



SIXTH NATIONAL ASSEMBLY

PARLIAMENTARY

DEBATES

(HANSARD)

(UNREVISED)

FIRST SESSION

TUESDAY 24 MAY 2016

CONTENTS

PAPERS LAID

QUESTIONS (*Oral*)

STATEMENT BY MINISTER

MOTION

ANNOUNCEMENT

BILLS (*Public*)

ADJOURNMENT

Members

Members

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

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MAURITIUS

Sixth National Assembly

FIRST SESSION

Debate No. 08 of 2016

Sitting of 24 May 2016

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

The National Anthem was played

(Madam Speaker in the Chair)

PAPERS LAID

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

A. **Prime Minister's Office, Ministry of Finance and Economic Development,
Ministry for Rodrigues and National Development Unit** –

- (a) Certificate of Urgency in respect of the Supplementary Appropriation (2015-2016) Bill (No. VII of 2016). (In Original)
- (b) The Estimates of Supplementary Expenditure (2015 - 2016) of 2016.
- (c) The Annual Report 2014 of the Employees Welfare Fund.
- (d) The Loan Agreement (First Regional Development Policy Loan for the Accelerated Program for Economic Integration) between the Republic of Mauritius and the International Bank for Reconstruction and Development dated 18 May 2016.

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

The Road Traffic (Crop Season) Regulations 2016 (Government Notice No. 114 of 2016).

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

The Education (Amendment) Regulations 2016. (Government Notice No. 112 of 2016)

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

The Report and Accounts of the Mauritius Cane Industry Authority for period 19 March 2012 to 31 December 2013.

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

The Rodrigues Consumer Protection (Control of Price of Taxable and Non-Taxable Goods) (Amendment No.16) Regulations 2016. (Government Notice No. 113 of 2016)

ORAL ANSWERS TO QUESTIONS**LIGHT RAIL TRANSIT PROJECT**

The Leader of the Opposition (Mr P. Bérenger) (*by Private Notice*) asked the Minister of Public Infrastructure and Land Transport whether, in regard to the Light Rail Transit Project, he will state -

- (a) the amount of money spent in relation thereto as at to date;
- (b) if a new feasibility study will be carried out therefor, indicating the involvement of the Singapore Cooperation Enterprise in relation thereto, if any;
- (c) how the Road Decongestion Programme will be amended to accommodate same taking into consideration the involvement of the Republic of South Korea therein, if any, following the recent signature of the Framework Cooperