection Act, I would like to reassure the House that the process for determining an EIA Licence is not being amended. On the contrary, promoters are being requested to submit an outline of their development to the Ministry of Environment prior to submitting an EIA report. This allows the promoter, in fact, to be informed beforehand by the Ministry of Environment of the key elements which should be considered in the EIA report. In fact, with this amendment, we are -

- first, strengthening the process by providing more clarity and certainty to the promoter, and
- second, avoiding undue delays in the determination process by reducing request for additional information.

The hon. Leader of the Opposition also queried about the components of the e-licensing system. I would like to inform the House that the e-licensing system will have the following key features -

- online submission of applications;
- a 24-hour service to applicants;
- tracking and monitoring of applications;
- electronic processing of applications, and
- e-payment facilities.

The Leader of the Opposition also mentioned the need for a Regulatory Impact Assessment. Let me again inform the House that the e-licensing project forms part of a

broader Business Facilitation Programme. In addition to the Platform itself, this programme contains two fundamental components -

- one, a Business Process Re-engineering on all licences and permits prior to them being automated, and
- two, a review of our regulatory framework, including a Regulatory Impact Assessment.

Another point which was raised by the hon. Leader of the Opposition was about the delays faced by employers for obtaining the work permits for non-citizen employees. I would like to inform the House that the Ministry of Labour is developing an e-work permit platform, which will be launched in July 2017. As I mentioned previously, not every business facilitation measures require a legal amendment.

Comments were also made that collection of social charges by MRA is not a business facilitation measure. I would beg to differ with this because this measure, Madam Speaker, will indeed impact on business facilitation, especially for SMEs. Let me say how. Here, I note hon. Alan Ganoo has just commented on this issue also in a positive way -

- first, employers will have a single point for paying taxes and remitting social charges because presently, employers are required to interact with two authorities: one for tax purposes and another one for remitting of social charges;
- secondly, employers will also benefit from the wide array of e-facilities at the level of the MRA. The employees will be able to check the balance of social charges that have been remitted by their employers to the MRA online and also a complaint mechanism will be set up to allow employees to register any complaint, and
- thirdly, fees and other bank charges will be reduced as businesses will be allowed to lump their various tax payments and remittances of social charges.

The hon. Leader of the Opposition also commented that exemption of registration duty and land transfer tax on the transfer of a warehouse or land to be used for the construction of a warehouse is not a business facilitation measure and that tax breaks do not work, being given that our tax rates are, in fact, already low. Madam Speaker, the 10% exemption automatically reduces the cost of setting up a warehouse; 5% representing

registration duty that is payable by the buyer, and 5% for land transfer tax payable by the seller on the immovable property. Therefore, this incentive for the setting up of warehouses is, in fact, important and very much so in the context of our export and Africa strategies.

Now, Madam Speaker, on the issue of Foreign Direct Investment, the analysis of the Leader of the Opposition and also that of hon. Uteem, I must say, is not factually correct, as it does not compare likes with likes. Let me seize this opportunity to circulate a table, which shows very clearly that, on a comparable basis, FDI in 2016 has actually gone up by 41% over the previous year. Maybe, I should point out to the hon. Leader of the Opposition that his comparison and the figures that he has mentioned, the calculation of FDI now is based also to include reinvested earnings and that was introduced in 2011. When we look at the figures for 2014 and we compare - because the hon. Leader of the Opposition said, in fact, it has been on the decrease, not at all, Madam Speaker! - I must say that we have figures for FDI without reinvested earnings for 2015-2016. In fact, for 2016, it is nearly equal to 2014, but the figures are not yet compiled. So, we will be able to compare that at a later date.

But there is no doubt, there is absolutely no doubt, when we look at the figures which exclude reinvested earnings, that it is going to be a lot more than for previous years. And I think hon. Bhadain also mentioned why is it that, with the sale of the IFS for Rs4.3 billion and CIM Global Finance for Rs3.3 billion, no mention has been made. Well, because it occurred in this year. So, we are talking about the figures for the year 2016. Of course, these will be taken into account in the computation for this year. But this is a good sign also for our businesses. There has been keen interest from international players who are, in fact, investing in the sector. I must say this is a very, very strong and positive signal for the economy.

Madam Speaker, on the point raised by hon. Uteem that companies and foundations will no longer be able to make use of a corporate seal, let me clarify this matter, because I am told that the Companies Act and the Foundation Act, in fact, are being amended such that the requirement to have a seal is no longer a legal obligation, but it does not make the use of a seal illegal. There is now no more this legal requirement that you should have the seal on the documents which are going to be submitted.

Hon. Uteem also queried to why this Bill is limited to the regulation of fees of Receivers and that this provision should have been extended to cover fees for Administrators and Liquidators as well. Let me clarify, Madam Speaker, that the Insolvency Act already provides for the fees for Administrators to be reasonable and it also defines the rates insofar

as Liquidators are concerned. And this is why this Bill, in fact, focuses only on regulating fees for Receivers.

Madam Speaker, hon. Baboo stated that banks do not accept electronic generated documents for opening of an account unless they are duly certified and authenticated by authorities. This is, in fact, no longer the case, as the Bank of Mauritius has already revised its guidelines since March 2017 for commercial banks to accept electronic certificates of incorporation issued by the Registrar of Companies as a valid KYC documents.

Hon. Baboo also spoke on the procedures and time it takes to incorporate a company. And I must say here that improvements have already been made to the Central Business Registration Information System (CBRIS), whereby registration and incorporation of companies can be done within two hours.

As regards the need for electronic filing of accounts, the Corporate and Business Registration Department has implemented the XBRL System, whereby listed companies can now file their accounts electronically. This will be gradually, I am informed, extended to all the companies.

The requirements for a shareholder's resolution in case of a winding up is already a statutory requirement of the Companies Act and this amendment, in fact, gives the possibility for a shareholder's resolution to be passed in writing in lieu of calling a shareholders' meeting but, of course, both options exist, depending on what the company decides to choose.

On the point made by hon. Bhadain that paragraph 6 in Part II of the 14th Schedule of the Companies Act does not exist, Madam Speaker, this paragraph, in fact, does exist in the Companies Act as in the Revised Laws of Mauritius.

With regard to his comments on whether amendments to Insolvency Act will facilitate businesses, I should point out that Resolving Insolvency is one, in fact, of the ten indicators of the World Bank's Ease of Doing Business Report.

And again, hon. Bhadain argued that the Bill does not address the issues faced by specific sectors such as financial sectors, manufacturing, ICT. As I mentioned earlier, Madam Speaker, in fact, the purpose of this Bill is, of course, to address certain weaknesses that need urgent solutions and that the amendments made in this Bill will cut across the entire economy.

I have also taken note of comments made by hon. Members regarding the use of the common seal by Global Business Companies. I must say I had had consultations with regard to this point that has been made and further consultations will have to be made with the stakeholders prior to any legal amendment. In the meantime, I am moving for an amendment to the Bill, and that will be made, of course, at Committee Stage.

I have also listened very carefully to the intervention of hon. Alan Ganoo. I must say - maybe to sum up what he said - I have noted two things in general. First, he said that this Bill is a step ahead in a long journey. I totally agree with him that, in fact, this is a step ahead. There are many more steps to be taken, Madam Speaker, because improving the environment and making us improve our ranking on the Ease of Doing Business is a matter we have to review all the time because we are in a world where all of us are competing together. That is why with the ever-changing world that we are living in today, with so many things that are changing in terms of technology, in terms of regulations, in terms of how we are going to be ranked, I must say this is an immediate concern to us; how we are going to be ranked in terms of financial jurisdiction. There is going to be a white list, a black list. I do not want to go into all these details, but all these issues will have to make us think, adjust, come up, most probably, with amendments to our regulations and take a number of measures that will make the environment more business friendly and also with a view to attracting both local and foreign direct investment. The other thing which I can summarise, he said that we should reverse the negative trend with regard to a number of economic indicators which he has mentioned. But let me also add something, *en passant*, because I do not want it to go as if it is accepted as he has stated. This negative trend has not started yesterday. It has started since so many years and we have seen it. We just have to look at how the economic indicators have been doing and, of course, in a matter of two years we are not able to turn round the economy and to make things as rosy as we would have wished. But everything indicates that there is turning around.

If we are very honest, we just have to look at the indicators. The hon. Member mentioned unemployment. Well, it is a difficult task. It is a difficult problem with regard especially to the mismatch that we have for those who are qualified, but I think we are moving in the right direction. I totally agree there will be still a lot more to do.

With regard to other indicators also, we have seen how things are improving. I just mentioned FDI. The budget deficit is decreasing, and I hope that, with the next Budget, we are able to keep on the same track. The level of public debt has been decreasing with the

measures that we have taken. After some time, we have been able to reimburse – I think it was in the last Budget – more than Rs4 billion equivalent in terms of our foreign exchange debt. Therefore, we are reversing this negative trend. I hope that not only with this Bill, but also with a number of other initiatives that we are going to take, we will, in fact, reverse it in a more rapid manner.

Therefore, Madam Speaker, I must say that Government will monitor and will assess very closely the impact of the various amendments that have been made, not only with this Bill, but also with measures that have been taken in the last Budget. We will also ensure that all the measures, legal and administrative, that we have taken do improve the ease of doing business - Again, this is very important. We can amend different legislations. We can come up with a number of measures, but if they are not being properly implemented and monitored, we will not succeed.

With these concluding remarks, I commend the Bill to the House.

*Question put and agreed to.*

*Bill read a second time and committed.*

## **COMMITTEE STAGE**

*(Madam Speaker in the Chair)*

### **THE BUSINESS FACILITATION (MISCELLANEOUS PROVISIONS) BILL**

**(NO. V OF 2017)**

*Clauses 1 to 3 ordered to stand part of the Bill.*

*Clause 4 (Companies Act amended)*

*Motion made and question proposed: “that the clause stand part of the Bill.”*

**The Prime Minister:** Madam Chairperson, I move to amend clause 4 as follows –

“In clause 4, to delete paragraph (h).”

*Amendment agreed to.*

*Clause 4, as amended, ordered to stand part of the Bill.*

*Clauses 5 to 28 ordered to stand part of the Bill.*

*The Schedules ordered to stand part of the Bill.*

*The title and enacting clause were agreed to.*

*The Bill, as amended, was agreed to.*

*On the Assembly resuming with Madam Speaker in the Chair, Madam Speaker reported accordingly.*

*Third Reading*

*On motion made and seconded, the Business Facilitation (Miscellaneous Provisions) Bill (No. V of 2017) was read the third time and passed.*

**Madam Speaker:** I suspend the sitting for one and a half hour.

*At 1.00 p.m., the sitting was suspended.*

*On resuming at 2.35 p.m. with Madam Speaker in the Chair.*

*Second Reading*

**THE SUPPLEMENTARY APPROPRIATION (2015-2016) (NO. 2) BILL**

**(NO. IV OF 2017)**

*Order for Second Reading read.*

**The Prime Minister:** Madam Speaker, I move that the Supplementary Appropriation (2015-2016) (No. 2) Bill (No. IV of 2017) be read a second time.

This Bill makes provision for a supplementary appropriation of a sum of two billion and three hundred and eighty-one million rupees (Rs2.381 billion) under seven heads of expenditure in respect of services of Government for financial year 2015-2016.

Madam Speaker, at the very outset, I wish to draw the attention of the House on two key points.

Firstly, the bulk of this supplementary appropriation, that is Rs2 billion, relates to the Build Mauritius Fund (BMF).

In 2013, the previous Government created the Build Mauritius Fund with a total amount of Rs4.7 billion. Out of this amount, only Rs0.4 billion was provided as grant while the remaining Rs4.3 billion was as a loan.

In October 2015, the Build Mauritius Fund has repaid an amount of Rs300 m. and Government further cleared part of the loan in June 2016 for an amount of Rs2 billion from the Consolidated Fund. This explains the creation of a new item of expenditure of Rs2 billion for which we have to provide in this Estimates of Supplementary Expenditure.



The Build Mauritius Fund still has an outstanding balance of Rs2 billion left to be repaid which we intend to clear when closing down the Build Mauritius Fund in the coming financial year.

Madam Speaker, coming to my second point on the Bill, I must emphasise that this supplementary appropriation is not over and above the total sum already appropriated by this Assembly for financial year 2015-2016.

In fact, total actual expenditure for financial year 2015-2016 is below the total appropriation by Rs6.6 billion.

Madam Speaker, the House will recall that a sum of Rs92 billion was voted through the Appropriation (2015-2016) Act in respect of services of Government for financial year 2015-2016. In the course of that financial year, a further sum of Rs4.1 billion was appropriated through the Supplementary Appropriation (2015-2016) Act 2016 mainly to cater for the implementation of 2016 PRB Report and cost of Basic Retirement Pension.

Thus, the total authorised spending limit for financial year 2015-2016 was Rs96.1 billion.

On the other hand, actual expenditure amounted to Rs89.5 billion, that is, Rs6.6 billion below the total sum appropriated. The underspending under the recurrent and capital budget was Rs3.4 billion and Rs3.2 billion, respectively.

Expenditure under seven votes of expenditure has, however, exceeded their appropriation by a total amount of Rs2.381 billion.

These additional amounts were essentially met by way of reallocation of funds from Votes Contingencies and Reserves, Centrally Managed Expenses of Government and other votes that had unspent balances.

Madam Speaker, in accordance with Section 105(3) of the Constitution, a supplementary appropriation is required in respect of those seven Votes that have exceeded their total appropriation.

The Votes of Expenditure together with their respective sums are listed in the Schedule to the Bill. Details on the items of expenditure concerned as well as explanatory notes thereon are set out in the ESE that has already been laid before the National Assembly.

Madam Speaker, I will now elaborate on the main Vote items requiring supplementary appropriation.

- First, Rs8.6 m. is needed under Vote 1-3 National Assembly mainly for catering services, and increase in allowances payable to Members of the National Assembly and staff following the implementation of the National Assembly Allowances (Amendment) Act 2016 and the 2016 PRB Report with effect from 01 January 2016;
- Second, Rs11.7 m. is necessary under Vote 1-5 Office of Electoral Commissioner to cater for expenses incurred in connection with the registration of Electors in January 2016 and the holding of Municipal Council Elections on 14 June 2015;
- Third, a net amount of Rs165.9 m. is required under Vote 2-1 Prime Minister's Office essentially for meeting expenses in connection with -
  - (i) acquisition of security equipment;
  - (ii) the Special Holiday Package Scheme for Rodrigues, and
  - (iii) additional grant to the Rodrigues Regional Assembly for the implementation of capital projects.

The gross excess of Rs347.9 m. under this Vote was partly offset by underspending of Rs182 m. in other items of expenditure.

- Fourth, Rs6.3 m. is needed under Vote 6-7 Registrar-General's Department for meeting expenses relating to the implementation of its computerisation project;
- Fifth, a net amount of Rs52.5 m. is required under Vote 12-1 Local Government mainly due to insufficient provision for recurrent grant to Local Authorities arising from the implementation of the 2016 PRB Report.

In fact, provision for the 2016 PRB was appropriated under Vote 27-1 Centrally Managed Expenses of Government and was subsequently reallocated to the respective Votes of Expenditure. Moreover, the gross excess of Rs137.3 m. under this Vote was partly offset by underspending of Rs84.8 m. in other items of expenditure.

- Sixth, a net amount of Rs83.2 m. was needed under Vote 22-1 Ministry of Social Security, National Solidarity and Reform Institutions mainly due to

insufficient provisioning for payment of Social Aid, Basic Retirement Pension and other basic pensions following higher number of beneficiaries than expected as well as adjustment in pension rates with effect from 01 January 2016.

The gross excess of Rs266.9 m. under this Vote was partly offset by underspending of Rs183.7 m. in other items of expenditure, and

- Finally, a net amount of Rs2,053 m. is required under Vote 28-1 Centrally Managed Initiatives of Government mainly to cater for the following -
  - (a) Rs2 billion, as mentioned earlier, for repayment of part of the loan provided to Build Mauritius Fund;
  - (b) Equity Investments of -
    - (i) Rs41.3 m. in Business Parks of Mauritius Ltd;
    - (ii) Rs184.3 m. in Knowledge Park Ltd for meeting contractual payments relating to the construction of the three Polytechnics;
    - (iii) Rs255 m. to recapitalise Mauritius Post Ltd, and
    - (iv) Rs90.6 m. in National Transport Corporation in connection with the 20 buses donated by the Government of the People's Republic of China that were subsequently transferred to the Corporation.
  - (c) Rs10.2 m. and Rs86.2 m. for Subscription to IMF and to Eastern and Southern African and Trade Development Bank respectively, and
  - (d) Rs32.7 m. for Purchase of additional vehicles.

Madam Speaker, I wish to inform the House that the actual budget deficit for financial year 2015-2016 amounted to Rs14.8 billion or 3.5% of GDP, that is, same level as budgeted.

Public sector debt for debt ceiling stood at 55.7% of GDP at end of June 2016 and according to International Definition, it stood at 65.1% of GDP.

Madam Speaker, I now commend the Bill to the House.

**Sir Anerood Jugnauth rose and seconded.**

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

(2.48 p.m.)

**Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis Central):** This year again we are here late in the financial year to examine the Supplementary Budget of last year and approve the Supplementary Appropriation (2015-2016) (No. 2) to give legislative sanction to the additional public expenditure over the amount appropriated in 2015-2016.

I would like to say a few words on the appropriateness of these estimates. As I have just said, we are now in May 2017, and the Government accounts have been closed since at the end of 30 June 2016 because Government accounting is on cash basis. So, all payments have been made and all receipts have already been collected, and these accounts have been closed and submitted by the Accountant General. The annual report has been submitted by the Accountant General, but also has already been audited. This audit report has already been made public and I am referring to the Audit Report of 30 June 2016. So, the report has been finalised. The account has been signed and made public.

Today, we are asked to vote on items that have already been spent, but need Parliament's approval today in May 2017. The question is: the authorisation and necessary clearances and adjustments have already been made by the Ministry of Finance and Economic Development and have been submitted by the Accountant General, yet we are now late in the year, after more than 10 months, presenting these figures which give us only the opportunity to give an *ex post* approval to what has already been incurred without any possibility of challenging, without any possibility of reducing down these expenditures.

You will remember what happened in the US Congress where the US Congress had proacted the debate to even block the amount of additional expenditure. The question which I am asking is: are we left with any other choice? Is this a model of democracy that we are having? Because it means that we are having a weak Parliament to approve these expenditures in front of the Executive. So, the legislature, in fact, in practice, has little control on the Executive in incurring these excess expenses which we are called to approve today. Also I would like to add on the timeliness of these estimates because we have to approve them on the eve of the next Budget by this Government. In fact, the Supplementary Budget should have been presented before it is being spent, like it is the practice in the private sector. In the private sector where you present a budget and there has been over expenditure; there is a revised budget before the closing of the accounts, but here we do exactly the contrary.

Now, Madam Speaker, coming to the Supplementary Appropriation Bill which relates to expenditures of Government for period 2015-2016 amounting to a total of about Rs2.4 billion on the total amount of Rs92 billion voted in April 2015 following this Government's first Budget on a supplementary appropriation of Rs4.1 billion voted in June 2016 at the time of the Government's second Budget. The main item of Government expenditure accounting for both these increases is Vote 28-1 – 'Centrally Managed Initiatives of Government.'

In April 2016, a first supplementary appropriation was made under this Vote for an amount of Rs1.6 billion representing an equity participation in MauBank to show its capital due to the asset shortfalls of its constituents namely POSOB and Bramer Bank. Now, a second appropriation is being made under the same vote for an amount of Rs2 billion as grants to the Build Mauritius Fund. My main point for these Rs2 billion, Madam Speaker, is: the second increase in Government expenditure of Rs2 billion is, in fact, a fictitious one. I will explain how it is a fictitious one.

The hon. Prime Minister and Minister of Finance and Economic Development has previously explained in a reply to a PQ on Build Mauritius Fund that an amount of Rs2 billion of loan to the Build Mauritius Fund was converted to grant in June 2016. The Build Mauritius Fund is an extra budgetary fund to which an amount of Rs4.7 billion has been transferred by Government in previous Budgets and to which close to Rs2 billion is being credited annually as petroleum levy of Rs4 per litre on mogas.

The conversion of the Rs2 billion of loans to Build Mauritius Fund into grants, in fact, is a mere book entry - that is my main point concerning these Rs2 billion - of no significance to the Consolidated Government Accounts, that is, after the consolidation of budgetary accounts with extra budgetary and special funds, like the Build Mauritius Fund and also the National Resilience Fund. Whether money was transferred to the Build Mauritius Fund or grants is an academic exercise, as the Build Mauritius Fund is a pure creation of the Budget. That is the main point of this Rs2 billion of Build Mauritius Fund.

The previous Government used this stratagem of transferring budgetary resources into a dozen of special funds for spending in the years immediately preceding the general elections while focusing on the budget deficit. The budget deficit, in the absence of consolidation with the special funds, would thus stand artificially higher in the earlier years, then, artificially lower in later years closer to general elections. The Opposition and the now Prime Minister used to denounce this practice of using extra budgetary funds. Hon.

Lutchmeenaraidoo, then Finance Minister - and nowadays, we do not see him very often around – closed most of these funds by June 2016, but kept the Build Mauritius Fund and the National Resilience Fund and even expanded their operations. This is contrary to what hon. Minister Lutchmeenaraidoo had stated in his Budget 2015, and I quote -

“I would like to mention that, in line with our objective to bring greater transparency in the management of public finances; all Special Funds will be closed by end of June except the National Resilience Fund and the Build Mauritius Fund which will be phased out gradually.”

In fact, it has not been phased out until now.

Madam Speaker, this Government continues to play - I will not say they are cooking the books, but accounting tricks - and to demonstrate a lack of transparency in order to hide the true state of fiscal situation. Failure to consolidate the Build Mauritius Fund and the National Resilience Fund with the budgetary accounts will underestimate the real fiscal deficit by at least 0.5% of GDP in 2016-2017. This is a significant distortion of the fiscal position.

For the year 2015-2016, Government is seeking to overestimate the budget deficit. This Supplementary Appropriation of Rs2 billion, as grant to Build Mauritius Fund, increases Government budgetary expenditure by Rs2 billion and also widens the budget deficit from Rs13 billion to Rs15 billion and from 3.1% of GDP to 3.5% of GDP in 2015-2016, that is, spending from the Build Mauritius Fund is in the following 2016-2017, and later years, will be excluded from the budget deficit. That is why, as I said earlier, it is only a book entry; it is only a fictitious item.

Now, Madam Speaker, for the budget deficit 2016-2017, it was estimated at Rs15 billion or 3.3% of GDP. For window dressing purposes, Government did not want the deficit to show an increase from Rs13 billion in 2015. The Rs2 billion of loans to Build Mauritius Fund into grants was concocted to artificially boost the 2015-2016 budget deficit by Rs2 billion, that is, from Rs13 billion to Rs15 billion or the same as budgeted in 2016-2017. Therefore, Government can pretend that there was no increase in budget deficit in absolute terms and show an increase in the budget deficit relative to the GDP from 3.5% in 2015-2016 to 3.3% in 2016-2017. Without these illusory Rs2 billion grants from Build Mauritius Fund, the deficit would have been increased from 3.1% to 3.3% of the GDP. Therefore, the

National Assembly is being called upon to approve this window dressing exercise and this illusory increase in Government expenditure.

Thank you, Madam Speaker.

**Madam Speaker:** Hon. Bholah!

(3.01 p.m.)

**The Minister of Business, Enterprise and Cooperatives (Mr S. Bholah):** Thank you, Madam Speaker, for giving me the opportunity to intervene on the Supplementary Appropriation (2015-2016) (No. 2) Bill (No. IV of 2017).

Madam Speaker, allow me to say that this is not the first time that a Government is introducing a Supplementary Appropriation Bill. Successive Governments in the past have used Supplementary Appropriation Bills, *justement* to approve expenses for which no expenditure was provided altogether or where expenditures were underestimated. The consideration, today, in front of the House, is the appropriation of a total sum not exceeding Rs2,381,000 in respect of the votes of expenditure, both recurrent and capital, relating to the Financial Year 2015-2016, in respect of seven votes, as mentioned by the hon. Prime Minister.

Madam Speaker, it is not only understandable, but also above all healthy that the fact of asking the House to vote an additional amount of money to meet the budget that has been used so far, leads to a vibrant discussion between both sides of the House.

Of course, we are talking about public funds. This is a very topical issue these days and the population will, for the first time, have the opportunity to follow this debate through live broadcasting. By so doing, the public will witness that although it is Government that has the prerogative to propose, the Opposition also has room for comments and observations, thus, ensuring the proper functioning of the democratic process.

Madam Speaker, a close look at the figures reveals that a total amount of Rs1,119,065,000 has been underspent on those seven votes. Of this amount, Rs623,994,000 refer to capital expenditure while the remaining Rs495,071,000 refer to recurrent expenditure. For the seven votes of expenditure, the additional amount where actual expenditures have been incurred, where provision was neither made nor underestimated amounts to Rs3,500,065,000. This amount is split between capital expenditure of Rs2,966,540,000 and the recurrent expenditure of Rs533,525,000. Consequently, the net effect is, of course, the

Rs2,381,000 of which it is worth pointing out that the additional capital amounts to Rs2,342,546,000 while recurrent expenditure amounts to Rs38,454,000.

Madam Speaker, allow me to comment on certain noteworthy items in this Bill. The figures depict an amount of Rs30,191,000 that refer to salaries and incidental cost following the implementation of the PRB Report with effect from January 2016. A provision of Rs17,855,000 was further required for the registration of electors and the holding of Municipal Council elections in June 2015. This, Madam Speaker, is a normal process to strengthen democracy at local Government level.

Furthermore, the current Bill also seeks approval of appropriation of excess amount of money in respect of constructive initiatives bearing a wide national impact.

Firstly, the effective implementation of innovative programmes to the benefit of the population, and

Secondly, ensuring a strong positioning of our country in the current geo-political landscape to spur international cooperation.

Madam Speaker, allow me to comment on the additional provisions required for the implementation of the second phase of the Mauritius e-Registry Project (MeRP). The House is aware that, since last week, we have been debating on the Business Facilitation (Miscellaneous) Bill which has been voted earlier today, with the objective of enhancing the ease of doing business in Mauritius. As we know, new or enhanced ways of supplying public services now have to be adopted to generate increased citizen satisfaction, higher efficiency and transparency.

In this very spirit, the MeRP was launched to scale up to e-Services by harnessing the latest technologies and solutions that can provide integrated workflows and options for businesses, professionals and members of the public to conduct business with the Registrar General Department online. As such, the MeRP will allow for e-Submission of documents, e-Payment of duties and taxes, e-Registration and e-Delivery of registered documents.

For this most welcome enhancement to happen within the least possible delay, the Supplementary Appropriation Bill 2015-16 (No.2) comes up with four items with regard to the MeRP -

Item 22010, which is an additional provision, required for the installation of a dedicated line for the system.



Item 22060, which is an additional provision, required for the renewal of the contract with SIL for a further period of six months and the upgrading of public counters.

Item 22100, which is an additional provision, required for public notices through mass media in connection with the system.

Item 31132, which is an additional provision, required for the payment of retention money for the implementation of the Phase 1 of the e-Registry system and for enhancements of the Online Search Module.

In a bid to convert the Registrar General's department from a service to an e-Service organisation as part of the public sector, reform strategy, those four items, Madam Speaker, total to an amount of Rs9,700,035 in terms of supplementary appropriation required to top up the initial appropriation of Rs26,015,000.

Madam Speaker, so as to transform Mauritius into a modern country, Government is determined to follow through and to do whatever it takes to equip public service and agency with the necessary technologies to support the implantation of innovative projects. This definitely implies significant financial investment, but the economies of scale to be achieved in the long run as well as the quality of citizen satisfaction to be generated make the necessary sacrifices worthwhile.

At the level of Centrally Managed Initiatives, Government has had to inject funds as follows -

Item 32155.001 with a provision Rs255,000,000) required for equity injection in Mauritius Post Ltd. in order to mitigate the effect of the dilution of its shareholding in ex-MPCB Ltd following MauBank Ltd taking over MPCB.

Item 32155.006 requiring a provision of Rs41,300,000 in Business Parks of Mauritius Ltd in the form of additional equity injection.

Item 32155.045 with Rs184,345,000 stated as equity injection in Knowledge Parks Ltd for payment of contractual obligation in connection with the setting up of three polytechnics. These polytechnics which will be managed by Polytechnics Mauritius Ltd are due to open up in months to come and address the issues of training and skill mismatch.

Madam Speaker another aspect of the current Bill which I find particularly noteworthy is the additional money being required for the acquisition of financial assets in International Organisations. As said earlier, this has the vocation of strengthening the position

of our country in the geopolitical landscape, thus spurring international cooperation with key entities.

Indeed, being a small insular state does not mean that we are condemned to isolation and that we have to cower to the physical constraints of our physical specificities as an island. This is unacceptable in today's highly globalised world.

With globalisation, interdependence increases and as interdependence increases, the importance of international organisations like the World Bank, IMF, ITC etc. increases with it. It is a fact that we increasingly find international organisations, regional development banks and bilateral agencies at the heart of all of the political and economic challenges of the 21st century, mostly when it comes to developing countries.

While we, as policy makers, advocate innovation and reforms, we are also conscious that governmental institutions do not always possess the incentives, processes and organisational structures to solve the right problems. As a small country deprived of natural resources, we do not necessarily always have the means to realise our national ambitions. In addition, investing in institutions like the African Development Bank or the International Monetary Fund is, in fact, a mechanism to which Government aims at seeking the cooperation of such expert international organisations through financing, facilitation and sometimes even implementation of interventions.

Madam Speaker, item 32155.102 entitled 'International Bank for Reconstruction and Development (IBRD) caters for an additional provision of Rs529,000 required for shares and other equity purchases due to fluctuation in exchange rate, in addition to an initial budget 2015-16 of Rs84 m.

While the reason behind the supplementary appropriation, that is a fluctuation in exchange rate, is beyond our control, the importance of investing in the IBRD has to be highlighted. The IBRD is an international financial institution that offers loans to middle-income developing countries to fund infrastructure, education, energy and healthcare projects, amongst others. Being a member of IBRD, Mauritius is a shareholder and contributes in terms of paid-in capital.

In fact, because of its level of economic development, Mauritius is of only a few African countries eligible for loans from the IBRD. In August 1968, IBRD granted membership to Mauritius, whereby it was stipulated, amongst others, that we shall subscribe to 171 shares of the capital stock of the Bank at the par value of \$100,000 per share.

Mauritius has since then been diligently respecting its commitments as a member and will continue to do so. We have even benefited from a Trade and Competiveness Development Policy Loan from IBRD in 2008.

Madam Speaker, item *32155.105* entitled ‘African Development Bank’ (ADB) caters for an additional provision of Rs3,536,000 required due to fluctuation again in exchange rate, in addition to an initial budget of 2015-16 of Rs123 m.

Mauritius’ ambitious agenda to transform into a High Income economy by 2030 calls for a new growth model that relies on enhancing productivity and innovation. Government has requested for ADB’s support to make this happen.

Against a backdrop of the country’s strong track record of reform, the Bank’s mix of rapid disbursing instruments provides Mauritius with innovative and timely support that we cannot afford to jeopardise. In fact, as per its Country Strategy for Mauritius, ADB wants to act as a partner of choice in future investments in Mauritius and we should consider ourselves lucky to be held in such high esteem by this prestigious institution.

The Feasibility Study of the Island Container Terminal aimed at assessing the possibility of constructing a breakwater structure to create a tranquil basin and incorporate island reclamation in the English Channel and the redevelopment of the St Louis Power Station in view of increasing the firm generating capacity of the CEB to maintain reliability of supply, reduce environmental impacts and stabilise the electricity supply of such high profile ongoing projects being funded by ADB.

Madam Speaker, item *32155.106* entitled Eastern and Southern African Trade and Development Bank also known as PTA Bank advocates an additional provision of Rs86,241,000 required in connection with subscriptions of additional shares in the PTA Bank in addition to an initial budget of Rs87,500,000.

The PTA Bank, which is a treaty-based financial institution having currently a balance sheet of about 4 billion USD, offers a broad range of products and services, including debt, equity and quasi-equity as well as warranties. The bank’s mandate is to finance and foster trade, socioeconomic development and regional economic integration across its Member States and aims at facilitating exports from the COMESA region.

Just like in the case of ADB, the relevance of nurturing a strong collaboration with the PTA Bank is obvious, particularly as we are increasingly encouraging our enterprises to become export-oriented and, more specifically, to make the most of regional trade

agreements. Moreover, the PTA Bank wants to use Mauritius as a strong platform to advance economic integration and growth through trade and investment in the region with the setting up of a Regional Headquarters Tower in Mauritius.

Madam Speaker, last but not least, item 32315.201, entitled *IMF SDR Transactions – subscription to IMF*, proposes a provision of Rs10,226,000 required to meet expenses incurred by IMF for managing the SDR Account of Mauritius, for which no provision had been made in the Budget.

This subscription is essential, an SDR allocation being a low-cost method of adding to our international reserves, allowing us to reduce our reliance on more expensive domestic or external debts. Developing nations, indeed, often use SDRs as a cost-free alternative to accumulating foreign currency reserves through more expensive means such as borrowing at high interest rates or running current account surpluses. Once the SDRs have been added to our official reserves, we can then voluntarily exchange our SDRs for hard currencies such as the US dollar, the euro, the Chinese renminbi, the yen or pound sterling. While SDRs themselves are not currencies, they play a crucial role in maintaining macroeconomic stability and global growth by providing emergency liquidity and credit when traditional methods fall short.

Madam Speaker, there is no doubt whatsoever that relationships with the organisations mentioned above and for which Government is asking for supplementary appropriation have to be fostered. It will indeed be incomprehensible if we miss on such valuable collaboration arrangements from friendly institutions, and Government is ready to do the investment required to seek the best partners in the world to enable our fellow citizens to benefit from quality, accessible and efficient services.

Madam Speaker, variances in Budget Estimates of a country are usual, but they should be fair, reasonable, and we should be able to justify those variances. The people must know why there has been excess expenditure and where they can find the benefits of such excess spending. In this perspective, the hon. Prime Minister and Minister of Finance and Economic Development has consistently provided the House with all the relevant figures in a spirit of transparency and in good faith.

While the extent of such expenditure matters, what matters more is how productive are such expenditures. What really matters is not the ‘why’ of this Bill, but rather what the

Bill is for and what will be the benefits that will be derived of the supplementary appropriation.

With this, Madam Speaker, I thank you for your attention.

**Madam Speaker:** Hon. Bhadain!

(3.18 p.m.)

**Mr S. Bhadain (Second Member for Belle Rose & Quatre Bornes):** Thank you, Madam Speaker. Madam Speaker, I have carefully listened to the orators this morning, the hon. Prime Minister and, of course, hon. Ameer Meea and then hon. Bholah, and I do agree with him that people must know why there has been excess expenditure and everything has to be shown in full transparency.

Starting with clause 2 of the Bill, Madam Speaker, *Appropriation of sums for supplementary expenditure in respect of services of Government*, clause 2 subsection (1) states that -

“A total some sum not exceeding two billion and three hundred and eighty-one million rupees (Rs2,381,000,000) in respect of the votes of expenditure, both recurrent and capital specified in the Schedule (...)”

This then takes us to the Schedule. And when I look at the Schedule, Madam Speaker, the two largest amounts out of that sum of Rs2.3 billion are under vote 28-1: *Centrally Managed Initiatives of Government*, Rs2,052,758,000, and then vote 2-1: *Prime Minister’s Office*, Rs165,888,000. Therefore, I shall firstly start with vote 28-1: *Centrally Managed Initiatives of Government*.

Of course, hon. Ameer Meea has explained about Build Mauritius Fund, and I am not going to repeat myself on that. He has made the point. The most important aspect, as far as I am concerned, Madam Speaker, is to be seen under the heading *Acquisition of Financial Assets*, which is in the document *Estimates of Supplementary Expenditure* which has been circulated. When we look at item 32155 - *Shares and Other Equity Purchase*, the first item there, Madam Speaker, is Mauritius Post Ltd. I listened to the hon. Prime Minister, and the only explanation which has been given in relation to that particular item of Rs255 m. is as follows: this was needed to ‘recapitalise Mauritius Post Ltd.’ Only four words! When I look at what has been given as description over here in the ESC document circulated, it basically says –

“Provision required for equity injection in Mauritius Post Ltd following the dilution of its shareholding in ex-MPCB Ltd”

So, two things are explained here. One is that it is an equity injection in Mauritius Post Ltd and, secondly, that this is because of the dilution of its shareholding in ex-MPCB Ltd. Now, if we are to vote for this Supplementary Appropriation Bill, Madam Speaker, we have to understand what is happening and why Rs255 m. is required as capital injection in Mauritius Post Ltd, and we must also know whether that Rs255 m. is the total amount which is, in fact, required to take Mauritius Post Ltd out of a dire situation in which it faces itself or there is going to be even more money which will have to be injected at a later stage.

This takes me to what the hon. Minister of Finance and now Prime Minister stated last year. It is important to understand that, Madam Speaker. When we look at the Supplementary Appropriation Bill which was voted last year, the hon. Minister of Finance explained that Government had made a total equity investment of Rs3,053,000,000 in National Commercial Bank, Mauritius Post Cooperative Bank and MauBank Holdings Ltd. Now, we are being told that this has diluted the shareholding of Mauritius Post Ltd for which a further Rs255 m. is being required today, and we do not know whether this is the total amount which is needed to actually get Mauritius Post Ltd out of this dire situation.

Now, how did we come to that? When we look at the figures which were explained by the hon. Minister of Finance last year, he states, and I quote –

“During the six-month budget period between January to June 2015, there were capital injections in National Commercial Bank.”

Now, Madam Speaker, we do not need to remind ourselves that Bramer Bank had its licence revoked on 02 April 2015 and then, of course, the then Minister of Finance who, like hon. Ameer Meea says, we don't see him these days - the first Minister of Finance -, actually explained that SBM was going to take over. When SBM could not take over, then the National Commercial Bank was formed. Therefore, what he did then, hon. Lutchmeenaraidoo, the first Minister of Finance, on 13 April 2015, he injected Rs200 m. into the National Commercial Bank. Then, on 30 June 2015, he injected a further Rs500 m. into the National Commercial Bank and on the same 30 June 2015, he again injected Rs753 m. into MPCB, which took the total amount to Rs1,453,000,000 between 02 April 2015 to 30 June 2015.

Then, as stated by the now hon. Minister of Finance and Prime Minister, last year, during the 12-month budget period July 2015 to June 2016, there was a further injection of capital from public funds - all this money coming from public funds - into MauBank Holdings Ltd by the first Minister of Finance, hon. Lutchmeenaraidoo. On 29 October 2015, he injected a further Rs300 m. into MauBank Holdings and, on 13 January 2016, he injected Rs1.3 billion into MauBank Holdings.

And when we add up all of that, Madam Speaker, in a 9 months period from 02 April 2015, the date Bramer Bank's licence was revoked up to 13 January 2016, that is 9 months, a total of Rs3,053,000,000 of public funds, taxpayers' money, has been injected into MPCB, National Commercial Bank, and then both entities merged into MauBank Holdings Ltd. This went through the Supplementary Appropriation Bill of last year. That is where we were as at 30 June 2016. However, Madam Speaker, the story does not end there. Because to find the rest, we have now to go to the audited financial statements of MauBank Ltd. to understand what has happened. I am going to table a copy of the audited financial statements of MauBank, Madam Speaker and I am going to be referring to specific sections whilst delivering my speech on this issue.

So, when we look at the financial statements of MauBank, what do we find Madame Speaker, that the Statement of Changes in Equity for the period, which is found at page 38 of the financial statements, states that as at 30 June 2016, the stated Capital of MauBank was Rs3,270,000,000. Roughly about Rs3.3 billion was the stated Capital. Since then, things have happened and we are not being told about these things today and we are being asked to vote for the Supplementary Appropriation Bill, including that Rs255 m. for Mauritius Post Ltd. in complete darkness, and that's why when hon. Bholah mentions about transparency, I believe that everything has to be before this House before a vote is even taken. So, when we look at page 139 of the audited financial statements of MauBank, Note 40, the notes to the financial statements, what does it say? I quote -

“As at 21 December 2016, (...)”

So, we are now past 30 June and the Supplementary Appropriation Bill of last time and we are now up to 21 December 2016 -

“(...) the Bank issued additional capital of Rs3.4 billion which was fully subscribed and paid by (...), MauBank Holdings Ltd. The stated capital of MauBank Ltd thus increased from Rs3.3 billion to Rs6.7 billion.”

Madam Speaker, Rs6.7 billion is the stated capital of MauBank between 30 June 2016 and 21 December 2016. The current Minister of Finance, now Prime Minister, has decided to inject a further Rs3.4 billion into MauBank. This is what the Financial Statements show. Now, when we look at Note 7: Capital Management Policies and Procedures, it is stated, and I quote, the document is tabled –

“The Bank had a Capital Adequacy Ratio of less than 10% as at 30 June 2015 and 30 June 2016.”

Basically, Madam Speaker, this bank was a bank which was operating in breach of all the Bank of Mauritius procedures, guidelines and the question now should be asked: Without complying with the Capital Adequacy Ratio of 10%, how come it obtained a Banking licence? Because on 02 April 2015, the same Governor of the same Central Bank decided to revoke the licence of Bramer Bank which caused this whole mess and, at the end of the day, he stated that Rs350 m. could not be found by the then owners of the Bank; therefore, the decision to revoke the licence had to be taken. But since then, the MauBank has been operating with a Capital Adequacy Ratio of less than 10% as at June 2015 all the way to June 2016 until the hon. Prime Minister had to cover for what the first Minister of Finance did by coming up with a Supplementary Appropriation Bill and injecting Rs3,053,000,000 into MauBank at that stage. That was not enough. A further amount of Rs3.4 billion has been injected after 30 June 2016 which makes it a total of Rs6,453,000,000 of taxpayers' money, public funds which have been put into that Bank until 21 December 2016.

Now, Madam Speaker, it is also stated in Note 7 that -

“As highlighted in Note 40, subsequent to the year end (...).”

That is after June 2016.

“(...) the Bank has issued additional capital of Rs3.4 billion which was fully subscribed and paid by Maubank Holdings Ltd, thereby improving the capital adequacy ratio to 11.35%.”

Now, Madam Speaker, I fully understand that the current Minister of Finance had no choice, because these decisions were taken prior to him becoming Minister of Finance. It was the first Minister of Finance who did all of that and basically injected all these funds of Rs3,053,000,000 and he had to come with a Supplementary Appropriation Bill last year. Also, when it was seen that the Capital Adequacy Ratio of MauBank was under the 10%, again, he had no choice, and he had to inject the funds, the Rs3.4 billion to basically bring



that Capital Adequacy Ratio to 11.35%. And basically, he was put before a *fait accompli* and I fully sympathise with him on this issue. But the real culprit is nowhere to be seen. The real culprit is walking away, meditating.

Now, when we come to the Notes to the Financial Statements on page 61 and this is even more concerning, Madam Speaker. This is serious, this is absolutely serious for the economy; this is no joke. The going concern assumption, Note 4 (iii) Going concern assumption. It is stated –

“The directors have assessed the going concern (...)”

That is, the directors of MauBank.

“(...) have assessed the going concern of the Bank and believe that the Bank is still a going concern as its ultimate shareholder, that is, the Government of Mauritius, is coming forward with a major restructuring plan under which, among others, funds will be available to allow the Bank to operate smoothly and within the statutory requirements.”

Now, Madam Speaker, Rs6,453,000,000 of public funds have already been put into MauBank and for them to be able to state that they are a going concern, they have made this declaration in their Financial Statements to say that they have a commitment from the ultimate shareholder, the Government of Mauritius which is coming forward with a major restructuring plan under which funds will be made available. How much funds? How much more, Madam Speaker? How much more? Because this has become a hole, *un trou*, which is actually sucking away public funds which have to be put into it time and time and time again. And now, what is happening is the *trou* which was there in the BAI Group has been put input MauBank and this Government now has to continue filling in that hole, that *trou*, and keep injecting money into it because of a decision *irréfléchie*, unreasonable which was taken by the first Minister of Finance of this Government. And the then hon. Prime Minister had told everybody not to take any money from public funds. If you can go and sort out the situation, you go and sort out the situation. You do not take public funds. That was his instruction as Prime Minister of this country. But where are we now? What is happening now? And what will happen?

*(Interruptions)*

Yes. Yes, I worked hard under the instructions of the then Prime Minister.

*(Interruptions)*

Yes, but the bank does not fall under me. Do not talk about the Bank and MauBank! I did not decide to take MPCB and merge with NCB and ex-Bramer Bank. This is Lutchmeenaraidoo. You go and tell and tell him. He is with you now. Now, basically, Madam Speaker...

*(Interruptions)*

**Madam Speaker:** Hon. Soodhun!

**Mr Bhadain:** *Eh, alle l'Arabie Saoudite ta!*

*(Interruptions)*

**Madam Speaker:** Hon. Soodhun!

*(Interruptions)*

**Mr Bhadain:** Now, Madam Speaker, when we look at ...

*(Interruptions)*

**Madam Speaker:** Hon. Leader of the Opposition, you can stand up and raise a point of order.

*(Interruptions)*

No, just stand up and raise a point of order! Because I have to listen to him and I have to listen to hon. Bhadain at the same time. If you have got a point of order, just stand up and raise your point of order. Hon. Soodhun, what did you say?

*(Interruptions)*

**Mr Soodhun:** I withdraw.

**Madam Speaker:** You withdraw, but what did you say?

*(Interruptions)*

Hon. Soodhun, what did you say?

*(Interruptions)*

You are withdrawing which word?

**Mr Bhadain:** So, Madam Speaker, the bottom line is this. Rs6.4 billion of taxpayers' money has already been put into these banks and that is not enough and I will show why. Before I get into other details, MauBank has also filed its abridged unaudited interim

financial statement for the six months ended 31 December 2016 and I am going to table a copy of the abridged unaudited financial statements for the six months between June 2016 to 31 December 2016.

Now, in there, Madam Speaker, there are two things which are important. The first one is when we look at the attached Schedules, we see that the share capital, is, in fact, Rs6.7 billion now, which is Rs6,670,858,232. Basically, Rs3.4 billion has been inserted, but the House has not been told about this. The public has not been told about this! Nobody knows about this! Where did the money come from? We do not know. Since June 2016, Rs3.4 billion has gone into MauBank to make the share capital Rs6.7 billion, but where is the money coming from? We are also being told that there is no money to pay the victims of the Super Cash Back Gold, but here we have a clear-cut case of Rs3.4 billion which has been taken from public funds to put into MauBank so that the capital adequacy ratio goes above 10%, but, on the other hand, we are being told, don't take money from public funds to pay Super Cash Back Gold.

**The Prime Minister:** If the hon. Member will give way. I seek your guidance, Madam Speaker. We are debating on one provision of the ESE with regard to Mauritius Post Ltd. Now, I have listened to the hon. Member, he has talked about MauBank, but he is now going extensively on MauBank as if the debate is on MauBank. I seek your guidance whether it is in order now to enlarge the debate and to go into MauBank. There will come a time when we will be able to reply with regard to MauBank. We will give all the explanations, but is it in order that we go extensively on MauBank?

**Madam Speaker:** Yes. Let me remind hon. Members that the scope of the debate on Estimates of Supplementary Expenditure is extremely narrow, that is, only the reasons for the increase can be discussed and not the policy implied in the service which must be taken or have been settled by an original vote. In this context, I have listened carefully to hon. Bhadain. I have given him a certain leeway of explaining the whole situation and why the hon. Minister of Finance should come with a supplementary budget concerning the Mauritius Post Ltd for which explanation has been given - *Provision required for the equity injection in Mauritius Post Ltd following the dilution of its shareholding in ex-MPCB Ltd*. So, I have given sufficient leeway, but now, I will ask the hon. Member to narrow down his debate on that Rs225 m. which is there. You have sufficiently explained the whole situation so that everybody can understand. So, now you have to narrow it down to the ex-MPCB.

**Mr Bhadain:** Madam Speaker, I am fully within bounds because when you look at the ESE document circulated, it actually says –

“Provision required for the equity injection in Mauritius Post Ltd following the dilution of its shareholding in ex-MPCB Ltd.”

Now, we all know ex-MPCB Ltd is in MauBank. The two banks have been merged. The ex-Bramer Bank has become the National Commercial Bank. The National Commercial Bank has been merged with ex-MPCB to become MauBank. If we are to look at the figures today, we have to go to the financial statements of the MauBank because MPCB does not exist anymore and the dilutions of the Mauritius Post Ltd shareholding and what has happened there which necessitate that money today being appropriated for which we have to vote actually is intrinsically linked with what is happening in MauBank because we cannot vote for that MPL injection of capital of Rs255 m. without understanding the bigger picture.

Now, I have practically finished on this issue, but suffice to say the last thing that I had to say on the abridged financial statement, which is my last point on that, I must tell you, Madam Speaker, is the following. If you look at page 2 of the abridged financial statements, it is stated as follows and I quote -

“Non-performing advances which amounted to Rs5.4 billion as at 31 December 2016 remains a heavy legacy for the bank.”

Rs5.4 billion! This is signed by the directors of MauBank: Mr Nagarajan, Mr Lalloo and Dr. Paligadu. Now, you have the directors who are now telling you that the non-performing advances of this bank amounts to Rs5.4 billion as 31 December 2016 which remains a heavy legacy...

**Madam Speaker:** Hon. Bhadain, please! I have just told you that the scope of ESE is extremely narrow. I think I have given you sufficient time to explain the whole picture. Now, it's time to narrow down your debate to the increase which is in front of us.

**Mr Bhadain:** I agree, Madam Speaker, that it is narrow, but in that narrow space you have a huge hole. So, basically the hole has to be explained.

*(Interruptions)*

**Madam Speaker:** I have asked you to narrow down your debate, not to narrow down the hole!

**Mr Bhadain:** Now, Madam Speaker, just to go back to MPCB. The other problem, Madam Speaker, is that when you look at ex-Bramer being merged with MPCB which causes the dilution of the shareholding of Mauritius Post Ltd, in fact, Mauritius Post Ltd had 44% shareholding in the then MPCB Ltd. When those funds were injected, the capital was injected by the first Minister of Finance, it diluted that shareholding which Mauritius Post Ltd had in MPCB. So, what, in fact, happened was the 44% that it held as shareholding became 0.02% and when that happened, the Mauritius Post Ltd became insolvent. When it became insolvent, 114 post offices had to close down in Mauritius. Then a decision had to be taken to inject even more money into Mauritius Post Ltd. Hence the figure of Rs255 m. which we are being asked to vote upon now, but we do not know the full story. Question is, Madam Speaker, would that Rs255 m. suffice to get Mauritius Post Ltd out of the woods? Because the decision which was taken by the first Minister of Finance to put capital into MPCB diluted the shareholding of MPL and when it diluted the shareholding of MPL, there was an investment in associate which was on the balance sheet and that together with the impairment that had to be taken into account actually hit the profit and loss statement of Mauritius Post Ltd turning immediately to a huge massive loss which make the whole company insolvent.

And the auditors were not even prepared to put their signature there to say that this company is a going concern. The Mauritius Post Limited, 114 post officers in Mauritius, was no longer a going concern and the first Minister of Finance who does not even realize the consequence of his actions when he put that money into it which was voted in the Supplementary Appropriation Bill of last year. Rs3.4 m. has been put again and you have the Directors telling you that they do not know whether it is a going concern, but Government is giving the commitment that they would put even more funds.

Now, Madam Speaker, when we look at ex-Bramer Bank and MPCB coming together, something else happened. Another entity was created by the Receiver/Manager, Mr Bonio, when he actually ...

**Madam Speaker:** Hon. Bhadain!

**Mr Bhadain:** I have to explain it or else how will the House ...

*(Interruptions)*

**Madam Speaker:** Hon. Bhadain, I believe you have gone *in extenso* in the explanations of ex-MPCB. So, I do not think that now you should give more explanations that are required for what we have to vote and what is in front of us. You cannot say that you

have not been given time to explain the whole situation. I have given you ample time to explain to everybody in this House the whole situation, the whole picture, but I do not think that if ever you have got additional things to say that this can be said in what is in front of us and what we have to vote today. So, I would request you once again to turn to the Bill that we have in front of us and to that sum of money which we have to vote today.

**Mr Bhadain:** But, Madam Speaker, I do agree with what you are saying, we have to stick to the ESE. But this is within the ESE because how are we going to vote the Rs255 m. not knowing what is linked with that in terms of other expenditures which will have to be incurred by the taxpayers of this country? People in Quatre-Bornes will ask me about that.

*(Interruptions)*

**Madam Speaker:** Hon. Bhadain, I have given you my ruling. You can continue with your debates but, please as I said, come back to the essence of the Bill.

**Mr Bhadain:** Yes, Madam Speaker. With regard to that Rs255 m. in Mauritius Post Ltd, the other issue is that when ex- Bramer Bank was actually put into receivership, another entity was created called Bramer Bank Corporation Ltd in receivership which was not the National Commercial Bank. And all the toxic assets were put over there to be recovered and to be put into MauBank. Now, that is Rs2 billion more which was the amount receivable on the balance sheet of MauBank. All these have been done without ...

*(Interruptions)*

*Ki tou sa jour la ta, aret koz menti ta!*

**Madam Speaker:** Hon. Soodhun!

**Mr Bhadain:** *Kan ti dire toi, to ti faire? Rane bar l'or la!*

**Madam Speaker:** Hon. Bhadain! Hon. Bhadain!

**Mr Bhadain:** Yes, Madam Speaker. Just to continue on the ESE, when we go back to the Bill, there is also the vote item 2-1 which is under the Prime Minister's Office. When we look at the details which have been provided under item 2-1, we see that one of the major amounts there is an amount - it is to be found, Madam Speaker, on page 10 of the ESE document. It is stated *Defence and Home Affairs – Transport Equipment – Additional provision required to meet 50% part payment of an official car*. The amount earmarked is Rs4.8 m. I have not heard the hon. Prime Minister mentioned about that at all. What official

car are we talking about and why is it that we want to vote for Rs4.8 m. which represents 50% part payment of an official car?

**Madam Speaker:** At Committee Stage, you will have the opportunity to ask as many questions as you want.

**Mr Bhadain:** Yes, but I would have expected, as hon. Bholah mentioned, that Government spends money, there are excesses but then in full transparency it has to be explained. Normally, it has to be explained before.

*(Interruptions)*

Transparency means do it before not afterwards! Then, Madam Speaker, when we look at item 31122 – *Other Machinery and Equipment - Additional provision required for the acquisition of security equipment*. This is important, Madam Speaker. When I heard the hon. Prime Minister, in his speech he actually said this is acquisition of security equipment. He never said what security equipment for which Rs178 m. is being voted under the Prime Minister's Office.

Now, Madam Speaker, the taxpayers of this country need to know. They need to know what equipment has been purchased for Rs178 m. and they need to know whether that equipment is being used for phone tapping and surveillance against people in this country. Because we have heard the hon. Prime Minister mentioned so much on radio and other places that he is actually bringing that crusade against drug traffickers. But how is the information being obtained? Are we tapping phones? We need to know whether phones of people in this House are being tapped and what this Rs178 m. is for in terms of acquisition of security equipment under the Prime Minister's Office.

*(Interruptions)*

And if we are going to operate in transparency, if we are going to tell the people the truth, we need to tell the people of Mauritius that Rs178,079 and every single rupee, every single cent what it's all about so that we can, in an informed manner, take a decision as to whether this needs to be voted for or whether this is in breach of the Constitution of Mauritius and in breach of the fundamental rights of all the citizens of this country.

Now, Madam Speaker, all of that has not been explained so far. Yes, we will have the opportunity to put questions at Committee of Supply stage, but this should have been disclosed in the first place. Madam Speaker, when we look at all of what has been said today,

we realize that all the rosy figures which have been mentioned by the hon. Prime Minister in terms of FDI and debt deficit going down and all these different things, actually this country is going to go bankrupt, Madam Speaker, like the BAI group if this Government stays in power.

**Madam Speaker:** Hon. Sesungkur!

(4.52 p.m.)

**The Minister of Financial Services, Good Governance and Institutional Reforms**

**(Mr D. Sesungkur):** Thank you, Madam Speaker, to allow me to contribute to this debate. Hearing the previous orator, it gives me the impression that he often gets confused in his arguments because while I was listening to him I was under the impression that there was another Bill being debated. It was the MauBank Bill, and people should not forget that this hon. Member was in Government at that time. He voted those budgets. He had ample time, he was in Cabinet.

*(Interruptions)*

**Madam Speaker:** Order!

**Mr Sesungkur:** He was in Cabinet, he had ample time to question decisions at that time, but he sat down, he had a chauffeur-driven car with a *motard* and he was enjoying life. So, today, to claim to be Mr Clean, to be somebody who can give lessons to others, I think he is the worst person on earth to do that.

**Mr Bhadain:** Madam Speaker, is it allowable that somebody would attack a Member of this Assembly and makes statements like that and everybody stays quiet?

*(Interruptions)*

**Madam Speaker:** Please sit down! Hon. Sesungkur, please, no character assassination is allowed. So, can I ask you to restrain yourself from making these remarks?

*(Interruptions)*

**Mr Sesungkur:** I withdraw. I am not assassinating him, his character because he has...

*(Interruptions)*

**Mr Bhadain:** Madam Speaker, on a point of order. How can we use words like 'assassinating him' in this House?



*(Interruptions)*

**Madam Speaker:** Hon. Bhadain!

**Mr Bhadain:** He must basically go and read the Standing Orders!

*(Interruptions)*

**Madam Speaker:** Hon. Bhadain, please! What I said was that no character assassination is allowed. So, that is why he has taken my words and he is commenting on them.

*(Interruptions)*

**Mr Sesungkur:** Thank you, Madam Speaker, for allowing me to continue. The amount of time which we have been listening to the previous Member arguing about MauBank, I am sure you will allow me some leeway to give my point of view on that. When we look at the item the hon. Member referred to, it is clear it refers to Mauritius Post Limited and the amount which requires our approval is Rs255 m.. Now, how does this compare to figures which were flagged by the hon. Member like Rs6.4 billion, like MauBank is not viable, is not a going concern. He has even tabled the previous audited accounts of the bank. It is clear that all these are irrelevant. The Supplementary Appropriation Bill is very clear that we need approval for an amount of Rs255 m. to recapitalise Mauritius Post Limited. Now, it further says that because of the dilution of the shareholding in ex-MPCB, the people of Mauritius will recall that MPCB was in a dangerous state when we took Government. It was already in a dying state. If somebody says that in one year's time this Government has caused the death of this bank, then I am prepared to resign my seat.

*(Interruptions)*

In 12 months' time - hearing the hon. Member saying that the audited report of 2016, we got into Government in 2015 - this Government has caused the demise, the nearly bankruptcy of that bank. How can this be possible? In fact, what Government has done and in all patriotic sense, we have saved the billions of deposits of small depositors in the bank and I am talking about MPCB only because when we try to confuse people, try to bring in the MPCB and saying that now it is the MauBank and the state of the financial situation of MauBank, then people will not understand. What they will understand is the Mauritius Post and Cooperative Bank at that time where small savers and small depositors had their money. And what

Government did in all responsibility to protect those depositors was to devise ways and means so that those depositors do not lose their money in that bank.

So, we have basically saved those depositors. We have basically saved the jobs of hundreds of people in that bank. And today, it is true that when we add MPCB be with the Bramer bank, it was a crisis. It was an explosive situation. But we have tried all the means possible to maintain stability in our financial system to maintain the trust of people, of the depositors in banks. So, I do not see it is fair from the part of the hon. Member to accuse this Government to be behind the demise of the ex-MPCB. In fact, what we have been doing, we have been trying all means possible to protect depositors and the staff and employees of that bank.

Madam Speaker, of course, I am not going to digress any far on this because we will have other time to speak at length on that issue, but today what is of importance is in the Supplementary Appropriation Bill where we have a vote to be taken on an amount of Rs2.3 billion. The bulk, the major amount is Rs2 billion which has been spent in relation to the Build Mauritius Fund.

Now, other orators have said that Build Mauritius Fund was established, was set up by the previous Government. It was to be a special purpose vehicle to finance certain projects and Government, at that time, caused to transfer around Rs4.7 billion into that Fund. That was from the Consolidated Fund. The Consolidated Fund for people to understand is basically the bank account of Government. It is whenever there is a movement in the Consolidated Fund, it has to receive the approval of Members of this House. This is in our Constitution, Section 105 (3) (b) is clear that we can approve expenditure at two stages - firstly, before the Budget and secondly after the Budget. After the Budget when we have overspent, we have to come to this House and get it approved. This is convention. Of course, I agree with hon. Ameer Meea that it is merely a technical exercise. There is no real sense, there is no real materiality to this Bill, but it has to be approved by the House. This is what the Constitution says and it has been a convention over the years. So, we are simply abiding by that. Of course, there will be no major carry-over implications in terms of funding because the money has been spent this.

So, what is more important to understand is that the Build Mauritius Fund has an important mission, has an important objective. It has been instrumental in financing certain key projects like the road and transport projects, the water sector projects where money has

been spent, the NDU projects, the construction of drains, land drainage system. So, these are the projects which have been financed through the Build Mauritius Fund.

The Supplementary Appropriation Bill basically needs approval of the House because there is an amount of Rs2 billion which was previously a loan which Government gave to the Build Mauritius Fund, which is now being converted into a grant, which means that this amount has been spent on these projects and it needs to be approved for the budgetary purpose.

So, Madam Speaker, we all know that Government has a strategy to fuel, what we call, the Public Sector Investment Programme. We want to invest. We want to play our part in the development of our country and it is clear that through this way we have been investing in various projects. Investing in Capital projects is extremely important for the future growth, for the future prosperity of our nation. I personally feel that this is something which is money well spent. We are investing in infrastructure, in different projects which will allow Mauritius to have better opportunities to have a growth in the future and to develop what we call a better Mauritius. So, on this note Madam Speaker, I want to thank you for your attention and I, of course, commend this Bill to the House.

**Madam Speaker:** Hon. Rutnah!

(4.04 p.m.)

**Mr S. Rutnah (Third Member for Piton & Rivière du Rempart):** Thank you, Madam Speaker. Madam Speaker, when I hear Members of the Opposition addressing the House in relation to this Bill, they give an impression that it is for the first time that such an Appropriation Bill has been brought to this House for consideration. This demonstrates how the Opposition tends to distort...

*(Interruptions)*

**Madam Speaker:** Hon. Jhugroo, you do not have the right to talk to the Press from where you are.

*(Interruptions)*

Hon. Baloomoody!

**Mr Rutnah:** Madam Speaker, it is no point for the Opposition to come and distort the realities of economic factors that push any government to bring Bills of this nature to this House. Besides, we are empowered by section 105(3) of our Constitution to come and ask

the House to consider voting for such an Appropriation Bill. If I may also say, it is not going to be the first time and it is not going to be the last time that Government will be coming with Appropriation Bills in this House.

Madam Speaker, any government is also empowered, by virtue of section 104(3) of the Constitution, to withdraw money from the Consolidated Fund in a manner which is prescribed. Then, we also have section 6 of the Finance and Audit Act of 1982, which empowers the Minister, by warrant under his hand, to authorise issue of advance from the Consolidated Fund. So, there are all these law, statute, Constitution that are available within the means of Government to bring such Bill, such legislation in the House.

Madam Speaker, I heard hon. Ameer Meea speaking earlier on about Build Mauritius Fund, about a mere book entry, about Government playing with accounting tricks to hide the true fiscal situation. But that is not true, because everything that this Government has been doing in relation to not only Build Mauritius Fund, but all spheres of activities in which this Government is trying to modernise, to deal with economic factors, has been done in a very transparent manner. When I heard hon. Ameer Meea speaking earlier on, I thought I was hearing my friend Kee Chong Li Kwong Wing speaking on the Appropriation Bill in 2013. And look at what...

*(Interruptions)*

**Madam Speaker:** Hon. Baloomoody!

**Mr Rutnah:** Listen to this! I really thought it was Kee Chong Li Kwong Wing speaking, the then spokesperson from the MMM in relation to economic matters. And he was saying this –

“As I have just said, we are now in October 2013, and the Government accounts have been closed since the end of 31 December last year (...)”

But, now, we have changed the situation. We have made it June-July.

And, then, he cut and paste -

“(...) because Government accounting is on a cash basis. So, all payments have been made and all receipts collected. And these accounts have been closed and submitted to the Director of Audit and the Director of Audit has already submitted his report on these accounts since June/July this year. So, the question (...)

*(Interruptions)*

Kee Chong Li Kwong Wing!

*(Interruptions)*

**Madam Speaker:** Order!

**Mr Rutnah:** But I know how Kee Chong Li Kwong Wing ...

*(Interruptions)*

**Madam Speaker:** Order!

**Mr Rutnah:** Kee Chong Li Kwong Wing said –

“So, the question that I have to ask is: The Annual Report of the Accountant General is already submitted, the Annual Audit Report has already been submitted; why is it that we are put in front of these additional estimates to be appropriated so late in the year?”

Word for word!

“The question is that the authorisation and necessary clearance and adjustments have already been made by the Ministry of Finance and have been submitted by the Accountant General, yet, we are only now, late in the year, after 10 months, ...”

Word for word!

“... presenting these figures which give us only the opportunity to give an ex-post approval to what has already been incurred without any possibility of challenging, without any possibility of blocking or whittling down these expenditures. You will remember what happened in the US Congress, where the US Congress (...)”

*(Interruptions)*

**Madam Speaker:** Hon. Rutnah, can we know from what you are quoting and what is the date of that debate? I think you have to make it clear because hon. Bhagwan is asking.

**Mr Rutnah:** I am never economical with the truth and I am going to say that it is on 29 October 2013, during the Second Reading of the Supplementary Appropriation (2012) Bill (No. XX of 2013).

Now, I was at the US Congress.

“You will remember what happened in the US Congress, where the US Congress had protracted (...)”

And here, the hon. Member hesitated a little bit. Instead of saying ‘protracted’, he said ‘proacted’. He did not even copy it properly there.

“(...) the debate to even block the amount of additional expenditure. The question which I ask is: Are we left with any choice? Is this a model of democracy that we are having? Because it means that we are having a weak Parliament to approve these expenditures in front of a strong Executive. So, the legislature, in practice and, in fact, has little control over the Executive in the incurring of these excess expenses which we are called to approve today.”

*(Interruptions)*

**Madam Speaker:** Order, please! We cannot hear! Please!

*(Interruptions)*

**Mr Rutnah:** He goes on –

“The second point which I want to make, Mr Speaker, Sir, is about the timeliness of these estimates because we have to approve them on the eve of the next budget. In fact, this supplementary budget, ideally, should have been presented before it is spent, as in the private sector, where the revised budget is presented before the closing of accounts. However, so much for the timeliness and the appropriateness of this Bill!”

The then hon. Kee Chong Li Kwong Wing! And this is the standard of Opposition we are facing, when the leader of the party walked out of the House when I started because they knew something was coming up. I am sorry to say that even hon. Ameer Meea is not here to listen to what I had to say. Madam Speaker, this is wrong! But, anyway, Madam Speaker...

*(Interruptions)*

**Madam Speaker:** Silence, please!

**Mr Rutnah:** ...we, in this House, when we stand on our feet, we stand on our feet to come to serve our people, to serve this nation. But, when things of this nature happen, it troubles me and it troubles people who are listening to the debate from their home or from their offices today.

Madam Speaker, dealing with the criticism of hon. Bhadain, can I remind everybody in the House that hon. Bhadain, at least, as at 31 May 2016, when the Second Reading of the Supplementary Appropriation Bill 2015-2016 was presented, was on this side of the House.

And Madam Speaker, it is important for people to know the standard of Opposition we are facing today. And I will start by reminding hon. Bhadain, although he is not here, what he said during the course of the debate then, about MauBank. He said –

“So, Ma’am Speaker, (...)”.

No, he does not say ‘Ma’am Speaker’, he says ‘Madam Speaker’.

*(Interruptions)*

“(...) Rs1.6 billion was invested in MauBank Holdings Ltd. by way of other advances from Consolidated Fund, under section 6(1)(d) of the Finance and Audit Act by warrant under the hand of the then Minister of Finance and Economic Development who decided that this advance of Rs1.6 billion was required in public interest.

Now, this is a decision which had been taken and the then Minister of Finance and Economic Development has explained to this House in no uncertain terms as to why those two failing banks had to be brought together to create MauBank and basically the most important rationale was in terms of saving jobs because the new Government which has come into power could not afford a situation where two banks would have failed and people would have lost their jobs.”

*(Interruptions)*

But then, Madam Speaker...

*(Interruptions)*

“Madam Speaker, when we look at the situation of MauBank today, it has returned to a profitable situation. Deposits are being received. The bank is working. Jobs have been safeguarded.”

Then he criticised hon. Shakeel Mohamed.

“Hon. Shakeel Mohamed mentioned - we all heard him - that people have lost jobs. We have to stop misleading the population, misleading this House, because I have got the figures here.”

And when he started to talk about the figures hon. Bhadain was interrupted for 49 times. 49 times! And after the 49<sup>th</sup> time, 49<sup>th</sup> attempt, his 50<sup>th</sup> attempt was successful. He said –

“Let me finish now. Ma’am Speaker – no, Madam Speaker - going back to the figures, MPCB, the NCB - for those who are listening from their home, MPCB,

Mauritius Post and Cooperative Bank Ltd. and NCB, National Commercial Bank - together had 700 employees in September 2015. In December 2015, they had 685 employees and in May 2016, they had 662 employees. The reason as to why the 38 persons have left is because they have moved on to better jobs and most of these people were in the sales department because in a bank you have good salesmen whom other banks try to recruit and people who are in the IT department. There has been no layoff of employees!”

And that is true today as well. What he said last year is the truth, is real, it is a fact. And he goes on –

“And what this Government set out to do has been achieved; those jobs have been saved and this is why Government decided to go ahead with the course of action that it did, same thing for BAI, 4,200 people employed in the BAI Group, 3,900 people still working today.”

And that is still the fact; that is still the truth.

“Now, these are facts, Madam Speaker. Despite everything you would hear saying the contrary; it is simply not the truth. Simply not the truth!

And then he was subjected to a further interruption which is the 50<sup>th</sup> interruption and then he goes on to say –

“With regard to the funds which have been invested in MauBank, Rs1.6 billion is being appropriated today, a further - he knew that - Rs1.4 billion would be appropriated in the next Supplementary Appropriation Bill - he already anticipated then that the next Supplementary Bill would be appropriated – which is going to be brought to the hon. Minister of Finance and Economic Development. But, then, Madam Speaker, I think Government also will have to be very careful in terms of what happens next. Because if MauBank is a profitable organisation and it is generating the required level of profit such as the appropriate capital adequacy level, because we heard about, what he said about that, the appropriate capital adequacy level - the cash reserve ratio used to be called - it is fine you can carry on, but if not, then a decision will have to be taken as to whether to open up the share capital of MauBank so that Government can get investors to come and invest so that Government can recoup such sum of money which has been invested.”

So, this is the other set of Opposition that we are facing.



*(Interruptions)*

This is Bhadain!

*(Interruptions)*

And yesterday, I was hearing radio programmes, people were talking about the standard of hon. Members and this is where we are today.

Madam Speaker, now if we look at what the Minister of Finance is asking for today in the House is very simple and I am not going to take any longer now to explain because after hon. Bholah, after hon. Sesungkur and after what the hon. Prime Minister and Minister of Finance has said, I don't think I have to explain or try to persuade people in this country any further that this sum is required so that we can carry on with the proper financial and economic administration of this country.

Of course, when we look at the Estimates of Supplementary Expenditure which has been provided to all Members of this House, and when we look at how money is to be spent, for example, in the Prime Minister's Office in relation to item 22060 – *Maintenance - Additional provision required for the maintenance of equipment for the analysis of toxicological, positive cases and synthetic drugs*, everybody knows in this country that this Government is going to smoke out, wherever they are, those drug dealers, those drug peddlers and those who are playing with the future of our children.

So, that is why we require additional sums of money. If we look at item 22140, it is an item which deals with *Medical Supplies, Drugs and Equipment - Additional provision required for the purchase of toxicology consumables*. Again, it demonstrates the will of this Government to fight people who think that they have got a free reign in this country to deal with drugs and as the hon. Prime Minister and Minister of Finance has said it in the past, that he will not hesitate to '*kas lerin*'. He will not hesitate and we require this money so to fund all these developments.

In relation to Rodrigues, we know that previous Governments were paying a lip service to our brothers and sisters of Rodrigues. But since recently, this Government, in particular, it started by the previous Prime Minister of this Government, Sir Anerood Jugnauth and then followed by this Prime Minister in relation to Rodrigues. What is being asked for Rodrigues, *Non-Financial Public Corporations - Additional provision required under the Special Holiday Package Scheme for payment of subsidy on air tickets following an increased number of Mauritians and Rodriguans benefiting the Scheme*. Encouraging our

people and people from Rodrigues to travel, to come and see and to learn from Rodrigues, learn from Mauritius. *Non-Financial Private Enterprises*, item 25210 – *Additional provision required for the payment of subsidies under the Freight Rebate Scheme for milk, edible oil and tea. Other General Government Units...*

*(Interruptions)*

I understand hon. François will be dealing with this aspect so I better pass on, Madam Speaker. In relation to Local Government for example, chunk of the appropriation for Local Government and I see my very able and very competent Minister, friend, hon. Mahen Jhugroo, who had recently been to Agaléga to ascertain the problems of the people in Agaléga...

*(Interruptions)*

together with my hon. friend Mahen Seeruttun, they have been there and he will require the sum of money that has been allocated here for all the progress that needs to be made in relation to Local Government.

Social Security, Madam Speaker, for example if we look at item 22060 in relation to maintenance, social assistance benefits in cash, social aid increase, number of beneficiaries and all these - the other day the Leader of the Opposition asked a PNQ and criticised literally the Government in relation to the way money is being spent in relation to CSR and alleviating poverty. If we do not make proper provision for alleviation of poverty, for CSR, how are we going to manage? Madam Speaker, there are lots of good things coming out of this Appropriation Bill today and lots of good things will definitely come at a later stage during the course of our tenure in Government.

Therefore, today, Madam Speaker, I anticipate, I have persuaded at least Members of this side of the House and also Members of the other side of the House to fully back the Prime Minister and this Government to ensure that we can carry on making progress for the future of our children.

Thank you, Madam Speaker.

**Madam Speaker:** Hon. François!

(4.27 p.m.)

**Mr J. F. François (First Member for Rodrigues):** Thank you, Madam Speaker. Madam Speaker, I stand in support of this Supplementary Appropriation (2015-2016) (No. 2)

Bill of 2017 for a total sum of two billion three hundred and eighty-one million rupees (Rs2, 381, 000,000), which we are being asked to debate and approve in this House today.

I shall be very brief and will restrict my short intervention specifically to the Estimates Supplementary Expenditure for Rodrigues votes under the Prime Minister's Office, through Item Vote 2-112 - *Rodrigues Subsidies and Grants for Excess Recurrent Expenditure* of Rs44,913,000 and *Excess Capital Expenditure* of Rs65,000,000.

Madam Speaker, you may recall that the theme of the 2015/2016 Budget was "Mauritius at the Crossroad", with a particular attention to Rodrigues. Allow me to refer to paragraph 141 - from hon. Lutchmeenaraidoo as Minister of Finance - of Budget Speech, and I quote –

"We are taking important actions to ensure that the development of Rodrigues keeps pace with that of Mauritius."

We believe in the theme, which is timely and relevant, aiming to take Rodrigues through its development milestones. It is worth to be noted, Madam Speaker, that the Rodrigues Regional Assembly presented a 18-month Draft Budget Estimates of Rs1 billion for financial year 2015-2016 and the sum of capital expenditure Appropriated by the National Assembly for the financial year 2015/2016, for Rodrigues was Rs675 m. In this Bill, the additional capital expenditure provision required is Rs65 m., that is, a 9% adjustment, thus amounting the capital expenditure for Rodrigues to Rs740 m.

The key areas where additional capital expenditure was directed, as per my information, were particularly for human and physical capital through health, education and public infrastructure, more particularly road construction, track roads, minor projects in villages, purchase of Government ambulances, construction of schools, other public infrastructure amongst others.

Madam Speaker, certainly the additional expenditures complied fully with good financial management and discipline, which is a priority of the Regional Assembly Government as regards Governments finances. I have to say, it is not mismanagement but it shows Central Government seriousness and commitment towards the Executive Council of the Regional Assembly.

Madam Speaker, as regards the additional funds required, it is clear that development in Rodrigues is on the right track. The population of Rodrigues would note that the capital

supplement expenditure was also good public money investments, and, at the same time, provided a significant impetus to the sustainable development of Rodrigues, highly visible on all fronts. Here I have to say: I invite each and every hon. Member of this House to go and visit Rodrigues to see the development going on around the island.

Madam Speaker, as regards subsidies as per item 25110 – *Non Financial Public Sector Corporations* – Special Holiday Package Scheme for Payment of subsidy on air tickets, the total appropriation was Rs70 m. In this E.S.E., an additional provision of Rs32,967,000 was required following an increase in the number of both Mauritian and Rodriguan travellers benefitting the scheme - both Mauritians and Rodriguans.

Madam Speaker, the Special Holiday Package Scheme continues to have a positive impact in terms of supporting growth of the Rodrigues Tourism Sector, resulting in an increase of 20% in arrival of visitors in Rodrigues in 2015-2016 from Mauritius. From my figures, I think it is around 50,000 travellers from Mauritius compared to about 42,000 plus for 2015-2016. I have to point out here also, if you allow me, Madam Speaker, that the actual subsidy of an air-ticket on this Rodrigues route is Rs5330.

However, if you will allow me, Madam Speaker, I have to point out that local travellers, who want to secure a seat to travel on the Rodrigues route after 30 of June 2017, are not able to do so as the scheme comes to an end, and saying that Air Mauritius is awaiting for Government decision due to happen after the next Budget exercise. Certainly, I know that the Budget is coming, but, in that regard, I will humbly on behalf of the people of Rodrigues call the hon. Prime Minister, Minister of Finance and Economic Development that necessary be done to reassure travellers about Government's stand pending next Budget exercise and not to fluctuate the cost. We have to ensure that the tourism sector keeps running and that fantastic scheme gives opportunity to travel between the two islands at an affordable and justified cost.

This simply forms part of our local connectivity strategy on this domestic and non-commercial route. Madam Speaker, another issue is the high cost of living in Rodrigues.

*(Interruptions)*

Can I have some water, please?

*(Interruptions)*

**Madam Speaker:** Hon. François, you can sit down and take 2 minutes rest if you want till the water comes.

*(Interruptions)*

**Mr François:** Thank you! Madam Speaker, another issue is that the high cost of living in Rodrigues has been always the cry of the population *pou joine les deux bouts pendant la fin du mois*. Government in that regards and in its endeavour to bring at par the cost of certain basic commodities such as milk, edible oil and tea, required an additional sum of Rs570,000. I reckon Central Government's efforts in that direction. But I have to admit...

*(Interruptions)*

**Madam Speaker:** Hon. Members, allow hon. François to continue!

*(Interruptions)*

Please continue, hon. François!

**Mr François:** Thank you! Madam Speaker, I reckon Central Government's efforts in that direction, but I have to admit that there is still a long way to go with some expectations in the coming Budget as raised during the Budget consultations in Rodrigues recently.

Another point, Madam Speaker, is that I guess we all believe in our public service and in the values which strengthen its tradition. Our Republic requires motivated, competent and dedicated public servants aiming towards a world-class standard through a new public management culture. I note that in this ESE, under item Vote 26311 - General Government Units, but for Rodrigues, an additional grant of Rs11, 200,000 was required by the Regional Assembly in connection with the implementation of 2016 PRB Report with effect from 01 January 2016 for around 3000 Rodriguan public officers.

Madam Speaker, however, despite the implementation of the PRB Report, a public sector reform for the whole Republic remains a priority towards more creativity and innovativeness, sufficiently canvassed this morning by hon. Rughoobur, as there are still around examples of traditional work practices and management systems, which fail to meet rapidly the various needs of our population.

Madam Speaker, as I said, I shall be very brief. To conclude, Rodrigues is doing well and on our side, we remain committed to its progress, development and success. And as we charter our development path, we are aware that there are a number of challenges that lie

ahead, that will require the collaborative solutions both between the Regional and Central Government.

I seize this opportunity on behalf of all the population of Rodrigues, to thank the Central Government, in particular the then hon. Prime Minister, the then hon. Minister of Finance and the actual hon. Prime Minister, Minister of Finance for the continued support extended to the development of Rodrigues. *Madame la Présidente, Rodrigues est debout et en marche vers un avenir plus prometteur. Je suis confiant et ensemble je m'engage à le concrétiser davantage.*

On this note, Madam Speaker, I thank you for your attention.

**Madam Speaker:** Hon. Prime Minister!

*(Interruptions)*

(4.40 p.m.)

**The Prime Minister:** Let me, first of all, thank all the hon. Members who have intervened **on the** Estimates of Supplementary Expenditure. There are two hon. Members of the Opposition who have intervened and, of course, I have listened to all the Members on this side of the House who have replied to the Members of the Opposition and especially I must say hon. Rutnah.

*(Interruptions)*

I would not be repeating, but suffice it to say that I would have expected - I am happy that hon. Ameer Meea is back - hon. Bhadain, after he has intervened, and I have made it a point to listen very carefully to everything he has said, although he has gone extensively - I must say that three quarters of his speech are irrelevant to this Bill. Three quarters of his speech are irrelevant to this Bill! But what he has said would be relevant whenever he has the opportunity to ask questions and we will be replying to his questions. They are important issues, yes, they are important matters, but he has gone into a debate instead of concentrating on the ESE and on other things. But I would have expected him - and I know that the camera is now on me. People should know that he is absent right now. He has gone away.

*(Interruptions)*

I would have told him and I would have replied to every point that he has made, but I will not waste the time of the House.

Let me start first with what hon. Li Kwong Wing ...

*(Interruptions)*

... sorry, hon. Ameer Meea has said!

*(Interruptions)*

I am sorry, hon. Ameer Meea has said! *Il a fait un discours très travaillé. Il a fait ses recherches...*

*(Interruptions)*

Yes, Listen!

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

**The Prime Minister:** I did not interrupt when the hon. Member was intervening!

**Madam Speaker:** Hon. Ameer Meea, it is not appropriate for you to interrupt the hon. Prime Minister.

**The Prime Minister:** Hon. Rutnah has rightly said - I am talking about the hon. Member and not everybody in the Opposition – hon. Members come to this House, they have your views on a Bill and they can get inspired by whatever has been said in the past by others. But hon. Ameer Meea has really made a show today by - not quoting - in fact, repeating exactly what hon. Li Kwong Wing at that time has said with regard to an ESE that was presented to this House. And rightly so, hon. Rutnah, has concluded what kind of a Member of the Opposition he is. But let me go further. This hon. Member is discovering today ...

*(Interruptions)*

Now, he is back!

... the way that the Estimates of Supplementary Expenditure is presented to this House. First of all, it is according to law. Any Government is required and is obliged to come with an ESE whenever there is appropriation which is beyond what has been voted with regard to an item in this House.

Secondly, Madam Speaker, this is not the first ESE that is being presented. *L'honorable membre a fait un travail de recherche depuis des années et il est allé vérifier les interventions concernant les différents ESEs. Il aurait dû savoir que c'est de cette même*

*manière qu'on vient devant cette Chambre avec les différents items pour être approuvés par les membres de l'Assemblée nationale. Et maintenant il parle de quel modèle de démocratie!* Alright, if he wants to criticise us on that score, but his leader has been Minister of Finance and Prime Minister. When his leader was Minister of Finance, he presented ESEs. All this time, I have not heard hon. Ameer Meea saying: *'Quel modèle de démocratie! Comme si on est en train de violer la démocratie. Maintenant on vient devant le Parlement, les dépenses ont déjà été encourues et on vient demander à la Chambre d'approuver ces dépenses. Il faut être honnête!* If you have a point, even though it has been done in the past by members of your party, you should have sounded the alarm much earlier. *Et non pas copier pour venir dire maintenant quel modèle de démocratie! Et le comble, Madame la présidente, il vient dire que le Build Mauritius Fund is a fictitious item!* How is it that such a Member comes before this House and says that it is a fictitious item!

*(Interruptions)*

No, the hon. Member used the term 'fictitious item.'

If the hon. Member had said 'mere book entry', I would have replied, but 'fictitious item' as if we are trafficking! We are making a trick! The hon. Leader of the Opposition knows very well because that happened when he was Minister of Finance. There was a sum of, if I can recall, I think, Rs4.7 billion that was earmarked for Build Mauritius Fund at that time when it was created. Rs4.7 billion and I think only a sum of Rs400 m. was given as a grant. A sum of Rs4.3 billion was given as a loan. I must say, *en passant*, this is the first time that when a Fund is being given money, it is given as a loan. I am referring to a fund.

Normally, it should have been a grant. Maybe that is why the hon. Member got confused, it comes from the Consolidated Fund and it is being given to a specific Fund. It is not the same thing although the Fund is controlled by Government. You should know better for accounting purposes that when it is a loan, it has to be refunded and initially, Rs300 m. have been refunded. Now, what about the Rs4 billion? We cannot just leave it like that. It is going to remain on as a loan! I have been questioned by hon. Uteem, I think, some time back. You know when I say something, I do it. The hon. Member rightly quoted earlier what I said. I think today or earlier on, it was quoted by hon. Uteem that I have always been against the setting up of specific Funds outside the Budget. Yes, I have been! In this very Parliament when I was in the Opposition, I have criticised the then former Minister of Finance for having set up a number of Funds. Each time I have been Minister of Finance, if



you look at what I have done, you will see that I walk the talk. I have said I will phase out all those specific funds. In the past when I was in the previous Government with the Labour Party, I started phasing out those Funds, but I was there only for one year.

Again now, I have taken a commitment. I said it is not because I believe that we should not operate Funds outside the Budget, it is also because of good accounting practice and transparency within the Budget and not putting money in a specific Fund. I said during my intervention earlier, the Build Mauritius Fund will be closed because then we will have items in the Budget. So, it is not a fictitious item, hon. Ameer Meea! We need to have this sum of Rs2 billion - now it is a grant - so that there is no need for reimbursing.

I am coming back now to hon. Bhadain. I will just say generally, we will recall that when he was Minister in this Government - I remember very well - it is not only what hon. Rutnah has quoted earlier, but on numerous occasions, not only in this very House, in interviews, on TVs, he had had a debate with hon. Uteem - how he was speaking about MauBank and BAI.

*(Interruptions)*

MauBank, yes! The hon. Member wants me to refer again to what hon. Rutnah had said earlier!

*(Interruptions)*

**Madam Speaker:** No! Hon. Bhadain, do not crosstalk with the hon. Prime Minister when you are in a sitting position, please! If you have something to say, it is only on a point of order.

**Mr Bhadain:** Yes, Madam Speaker, on a point of order. How can the hon. Prime Minister look at me, address me and then ask me a question? I have to answer.

*(Interruptions)*

**Madam Speaker:** No, hon. Bhadain, this is not a point of order! This is not a point of order. Please, proceed!

*(Interruptions)*

Hon. Jhugroo!

**The Prime Minister:** Let me refresh the memory of the hon. Member. On 31 May 2016, the Supplementary Appropriation 2015/2016 Bill, he had intervened lengthily and commented ...

**Madam Speaker:** Do not address the Member!

**The Prime Minister:** I am addressing the Chair.

*(Interruptions)*

No, I said the hon. Member intervened. He spoke about the saving of jobs, saving of depositors' money and so on. I do not want to repeat. He will have time to reflect on this. Consult the Hansard and then you will see what hon. Rutnah has quoted lengthily with regard to what he said! All this time, the hon. Member was justifying the reasons why Government had acted in such a way, why money had to be injected. True it is that money has been injected. But today, this very same Member comes before this House and criticises Government for having done so. I will give further information later on, not now, because it is not relevant to this Bill, but just to reply to some of the comments that he made earlier. I heard him asking what is happening with the Super Cash Back Gold. I do not want to dwell lengthily on this.

Madam Speaker, first of all, let me say, the whole thing with regard to BAI started with the Ponzi scheme. The then Leader of the Opposition, hon. Bérenger who, I remember, in a PNQ in this very House, had asked what will Government do then at that time with regard to this major big Ponzi scheme that would wreck the economy.

Hon. Bhadain should know. He was quoting, when he was in Government, the nTan Report, the independent and very able consultants who came to the conclusion that it was a Ponzi scheme. He himself has referred to this on several occasions and mentioned what had happened in the past. And, now, it is as if he is not aware of what happened, he was not party to anything. He is now sympathising with people. Fair enough! Yes, people are in trouble! *Il y a des gens qui sont en train de souffrir, c'est vrai. Nous sympathisons, et je crois que tout le monde sympathise avec ces gens. Mais le peuple doit savoir le comportement de l'honorable Bhadain concernant ce dossier.*

When he was in Government ...

*(Interruptions)*

**Mr Bhadain:** May I? *Le comportement de l'honorable Bhadain.* Is this something which has got to do with the ESE? Is this something which has got to do with the Supplementary Appropriation Bill?

**Madam Speaker:** Hon. Bhadain, you opened the debate and I gave you ample time to talk in-depth on MauBank. This is not a point of order that you have raised. If you want, you can have points of clarification. But this is not a point of order. Hon. Prime Minister, please proceed!

**The Prime Minister:** The hon. Member did not talk about my *comportement, parce que* my *comportement est correct.* That is why ! *Mais le peuple va juger, tout au moins la personne qui un jour prend une certaine position, et maintenant qu'elle est dans l'opposition, dit tout le contraire de ce qu'elle avait dit lorsqu'elle était au gouvernement. Alors, je ne vais pas perdre plus de temps, Madame la présidente.*

*Madame la présidente, je me souviens très bien encore. Combien de déclarations publiques n'a-t-il pas faites concernant le fait que le gouvernement prend l'engagement qu'on ne va pas injecter de l'argent concernant le Super Cash Back Gold et le Bramer Asset policyholders, parce qu'il avait fait son travail ! C'est lui !* He was the one who was handling the brief! And he was saying all the time that all the assets are there and the assets would be sufficient to pay all these people. Now we know in what mess he has left this Government! This also very well explains why he has left this Government. But we will handle the situation. We will face it, and then we will do what is required.

*(Interruptions)*

**Madam Speaker:** Hon. Bhadain! Please!

*(Interruptions)*

Each and every time I have told the hon. Member not to interrupt from a sitting position. Allow the hon. Prime Minister to make his speech, because when the hon. Member had talked, the hon. Prime Minister had remained silent. He carefully listened to the hon. Member. So, now, the hon. Member should not interrupt him. And this is the basics of the principles of this House.

**The Prime Minister:** Let me also say that his comment on the Mauritius Post Ltd was relevant. That was relevant when he commented on the Rs255 m. that was injected as equity. But I will remind him what he said earlier with regard to the mismanagement of the

ex-MPCB. He has made lengthy comments in this House with regard to the then mismanagement of the MPCB under the Labour Government, which had brought the bank on its knees because of the number of non-performing loans.

And, again, here, if I had to quote him - I am not going to quote him; how we needed at that time to save jobs and to save depositors' money! And that is why, when MPCB, at that time, had suffered huge losses and was insolvent, true it is that Mauritius Post Ltd, which had 44.3% of the shareholding in ex-MPCB, had suffered a huge loss in its balance sheet. He himself stated at that time that Government had no other alternative than to make fresh injection of equity capital into the Mauritius Post Ltd, to prevent the company from becoming bankrupt and closing all its Post Offices.

Therefore, again, Madam Speaker, this explains why we have to appropriate this amount of money. And it is justifiable for the reasons that he himself and we are saying, not only today, but we have been saying before. Therefore, I will not go further, because hon. Sesungkur has also replied to a number of points that were made. I know that we are going to go to Committee Stage. So, I will commend, of course, this Bill, and we will move to Committee Stage.

Thank you.

*Question put and agreed to.*

*Bill read a second time and committed.*

**Madam Speaker:** I suspend the sitting for 30 minutes.

*At 5.01 p.m., the sitting was suspended.*

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

## **COMMITTEE OF SUPPLY**

*(Madam Speaker in the Chair)*

### **ESTIMATES OF SUPPLEMENTARY EXPENDITURE**

**(2015-2016) NO. 2 OF 2017**

*Vote 1-3 National Assembly (Rs8,641,000) was called and agreed to.*

*Vote 1-5 Office of the Electoral Commissioner was called.*

**The Chairperson:** We have a question. Yes.

**Mr Osman Mahomed:** Thank you. I have a question pertaining to item 22050 *Office Expenses...*

**The Chairperson:** On which page?

**Mr Osman Mahomed:** Page 5.

**The Chairperson:** Yes, page 5.

**Mr Osman Mahomed:** In the Government Programme, it is mentioned that there will be meaningful change through technology, communication, innovation that will pave the way to intelligent and smart Mauritius. Now, how does the hon. Prime Minister reconcile the fact that given this promise we are still approving so much for house-to-house enquiry and for postage fees when we are supposed to have a paradigm shift?

**The Prime Minister:** Well, it is for the very simple reason that not all households are connected to the Internet and not everybody will be able to give any information that is being required with regard to the survey that has to be carried out.

*Vote 1-5 Office of the Electoral Commissioner (Rs11,706,000) was, on question put, agreed to.*

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

**The Chairperson:** Hon. Bhagwan!

**Mr Bhagwan:** Yes, Madam Chairperson, thank you. On page 7, item 22120 *Fees, Additional provision required to meet expenses i.c.w. the Commission of Inquiry on Horse Racing*. We are being asked to vote a sum of Rs6,930,000. Can the hon. Prime Minister inform the House ultimately what has been the total amount spent on the Commission of Inquiry on Horse Racing? This is my first question.

My second question, on the same line, I still remember...

*(Interruptions)*

What has been the total sum paid up to now for the whole Commission of Inquiry? I think there have been one, two or three parts.

Secondly, from what we gather, it has been said here that there was a preliminary report which was sent to the President of the Republic then, and then it was lost on its way to the Prime Minister's Office. Can the hon. Prime Minister inform the House whether, since he

has assumed duty, he has been able to trace this preliminary report where names of famous politicians and also bookmakers were mentioned? Mafia! So, this preliminary inquiry report, I think, which throws light on many of the shortcomings and mafia at Champ de Mars.

Thirdly, can the hon. Prime Minister inform the House - the report for which we are paying Rs6,930,000 - what actions have been taken for the setting up of a Horse Racing Authority which has been recommended in the report?

**The Prime Minister:** Well, I am informed that this is additional provision that was required to meet the expenses in connection with the Commission of Inquiry and the payments made to the consultants Mr Dennis George Gunn and Mr John Paul Scotney amount to Rs6,930,336. These also include their accommodation and passage costs.

Now, with regard to the interim report, I have requested my officers to have a look. It is not found at the Prime Minister's Office, but I have requested the Secretary to Cabinet to write to them to ask for a copy because, after all, it is work that has been done by them and we should be able to have a copy.

**Mr Bhagwan:** Can the hon. Prime Minister give the assurance to the House, the country and the nation that for those politicians whose names are mentioned in the interim report he will seriously take whatever action in the public interest?

**The Prime Minister:** Well, I do not know what is contained in this interim report. What I can assure the hon. Member is: we have a copy of the final report. That has been handed over to the GRA for them to look at all the recommendations that have been made and then to see what can be implemented. Well, of course, if we receive the interim report, I will keep one copy at the Prime Minister's Office, but will hand over, at least, one copy to the GRA for them to take any action. But, I do not know whose names and so on appeared in that...

**Mr Bhagwan:** What about the Horseracing Authority?

**The Prime Minister:** No, Horseracing Authority - there have been recommendations. The GRA will look at them and they will come up with their recommendations. Ultimately, we will see what Government will decide, if there is a need for that.

**The Chairperson:** On page 7, hon. Ganoo!

**Mr Ganoo:** Thank you, Madam Chairperson. On the same page, *item 22040 – Office Equipment and Furniture – Additional provision required for the purchase of office*

*equipment and furniture for new staff.* The sum we are being called to vote upon is, in fact, higher than the sum appropriated for last year, as we can see. Can I the hon. Prime Minister if he can give particulars regarding the office equipment, the furniture and also for the new staff, which new staff are we being referred to?

**The Prime Minister:** This is additional provision that was required for the purchase of office equipment and furniture for nine new staff and three heavy duty photocopy machines, two for the need of Cabinet Secretariat and one for Deputy Permanent Secretary and the supplier is Central Business Equipment Ltd.

**The Chairperson:** Hon. Osman Mahomed!

**Mr Osman Mahomed:** Thank you, Madam Chairperson. Again, on *item 22120 – Fees.* In reply to PQ B/57 of 24 February 2015, the then hon. Prime Minister had replied that a sum of Rs4.79 m. had already been paid and that an additional sum of around Rs3 m. will have to be disbursed on receipt of the final report on the Horse Racing Commission of Inquiry. That was two and a half years ago. Now, if the sum of Rs3 m. was paid, that would have brought us to about Rs7 m. Can the hon. Prime Minister enlighten the House as to how we are being requested to approve the payment of an additional - and I say in-between inverted commas Rs7 m. - Rs6.9 is also Rs7 m.? Has there been an enlargement in the scope of work and how is it that we are paying - again in-between inverted commas Rs14 m. - for a report that is nowhere to be seen? Can the hon. Prime Minister enlighten the House on this?

**The Prime Minister:** No, no, I have just replied. Hon. Bhagwan had asked this question. That concerns the report that was requested by the former Government. Now, that consists of a final report which we have and there is also an interim report which is not available at the Prime Minister's Office. As a result of the final report, they were requested to carry out certain other works with regard to what hon. Bhagwan has said for the Horseracing Authority and so on, and they have made a number of recommendations. Now, these recommendations are with the GRA and they are looking at those recommendations. So, this amount is for that work.

**The Chairperson:** Hon. Ameer Meea!

**Mr Ameer Meea:** Madam Chairperson, to sum up on this issue and on the fees, we have just been informed that there has been an interim report and then the final report. My question in relation to this, what has been the total sum disbursed for the Commission of Inquiry on horseracing, be it interim report or final report?

**The Prime Minister:** No, I would not have the total sum for those reports that have already been paid before. These are for the implementation of all the recommendations that have been made in the report and they were asked to carry out certain other works.

**The Chairperson:** Hon. Osman Mahomed, on page 7! You had questions on page 7? No! Page 8! Yes, hon. Baloomoody!

**Mr Baloomoody:** On *item 22030 – Additional provision required for rental of additional office space at Belmont House*. May we know for what purpose we need this additional office?

*(Interruptions)*

**The Chairperson:** Page 8, at the bottom of the page, Goods and Services.

**Mr Baloomoody:** *Additional provision required for rental of additional office space at Belmont House*.

**The Prime Minister:** I do not have this with me, but maybe I can be assisted by an officer. I am sorry about that, Madam Chairperson! So, *Rent - Additional provision* that was required for payment of rent at Belmont House from May 2015 to June 2016. Now, that was following the dismantling of the *Maurice Ile Durable* Commission. No payment was made for rent as decision was yet to be taken as to which unit would be accommodated at the Belmont House. Finally, arrears payment had to be made before the release of the building because of the signed lease agreement by this office.

**The Chairperson:** Page 8, hon. Osman Mahomed!

**Mr Osman Mahomed:** My question pertains to *item 22900 - Other Goods and Services* - for which we are being requested to vote an additional sum of Rs12,871 for the State visit of the Secretary General of the United Nations. So, can the hon. Prime Minister indicate to the House how much did the mission cost in total finally?

**The Prime Minister:** In connection with the State visit of Secretary General, it is Rs1,733,000.

**The Chairperson:** Hon. Bhagwan!

**Mr Bhagwan:** Page 9, Madam Chairperson!

**The Chairperson:** No other questions on page 8, I understand. Okay! Page 9, hon. Bhagwan.



**Mr Bhagwan:** Page 9 – *item 22120 – Fees – Additional provision required to meet increase in fees for training and fees for Parole Board.* Can the hon. Prime Minister give us some indication of this Parole Board, its composition? How many times has it met up to now on a yearly basis?

Also, *item 26313 – Extra-Budgetary Units – Additional provision required to meet operating expenses of the National Adoption Council.* Can we be provided with information, who are the Members of the Adoption Council and the number of cases handled for this current year?

**The Prime Minister:** I do not have the composition of the Parole Board, but I can give the hon. Member my *parole* that I will circulate it if I have it.

*(Interruptions)*

The works also, we can circulate.

**Mr Ganoo:** On the same page, that is page 9, Madam Chairperson, *item 22900 Other Goods and Services, Additional provision required to meet expenses related to Counter Terrorism Unit and the running costs of the Security Unit & Equal Opportunities Tribunal,* this is a very strange association. Can the hon. Prime Minister enlighten the House as to what are the expenses which are common to Counter Terrorism Unit and the running costs of the Security Unit & Equal Opportunities Tribunal?

**The Prime Minister:** No, they are not common. I can let the House know that for the Equal Opportunities Tribunal it will be for payment of fees to members of the Tribunal, Rs80,840 whereas for Counter Terrorism Unit it is for imprest to the NSS.

**Mr Ramful:** In relation to the same *item 22900*, can we know who heads the Counter Terrorism Unit and the Security Unit?

**The Prime Minister:** Well, maybe I should be advised whether I can give the details to the House, first of all.

*(Interruptions)*

No, what I said is that I will seek advice first. If I can, then I will circulate the name.

**Mr Baloomoody:** We are still waiting for the National Adoption Council, its composition and how many cases it has enrolled so that we have to give supplementary expenditure to that organisation.

*(Interruptions)*

**The Prime Minister:** National Adoption Council, I will circulate.

**Mr A. Duval:** With regard to the same item 22900 *Equal Opportunities Tribunal*, can we know the number of cases for the year that have been heard by the Tribunal?

**The Prime Minister:** I do not have the number of cases, Madam Chairperson, but I can circulate this information.

**The Chairperson:** We are not on page 10, hon. Armance, we are still on page 9.

**Mr Ganoo:** On page 10, Madam Chairperson, item 22090 *Security, Additional provision required to meet expenses i.c.w. additional NSS activities*. Can the hon. Prime Minister enlighten the House as to how, in what way and what are the expenses which need the appropriation of the sum which has been listed in the Supplementary Appropriation?

**The Prime Minister:** There is an additional provision that was required to meet expenses in connection with additional NSS activities. I am told that for security reasons, we cannot give the details with regard to that.

**Mr Armance:** Madam Chairperson, on the same item 22090, I would like to know from the hon. Prime Minister whether this money has been used to purchase phone-tapping equipment.

**The Prime Minister:** No.

**Mr Ameer Meea:** Under item 31122 - *Other Machinery and Equipment, Additional provision required for the acquisition of security equipment* -, there is an additional supplementary.

*(Interruptions)*

**The Chairperson:** *Other Machinery and Equipment*.

**Mr Ameer Meea:** There is a huge sum of Rs178 m. which we are being asked to vote. Can the hon. Prime Minister enlighten the House as to whether this sum has been paid, or part of it has been paid for the purchase of equipment for a company from Israel?

**The Prime Minister:** Again, as I have previously said for the other questions, for security reasons, we cannot give any detail with regard to that.

**Mr Bhagwan:** I will come to the same question I have been asking over the years, Madam Chairperson, the question of NSS. Can the hon. Prime Minister, at least, give an undertaking to the House that Members of the Opposition are not constantly being harassed by these officers?

*(Interruptions)*

Do you have a problem, hon. Jhugroo? *In envoy zot suive twa Agaléga.*

Can the hon. Prime Minister give the assurance to this House - even in front of our officers, sometimes we have to feed these people also.

*(Interruptions)*

Our friends also! So, can the hon. Prime Minister, at least, give instructions to those senior officers of the NSS that if they want to do it, they do it behind the curtains and not in front of us, coming near our car, near our house and so on.

**The Prime Minister:** *Merci pour cette bonne action !*

*(Interruptions)*

I am saying it is good...

*(Interruptions)*

No, I can reassure the hon. Member that it is for the purpose of...

*(Interruptions)*

**The Chairperson:** Hon. Bhagwan!

**The Prime Minister:** It is for the security of the State.

**Mr A. Duval:** It is related to the same question as that of hon. Bhagwan, as to whether there is need for a Judge's Order for the procedure to initiate tracking activities, or to listen to, or to spy on any person within this item. Can the hon. Prime Minister explain whether there is such procedure and whether it is followed?

**The Chairperson:** Hon. Adrien Duval, we are on Committee of Supply, we are looking at expenses and not policy matters. Rephrase, please!

*(Interruptions)*

**The Prime Minister:** I can assure the hon. Member that the institutions in this country will abide by the laws of the country.

**Mr Armance:** Under the same item, Madam Chairperson, 31122, I would like to know from the hon. Prime Minister whether this provision has been used to purchase phone-tapping equipment.

**The Chairperson:** The hon. Prime Minister has just replied to this question.

**Mr Osman Mahomed:** Under item 22090 - *Security, Additional provision required to meet expenses i.c.w. additional NSS activities* -, the NSS unit, do we have a National Security Advisor and if it is okay by the hon. Prime Minister, may we know his name, please?

**The Prime Minister:** Yes, there is a National Security Advisor and his name is Mr Katoch.

**Mr Jhuboo:** Concerning provision 31121 - *Transport Equipment, Additional provision required to meet 50% part payment of an official car for an amount of Rs4 m. or almost Rs5 m., can we know from the hon. Prime Minister who will benefit from this car?*

**The Prime Minister:** Well that car was required for payment of 50% as advance to Leal Co. Ltd for the acquisition of a motor car for VIPSU at a total cost of Rs19,419,086. I believe it is the car for the former Prime Minister that I am using. But I must say that this car, it should have been renewed after 4 years and I have answered a PQ in this very House, in fact, to say what happened also in the past with regard to the former Prime Minister.

*(Interruptions)*

Yes, it is good to say. But this car has, therefore, been bought after six years.

**The Chairperson:** Hon. Ganoo, on the same page 10!

**Mr Ganoo:** Madam Chairperson, I come back on item 22090 concerning *Security*. I fully understand that the hon. Prime Minister has just replied that he cannot give details of what are these NSS activities for which this sum is being voted for. Can the hon. Prime Minister inform the House about these activities because the law was amended by the MMM/MSM Government in 2001 precisely to prevent officers of the NSS to trail any individual on account of his political activity or any form of protest or not to act as political activists. The law says that members of the NSS cannot trail people for political reasons. So, I suppose that this sum for the activities do not pertain to trailing of political opponents and so on. So, what are these activities?

**The Prime Minister:** Well, the hon. Member should understand that fighting for example against criminals, drug trafficking or people who go against the law and for the State security also for counter terrorism there needs to be an institution whereby people really are given a specific task in order to help Government in combating all those evils.

**The Chairperson:** Page 10, hon. Adrien Duval!

**Mr A. Duval:** On the same item, Madam Chairperson, with regard to NSS activities, can the hon. Prime Minister assure the House that these activities are not at all spying on political opponents, following them...

*(Interruptions)*

...at meetings and all that, whether this is not the case because we have spoken about national security, about counter terrorism, I am talking specifically about political activities following buses, looking at the mobilisation etc. Can he assure the House that, under him, this will no longer be the case at least?

**The Prime Minister:** Madam Chairperson, I have already replied to this question.

**The Chairperson:** Page 11, hon. Osman Mahomed!

**Mr Osman Mahomed:** Thank you, Madam Chairperson. My question pertains to these two units: *Continental Shelf and Marine Zones Administration and Exploration* and the *Strategic Policy and Planning Unit*. May we know the respective names of the two people heading these two departments, please?

**The Chairperson:** Is the hon. Member referring to item 22050?

**Mr Osman Mahomed:** I am taking these two units together and I want to know the names of the people heading these two units. I know that the second one is relatively new, the Strategic Policy and Planning Department (SPPD). So, I want two names actually from the hon. Prime Minister.

**The Prime Minister:** So, they are Dr. Badal for the Continental Shelf and Marine Zones Administration and Exploration and Mrs Boolell for the SPPD.

**The Chairperson:** Page 12, no question? Page 13, hon. Baloomoody!

**Mr Baloomoody:** Thank you, Madam Chairperson. With regard to item 22170 – *Equal Opportunities Commission*, I see that we have to pay Rs145,000 for them to go to

Rodrigues. Is there an office or a sub office of the Equal Opportunities Commission in Rodrigues?

**The Prime Minister:** No, there is no office or sub office in Rodrigues. Well, this is what I am being told.

**The Chairperson:** We are on page 13, no question? Page 14, hon. Bhagwan!

**Mr Bhagwan:** Yes, thank you. On page 14 item 22100 – *Publications and Stationery, Additional provision required to cater for the increase in the number and frequency of publications of press notices*, we are being asked to vote Rs1,470,000. Can the hon. Prime Minister inform the House whether there is now a definite criterion for giving Government publicity to newspapers, whether there is still any newspaper which is suffering from any boycott on the part of Government or Government-owned companies or parastatal bodies? Can a list be circulated of all those actually on the official list and who are receiving Government Notices?

**The Prime Minister:** Well, I do not have the criteria, but surely there must be criteria for having Government paid publicity and I am informed that no paper is suffering from any boycott.

**The Chairperson:** Hon. Ameer Meea!

**Mr Ameer Meea:** Yes, on page 14 item 28223 – *Other Expense, Provision required for the acquisition of a solar hybrid system by the Mauritius Broadcasting Corporation in order to restore radio and television transmission in Agaléga*, there is a sum of Rs4 m. that we are being asked to vote. May I ask the hon. Prime Minister if this sum has already been disbursed? Whether this...

*(Interruptions)*

**The Chairperson:** Under *Grants*.

*(Interruptions)*

**Mr Ameer Meea:** Yes, my question is whether this system has already been in operation and whether this sum has already been disbursed?

**The Prime Minister:** Provision required for the acquisition of a solar hybrid system by MBC in order to restore radio and TV transmission in Agaléga. As per status report discussions are still ongoing with the CEB in connection with technical specifications.

**The Chairperson:** Page 15, yes hon. Ganoo!

**Mr Ganoo:** I am on item 22060 – *Maintenance, Additional provision required for the maintenance of equipment for the analysis of toxicological positive cases and synthetic drugs.* Madam Chairperson, time and again in our courts of law, especially in our Bail and Remand Court, cases are postponed very often as to the fact that the equipment in the FSL to analyse certain drugs, particularly synthetic drugs, have not been working and cases have to be postponed. So, can I ask the hon. Prime Minister whether repairs have been effected now? Are these equipment in order and are we being called upon to vote this Supplementary Appropriation for new equipment or for the repairs of old equipment?

**The Prime Minister:** I am informed that major repairs were carried out by PerkinElmer, South Africa, for an amount of Rs557,134 and separations based in South Africa for Rs1,483,493. Yes, I am told that they are functional now.

**The Chairperson:** Hon. Baloomoody!

**Mr Baloomoody:** Thank you. On the same item, with regard to synthetic drugs, are the apparatus for which we are voting for the maintenance proper to analyse synthetic drugs? Because one of the main problems again that we have with regard to synthetic drugs is to identify the contents of these drugs and to determine the nature of these drugs.

**The Prime Minister:** I am told that, in fact, it is used for the analysis of synthetic drugs and other drugs abuse. It analyses over 10,000 drug samples including blanks and reference samples yearly and that forms part of the list of critical equipment at the laboratory for implementation of the Dangerous Drugs Act.

**Mr Ramful:** The issue that has been raised by hon. Baloomoody is that currently the equipment that is at the FSL is not technologically advanced enough to test new synthetic drugs, and this is why there are numerous cases that are being filed in court. Is that the case?

**The Prime Minister:** I have just answered that this equipment is used for analysis. Here, I am told that it is used to analyse synthetic drugs.

**Mr Ameer Meea:** On page 17, first item 22030, Rent - Additional provision required to meet:

- (i) arrears of rent in respect of sub-offices; and
- (ii) rental for one additional parking slot.

May we know where and for what purpose these sub-offices are being rented, and also for whom these offices are required?

**The Prime Minister:** Arrears of rental of buildings, Rs695,380. As for the outstanding amount for rent to Mr Mahmad Farouk Jearally for Chemin Grenier sub-office, payment was delayed due to a proxy problem.

Repayment of rent for sub-office of Curepipe to owner Mr Aleem Chaman period December 2014 to April 2015 is due to original payment being stale. There has been also late signature of lease agreements involving arrears payments to –

- (i) Sottise Development Limited for Grand Baie Civil Status Office;
- (ii) Mr J. Seetul for l’Aventure Civil Status Office, and
- (iii) Mr S. Pariah for Terre Rouge Civil Status Office.

With regard to parking slots, it is parking slot payable to Mr Anwar Abbasakoor for the period March 2016 to June 2016 in favour of one Assistant Manager, Procurement and Supply, who assumed duty during the course of the year.

**Mr Baloomoody:** I just want some clarification with regard to the two offices, namely the one in Grand’Baie and the one in Curepipe. For what purpose are these two offices? Is it for the Civil Status Office?

**The Prime Minister:** Yes, for the Civil Status Office.

**Mr Jhuboo:** Madam Speaker, *item 2632*. Concerning the grant of Rs65 m. to Rodrigues, can we know whether it is in relation to the extension of the passenger terminal at Sir Gaëtan Duval Airport or is it in relation to other projects?

**The Prime Minister:** This additional provision was required to meet an increase of Rs250 as compensation in basic monthly pension rates to beneficiaries of basic pensions and to meet cost of implementation of the PRB Report 2016.

**Mr A. Duval:** Can I confirm whether what the hon. Prime Minister just replied was with regard to *item 2632I*, an additional provision of Rs65 m. for capital projects? Can we have a list of the capital projects under this item please?

**The Prime Minister:** I do not have the list with me. But, certainly, I can provide the list. We can circulate.



**Mr Ramful:** Item 25110, with regard to the *Special Holiday Package Scheme*, I read it somewhere in the Press that, apparently, Government is planning to stop this scheme. So as there is no confusion, can we have the assurance of the hon. Prime Minister that this is not going to be the case?

**The Prime Minister:** First of all, this is not relevant to this issue. But I can assure the hon. Member that Government will not stop this scheme.

*Vote 2-1 Prime Minister's Office (Rs165,888,000) was, on question put, agreed to.*

*Vote 6-7 Registrar General's Department was called.*

**Mr Ramano:** Pages 19 et 20, Madame la présidente, sous l'item 22010 et l'item...

**The Chairperson:** One by one, please!

**Mr Ramano:** Cela se réfère au même projet MeRP, Madame la présidente. Est-ce que je peux savoir de l'honorable Premier ministre le coût total du projet et aussi le coût total du contrat en ce qui concerne la maintenance ? Deux contrats différents.

**The Prime Minister:** I do not have the total cost of the project. For maintenance also, I do not have the figure. The contract for the supply and implementation of an eRegistry System has been awarded to JV Norway Registers Development and SAS Software Solutions on 27 February 2013. The initial project value was Rs170 m. and the revised project value Rs205 m. The actual amount paid as at 30 June 2016 is Rs197.99 m., including retention money. I am informed that the project was implemented in two stages.

**Mr Ameer Meea:** Madam Chairperson, page 20, item 31132 – Additional provision required for the payment of -

- (i) (...) e-Registry system, and
- (ii) (...) Online Search Module.

An amount of Rs14 m. has already been disbursed, and now we are asked to vote an additional amount of Rs8.7m. for the Registrar General's Department. Now that Government has taken the decision to merge the Registrar General's Department with that of the MRA, my question is whether this sum is warranted, because as we are aware, the MRA does have its e-Registry system and Online Search Module.

**The Prime Minister:** The hon. Member should understand that this is with regard to a project which has already been implemented - the MeRP. Now, it has been announced in the Budget that Government would look at the merging of the Registrar General's

Department with the MRA. This is being worked out. Obviously, at the end of its work the committee that is looking into the matter, will come with recommendations, and then we will see.

*Vote 6-7 The Registrar General's Department (Rs6,312,000) was, on question put, agreed to.*

*Vote 12-1 Ministry of Local Government (Now Ministry of Local Government and Outer Islands) was called.*

**Mr Baloomoody:** Item 22040, *Office Equipment - Additional provision required for purchase of office furniture.* May we know for which office?

**Mr Jhugroo:** Madam Chairperson, after the vacation of one wing of Emmanuel Anquetil Building on the third floor by the Ministry of Youth and Sports, this wing has been occupied by the Ministry of Local Government.

**Ms Sewocksingh:** Item 22060 – *Additional provision required for the upgrading of office building.* May I know from the hon. Minister which office building is going to be upgraded?

**Mr Jhugroo:** Madam Chairperson, it is the same space that had been occupied on the 3<sup>rd</sup> floor, and there have been minor works carried out in the acquired space for offices.

**Mr Bhagwan:** On page 22, under item 22120 *Fees - Additional provision required for increase in fees payable to Chairpersons and Members of the Unified Local Government Service Board (ULGSB) and the Valuation Tribunal,* we are being asked to vote Rs269 m. Can the hon. Minister inform the House what is the quantum of fees and what is the percentage of increase? Can he, at least, give us the name of the different Chairpersons and members of these two organisations?

**Mr Jhugroo:** Madam Chairperson, with regard to the composition of the Unified Local Government Service Board, the Chairman is the PS, the Secretary is the DPS Joomun, and we have a representative from the Prime Minister's Office, one from the Ministry of Finance, one from the Ministry of Labour and one from the Ministry of Civil Service and Administrative Reforms.

With regard to the Valuation Tribunal, the Chairperson is Mr Neerooa, Magistrate of the Intermediate Court. The members are Mr Shaffick Hossen Abdulla Syed Cassim Jeehan

and Mr Karoopodayan. The fees payable to the Chairperson of the Valuation Tribunal is Rs28,500 monthly and for other members, it is Rs850 per hour.

**Mr Osman Mahomed:** We are being requested to vote *Grant to Local Authorities for additional provision required mainly in connection with the implementation of the 2016 PRB report with effect from 01 January 2016*. May I ask the hon. Minister why is it that not all Municipal Councils and District Councils require that kind of money because Moka is requesting for Rs30 m. and if you take the case of Municipal Council of Port Louis, the sum is zero? Why is it that some Municipal and District Councils require so much money and others don't?

**Mr Jhugroo:** Madam Chairperson, I think the grant-in-aid formula will be applicable when each one will become a municipality.

**The Chairperson:** Hon. Jhuboo!

**Mr Osman Mahomed:** Madam Chairperson...

**The Chairperson:** No, I have called hon. Jhuboo. I will come back to you.

**Mr Jhuboo:** My question pertains to the same provision. We are being asked to vote for a supplementary appropriation of Rs139 m. So, part of it is attributed to the PRB salary. Can we know from the hon. Minister whether the cost of the scavenging services is also included in this supplementary appropriation?

**Mr Jhugroo:** No, Madam Chairperson.

**The Chairperson:** Hon. Osman Mahomed, I come back to you!

**Mr Osman Mahomed:** The reply I have received from the hon. Minister is not so clear to me. So, my question is as follows: why is it that some Councils can manage within their own funds to pay for additional money required to compensate workers and some cannot?

**Mr Jhugroo:** I did not get the first question clear, but now it is clear to me. The information that has been provided to me is that those Councils where no additional grant-in-aid was granted used their own general funds to meet the deficits.

**Mr Ramful:** We are being asked to vote provision required mainly for the implementation of the PRB, but it is not only for the implementation of the PRB. Can we have a list of the other services for which this item is being provided for apart from the PRB?

**Mr Jhugroo:** The information that has been provided is for the deficit of Rs95 m., but I think most of the money is for PRB.

*(Interruptions)*

Sorry?

*(Interruptions)*

No, Rs95 m. is for PRB for all Local Authorities. The other information requested will be circulated afterwards.

*Vote 12-1 Ministry of Local Government (Now Ministry of Local Government and Outer Islands) (Rs52,518,000) was, on question put, agreed to.*

*Vote 22-1 Ministry of Social Security, National Solidarity and Reform Institutions (Now Ministry of Social Security, National Solidarity, and Environment and Sustainable Development) was called.*

**The Chairperson:** Hon. Ramano!

**Mr Ramano:** Merci, Madame la présidente. A la page 24, sous l'item 22030 *Rent*, est-ce que je peux savoir de l'honorable ministre quel organisme qui est responsable de l'évaluation des loyers en ce qui concerne les différents emplacements au NPF Building?

**Mr Sinatambou:** I have no idea at this stage, I would have thought, Madam Chairperson, that it is the Government Valuer, but I will check and certainly confirm later on. Well, in fact, I just received confirmation, it is indeed the Government Valuation Office.

**The Chairperson:** Page 25, hon. Ganoo!

**Mr Ganoo:** On page 25, Madam Chairperson, the last item at the bottom of the page 21111 *Other Staff Costs – Additional provision required for payment of overtime to staff for timely payment of flood and income support to beneficiaries*. Can I ask the hon. Minister if he can enlighten the House as to out of the sum that we are being called to vote, which part of that sum has been used for payment of overtime to staff and which part has been used for income support to beneficiaries? May I also ask the hon. Minister whether due to the frequent floods, climate change and the havoc created by floods - as we know, many of our poorest citizens who are victims of these floods lost all their belongings – can he inform the House how much is the income support per day to beneficiaries and whether Government

intends to increase that sum due to the frequency of heavy rainfall in our country now? Who are the beneficiaries who have benefitted from that payment?

**Mr Sinatambou:** Overtime was paid to 45 members of staff of the Social Security cadre on weekends from 28 February to 01 March and 28 March to 26 April in 2015 in connection with floods. As regards income support, overtime was paid to 31 members of staff of the Social Security cadre and that was on 31 October and 01 November 2015.

In respect of quantum, payment of an amount of Rs7,748,000 was made in respect of flood at the rate of Rs165 per beneficiary and income support payments of Rs306,362,563 were made in terms of income support in general for the whole of Mauritius. The rate of payment is Rs285 per beneficiary.

I must say that one must take note of the budgetary constraints, I am not sure that any increase in support is currently envisaged, but I am sure the hon. Prime Minister and Minister of Finance and Economic Development is better placed than I am to decide on that.

**Mr Baloomoody:** Yes, item 22170 – *Travelling within the Republic - Provision required to meet expenses in connection with travelling of officials to Rodrigues for vaccination campaign* but the vaccination campaign is a yearly event. Why is it that we have to, in this year, vote a supplementary Budget. I understand that every year we have this campaign and it should have been in the annual Budget. Why this Rs336,000.?

**Mr Sinatambou:** Of course, the hon. Member will appreciate that it is not for the current year. Now, the information that I have is that air fares were payable for the Permanent Secretary of the Ministry and the hon. Minister on their way to Rodrigues which was Rs10,860. Then there was an airfare for the medical director who accompanied the delegation to Rodrigues for the vaccination campaign and there was an item of Rs8,102 there.

I also note that there was an airfare payable for the Deputy Permanent Secretary, the Head of the Disability Unit and the Officer in charge of the Welfare Unit for workshops to the tune of Rs26,860. So, if this was over and above what had been budgeted, it is fair enough that we have now to provide for it.

*(Interruptions)*

I will find out what are the other details and I will circulate it to the Member.

**Mr Ganoo:** Sorry to have to come back on the same item I raised a few minutes ago Madam Speaker. Did I hear the hon. Minister properly, was the income support Rs165. or Rs285. per beneficiary per day?

**Mr Sinatambou:** It is the flood allowance which is at the rate of Rs165 per beneficiary, and the income support is Rs285 per beneficiary.

**The Chairperson:** Page 26. Hon. Baloomoody!

**Mr Baloomoody:** Page 26, *Maintenance* item 22060 - *Additional provisions required to meet new contract for maintenance of buildings, plant and equipment and grounds for Recreational Centers, Foyer Trochetia, Social Security Offices and Elderly Day Care Centres* Rs2,183,000. May we have a breakdown of how much had been spent in each of these units?

**Mr Sinatambou:** Well, in fact, I do have the breakdown but it is for more than 20 items. So if the hon. Member does not mind I will circulate it afterwards.

**The Chairperson:** Page 27. Hon. Ganoo!

**Mr Ganoo:** Page 27, item 28211 - *Transfers to non-Profit Institutions - Additional provision required to meet payment of water bills for additional religious bodies*. Can the hon. Minister, enlighten the House as to how much is paid to the CWA for the payment of water bills for religious bodies in general for each year? Can he, in the same breath, enlighten the House as to how many of these additional religious bodies there are for which we have been asked to vote the supplementary additional appropriation of Rs544,000.

**Mr Sinatambou:** Well I do not have the figure in detail. What I can share with the House is that water bills in respect of religious bodies and charitable institutions are received after two months intervals, but the May 2016 bill which was to be received in July 2016 for payment had already been received in June 2016, hence payment was effected for both April 2016 and May 2016 in June. That explains the quantum that is there. Now as for the total amount per year, if we add religious bodies and charitable institutions, we reach a total figure of Rs12,969,741.02.

**The Chairperson:** Hon. Ramano!

**Mr Ramano:** Toujours sous l'item 28211 - *Transfers to non-Profit Institutions - Additional provision required to meet payment of water bills for additional religious bodies*, est ce que je peux savoir de l'honorable Ministre, la liste des *additional religious bodies*, et

aussi est ce que je peux savoir de l'honorable Ministre sous quel critère les *religious bodies* sont enregistrés au niveau du Ministère de la Sécurité Sociale. Quel sont les critères qui sont applicables pour qu'un organisme puisse être enregistré comme *religious body*?

**Mr Sinatambou:** I am afraid, I do not have this information here, but I will make sure that I obtain and circulate same to the hon. Member.

*Vote 22-1 Ministry of Social Security, National Solidarity and Reform Institutions (now Ministry of Social Security, National Solidarity, and Environment and Sustainable Development (Rs83,177,000) was, on question put, agreed to.*

*Vote 28-1 Centrally Managed Initiatives of Government (Rs2,052,758) was, on question put, agreed to.*

**Mr Baloomoody:** With regard to item 32155.045 – *Shares and Other Equity Purchase - Knowledge Parks of Mauritius Ltd – Provision required for equity injection in Knowledge Parks Ltd for payment of contractual obligation in connection with the setting up of 3 polytechnics at Pamplémousses, Réduit and Montagne Blanche.* May we know where matters stand with regard to that Knowledge Park Ltd? Is it functioning? Does it have a Director? Are the polytechnics operational? Have there been an agreement signed with foreign institution with regard to the running of these institutions?

**The Prime Minister:** As regards the Knowledge Parks Ltd, the post of CEO is vacant and has been advertised today itself. What was the other question?

**Mr Baloomoody:** Where are we with regard to the polytechnics? Are they functioning? We are supposed to sign agreement with foreign institutions to run the polytechnics, so may we know? In the Audit report, there have been certain remarks regarding the non-use of this building. The auditors have made a severe remark with regard to this building.

**The Chairperson:** The Minister of Education can reply if she wants.

**Mrs Dookun–Luchoomun:** For polytechnics Mauritius, we have a team at the Ministry who is working with the different bodies, different institutions signing MoUs with us, but the Director will be appointed soon, the advertisement is out.

**Mr Osman Mahomed:** Thank you, Madam Chairperson. At item 32155.001 – *Shares and Other Equity Purchase - Mauritius Post Ltd* We are being requested to vote for Rs255, 000, 000. This provision required for equity injection in Mauritius Post Ltd following the

dilution of its shareholding in ex-MPCB Ltd. Earlier on, in the House, it has been said that there is a dire situation there and I don't recall the hon. Prime Minister has picked up in his summing up. Now my questions are as follows: Is there firstly a dire situation and secondly, the Rs255, 000, 000 that we are being requested to approve here, is it part of a plan or is it a one-off without knowing where we are heading with this situation?

**The Prime Minister:** Well, first of all, let me confirm there is no dire situation. The investment was impaired; so it is a one-off investment that has been made.

**Mr Ganoo:** Madam Chairperson, I wish to query the hon. Prime Minister with regard to the first item on this page, page 33, item *31121 Transport Equipment Additional provision required for the purchase of official cars for eligible Senior Civil Servants and Members of the National Assembly*. I am not going to ask the hon. Prime Minister who are the Members of the National Assembly, Ministers who have benefitted from new cars and the breakdown of money which we are being asked to vote. The question I am going to ask the hon. Prime Minister is: as we all know, it is a fact that every three years officials, Members and Ministers *ont le loisir*, are allowed to change their cars. Is that correct?

*(Interruptions)*

Four years! The question that I am asking the hon. Prime Minister, as I said, I don't want to know who have benefitted from these new cars, but can't we think, in a period where the country is facing economic difficulties, we can come with a new policy of asking officials to change their cars every five years instead of every four years?

**The Chairperson:** This is a policy matter!

**The Prime Minister:** Well, that is a policy decision, but I must remind the hon. Member that there are very specific criteria with regard not only to the time taken for renewing of cars but also to the horsepower and there are criteria which are imposed with regard to Members of the National Assembly and Senior Civil Servants also.

**The Chairperson:** Page 33, hon. Jhuboo!

**Mr Jhuboo:** Provision *32155.006 Business Parks of Mauritius Ltd*, there is an appropriation of Rs41 m. as an equity injection in Business Parks. Can we know from the hon. Prime Minister whether it is attributed to a specific project or a specific line of credit?

**The Prime Minister:** That was equity investment that was made taking into account that BPML had outstanding loan of Rs324 m. that was provided by Government long ago in



connection with the construction of the Trade and Marketing Building and Cyber Tower at Ebène. And to improve its debt and equity ratio so that it could raise finance on the market, to implement various projects including the hi-tech project at Rose Belle and a new technopole at Rivière du Rempart.

*Vote 28-1 Centrally Managed Initiatives of Government (Rs2,052,758,000) was, on question put, agreed to.*

## **THE SUPPLEMENTARY APPROPRIATION (2015-2016) (NO. 2) BILL**

### **(NO. IV of 2017)**

*The Schedule was agreed to.*

*Clauses 1 and 2 were called and agreed to.*

*The title and enacting clause were agreed to.*

*Estimates of Supplementary Expenditure (2015-2016) No. 2 of 2017 and the Supplementary Appropriation (2015-2016) (No. 2) Bill (No. IV of 2017) were agreed to.*

*On the Assembly resuming with Madam Speaker in the Chair, Madam Speaker reported accordingly.*

## **ADJOURNMENT**

**The Prime Minister:** Madam Speaker, I beg to move that this Assembly do now adjourn to Thursday 08 June 2017, at 5.00 p.m.

**The Deputy Prime Minister rose and seconded.**

**Madam Speaker:** The House stands adjourned.

## **MATTERS RAISED**

### **UMRAH PILGRIMS - MENINGITIS VACCINE**

**Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East):** Madame la présidente, ce soir, je vais soulever le problème concernant la pénurie du vaccin contre la méningite qui est obligatoire pour les gens qui se rendent dans les pays du Moyen Orient.

Beaucoup de Mauriciens qui ont planifié une visite durant le mois sacré du Ramadan qui commence vers la fin du mois de mai, n'ont pas accès à ce vaccin parce qu'il y a une pénurie. Tous ces gens ont déjà fait toutes leurs préparations. Ils ont déjà payé leurs hôtels, leurs billets d'avion et tout ce qu'il faut par rapport aux voyages. Il faut obligatoirement qu'ils présentent un certificat de vaccination pour avoir le visa pour pouvoir effectuer cette visite. Aujourd'hui, ils n'ont pas ce vaccin, donc ils n'auront pas le visa pour aller faire le petit pèlerinage l'Umrah durant le mois de Ramadan.

Donc, je ne sais pas si cette pénurie a été causée par négligence d'une mauvaise gestion de stock mais, Madame la présidente, gouverner c'est prévoir. Donc, j'aimerais que l'honorable ministre s'attèle à ce problème urgent et qu'on trouve une solution à toutes ces personnes qui dépendent de ce vaccin pour effectuer cette visite.

Merci, Madame la présidente.

(6.51 p.m.)

**The Minister of Health & Quality of Life (Dr. A. Husnoo):** Madam Speaker, I would like, first of all, to say that there was no negligence on the part of the Ministry of Health and Quality of Life at all. I will explain.

Firstly, we had the stock of vaccines. We bought the stock. We prepared the stock as we did for the same number of vaccines last year. What happened? There are two factors which create that situation. Firstly, there was a sale by some airlines which made the tickets cheaper. So, when the ticket becomes cheaper, more people went to do Umrah. That's number one. That is the main reason. The hon. Member can check it.

Secondly, some of the batches of vaccines had to be removed, had to be recalled by the manufacturer. So, these were the two main factors that lead to the shortage of vaccines in Mauritius now. So, it is beyond the control of the Ministry of Health & Quality of Life. Having said that, we had tried to get vaccines from Reunion Island, but we could not get it. We have ordered the vaccines and we should be getting them anytime over the next one-week or so. That's the first batch, I think, 1,750 are coming in one week or so, and 1,750 are coming in maybe about one month's time. So, we are prepared for it.

Thank you.

**Madam Speaker:** Hon. Bhagwan!

### **A1 ROAD - REPAIRS**

**Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière):** Thank you, Madam Speaker. I would like to express my frustration towards the hon. Minister of Public Infrastructure, not only as an MP, but also as a citizen of the town of Beau Bassin/Rose Hill and the region of Quatre Bornes. For months, I have been appealing for the repairs of A1 road through Quatre Bornes, Rose Hill and Beau Bassin. We have had heavy rainfall.

So, I would have wished if the hon. Minister could have taken some time and have a site visit because for us the RDA does not exist. I am not making a political issue. It is a real fact for those residing in the region of Beau Bassin, Rose Hill and Quatre Bornes and using the A1 road. For us, the RDA does not exist. So, I am not appealing, I am just asking the hon. Minister once again to have a site visit and take to task those officers who are responsible for this state of affairs.

**The Minister of Public Infrastructure & Land Transport (Mr N. Bodha):** The hon. Member has mentioned this issue to me several times. The works are scheduled in the weeks to come.

*(Interruptions)*

**Madam Speaker:** Hon. Baloomoody!

### **DÉBARCADÈRE & POINTE AUX SABLES – GYMNASIUM**

**Mr V. Baloomoody (Third Member for GRNW & Port Louis West):** Madam Speaker, I will address my intervention to the hon. Minister of Local Government and Outer Islands. In fact, I raise this issue with regard to the youth of Débarcadère and Pointe aux Sables. We have in Débarcadère several football teams, one basketball team and one volleyball team, but unfortunately there is only one pitch for them to be trained. And they pay for the National Division. My friends of Constituency No. 1 would be aware of that.

The Municipality of Port Louis is now building a *gymnase*, but, unfortunately, that *gymnase* is small. You cannot play volleyball, basketball, you can only play domino or what. There is land available by the site. So, can I appeal to the hon. Minister to intervene to the Municipality of Port Louis to see whether before that new building is put up, you will change

the plan so that we have a proper *gymnase* where they can play both basketball and volleyball in the evening, especially.

Thank you.

**The Minister of Local Government and Outer Islands (Mr P. Jhugroo):** Madam Speaker, I am aware of this problem, as my hon. friend, the Minister from Constituency No. 1, has already spoken to me. I have to take this matter with the Municipal Council of Port Louis and try to see if we can have a solution for this.

**Madam Speaker:** Hon. Abbas Mamode!

### CITÉ MARTIAL - PRIEST'S PEAK - UPGRADING

**Mr S. Abbas Mamode (Second Member for Savanne & Black River):** Madam Speaker, my issue concerns the Minister of Environment. It is about the region of Cité Martial, commonly known as Priest's Peak. When hon. Xavier Duval was Minister of Tourism, he did a marvellous job over there.

*(Interruptions)*

That's true!

*(Interruptions)*

As usual!

And it is in my constituency. I will table some pictures concerning *cet endroit qui a été laissé à l'abandon*. There are a few pictures. I would like the Minister to come for a site visit, he will be welcome to see if things can be done properly.

Thank you, Madam Speaker.

**The Minister of Social Security, National Solidarity, and Environment and Sustainable Development (Mr E. Sinatambou):** Well, Madam Speaker, the hon. Member X. L. Duval was Minister of Tourism. I am Minister of Environment, but I will try my level best to invite the hon. Member for a visit of the place and on the way we will pass through Roche Bois where we are convened to do some other work.

Thank you, Madam Speaker.

**Madam Speaker:** Hon. Armance!

### **PAILLES & POINTE AUX SABLES - LARCENIES**

**Mr P. Armance (First Member for GRNW & Port Louis West):** *Thank you, Madam.* Ma requête s'adresse au ministre *Mentor* concernant les nombreux cas de vols dans ma circonscription, la circonscription No. 1, surtout dans la région de Pailles et de Pointe aux Sables. Il y a même des vols dans des postes de police, Madame. Je voudrais demander au ministre *Mentor* s'il peut demander au Commissaire de police de renforcer la présence policière dans la circonscription car il y a aussi beaucoup de drogués et c'est cela qui augmente les cas de vols dans la circonscription.

Merci.

**The Rt. hon. Minister Mentor, Minister of Defence, Minister for Rodrigues (Sir Anerood Jugnauth):** Madam Speaker, I, myself, am conscious of the number of larcenies that have been committed, not only in that region, but also, almost all over the country. I have talked to the Commissioner of Police and he is doing his best. He told me there will be a scheme to organise even citizens of the different regions to help the Police to keep watch and then, they are also going to have a wing of the Police without uniform so that people won't suspect the Police is there. They will do their best to catch them and when several will be caught, it will act as a deterrent.

**Madam Speaker:** Hon. Sewocksingh!

### **PRE-PRIMARY SCHOOL MANAGERS - REPRESENTATIONS**

**Ms M. Sewocksingh (Third Member for Curepipe & Midlands):** Thank you, Madam Speaker. The matter concerns the Minister of Education. There is a group of Pre-Primary School Managers who have regrouped themselves in an association and some of them are from my constituency. They have many issues, many constraints, Madam. They have tried to contact the Ministry several times, but no reply. The last time they sent a mail was on 30 March 2017. I am just tabling the mail, copy of the letter. So, I would humbly request the Minister if she can try to contact these people, get a meeting with them and see how she can solve their problems.

**The Minister of Education and Human Resources, Tertiary Education and Scientific Research (Mrs L. D. Dookun-Luchoomun):** Madam Speaker, the Early Childhood Care and Education Authority normally takes care of the pre-primary schools, but,

obviously, if they have sent some correspondence to the Ministry, my officers will be looking into it and I will take care to see what exactly it is about.

**Madam Speaker:** Hon. Lepoigneur!

### **VUILLEMIN - STADIUM - RENOVATION**

**Mr G. Lepoigneur (Fifth Member for Beau Bassin & Petite Rivière):** Merci, Madame. Ma requête s'adresse au ministre des Collectivités locales, l'honorable Purmanund Jhugroo.

Depuis l'année dernière, le stade de Vuillemin est en rénovation et aurait dû être livré depuis. On est arrivé en mai 2007, ce n'est toujours pas livré. Ils ont changé deux contracteurs. Les travaux ne sont toujours pas terminés. L'association force vive de Vuillemin a envoyé une correspondance au *Chief Executive* de la ville de la municipalité de Beau Basin/Rose Hill. Ils n'ont toujours pas eu de réponse. La lettre a été adressée en copie à l'honorable Toussaint, le maire de Beau Basin/Rose Hill, l'adjoint au maire, les cinq conseillers du *Ward*, l'honorable Anil Gayan, l'honorable Alain Aliphon, l'honorable Bhagwan, l'honorable Quirin et moi-même. Donc, je vais déposer une lettre de la requête de force vive de Vuillemin pour savoir quand le stade va être livré.

**The Minister of Local Government and Outer Islands (Mr P. Jhugroo):** Madam Speaker, I have been informed that there will be an inauguration ceremony which will be held, I think, by the end of next month.

**Madam Speaker:** Hon. Ganoo!

### **BLACK RIVER - ST ESPRIT COLLEGE - ACCESS ROAD**

**Mr A. Ganoo (First Member for Savanne & Black River):** Je voudrais soulever une question qui concerne le ministre des Infrastructures publiques, l'honorable Bodha. C'est une question concernant la sécurité des élèves, des professeurs, des parents et le public en général à Rivière Noire.

A Rivière Noire, la route principale qui avoisine le collège du Saint Esprit à Rivière Noire, cette route a été refaite l'année dernière. Les travaux ont duré plusieurs mois et il existe un accès du collège de Saint Esprit qui débouche sur la route principale de Rivière

Noire. Donc, les voitures, les élèves, les parents, qui ont à traverser la route royale de Rivière Noire, sont exposés à un grave danger, en sortant de cet accès qui dessert le collège du Saint Esprit, donc, un grave danger.

Je fais un appel pressant à l'honorable ministre des Infrastructures publiques de se pencher sur ce dossier afin de trouver une solution. Je suis sûr que la PTA ou les parents ont déjà fait des représentations. Donc, s'ils ne l'ont pas fait jusqu'ici, je suis sûr que mon collègue, l'honorable Ezra Jhuboo et moi-même, nous avons été avertis de ce problème et nous faisons, donc, un appel pressant auprès du ministre afin de voir ce problème.

**The Minister of Public Infrastructure and Land Transport (Mr N. Bodha):** Madame la présidente, je prends note et je vais demander à la *TMRSU* de faire une visite sur le site, peut-être avec mes deux collègues, et trouver une solution le plus vite possible.

Merci.

**Madam Speaker:** Hon. Ramful!

#### **MAHEBOURG WATERFRONT – POLICE PATROL**

**Mr D. Ramful (Third Member for Mahebourg & Plaine Magnien):** Madam Speaker, I have two urgent issues concerning my constituency.

The first one is addressed to the hon. Minister Mentor. It relates to security at the Mahebourg Waterfront. Now, the Mahebourg Waterfront is the only place in the region where the inhabitants of Mahebourg and the surrounding regions would go with their families for a walk or early in the morning for jogging.

Recently, there has been a number of cases of aggression against innocent inhabitants, especially late in the evening and early in the morning. So much so that recently the security officer of Mahebourg Waterfront has even been assaulted. Now, may I request the hon. Minister to kindly inform the Commissioner of Police so that security may be reinforced during those odd hours at Mahebourg Waterfront for the security of the inhabitants.

**The Rt. hon. Minister Mentor, Minister of Defence, Minister for Rodrigues (Sir Anerood Jugnauth):** The way things are evolving in this country, it seems that 50% of the population must become Police Officers to be able to keep watch in every nook and corner of this country. In any case, I will convey this to the Commissioner of Police.

**MAHEBOURG HOSPITAL - X-RAY DEPARTMENT - ELECTRICITY SUPPLY**

**Mr D. Ramful (Third Member for Mahebourg & Plaine Magnien):** My second issue is for the Minister of Health. It concerns the Mahebourg Hospital. I have been informed that since one month now the X-Ray Department of the Mahebourg Hospital has no electricity at all and the patients, who require X-ray, need to go to the Rose Belle Nehru Hospital to effect their X-ray services. Now, may I request the hon. Minister to look into the matter.

**The Minister of Health and Quality of Life (Dr. A. Husnoo):** Madam Speaker, I know we discussed that case with the hon. Minister Jhugroo.

This problem arose a few weeks ago, I know. What happened, the underground cable was damaged and they managed to establish the electricity for the whole of the hospital, except for the X-ray, unfortunately. The ESD is trying to do the work. They are taking a bit of time, that is why patients have to be transferred there, but they are looking into it. We know the problem and they are looking into it.

*At 7.05 p.m., the Assembly was, on its rising, adjourned to Thursday 08 June 2017, at 5.00 p.m.*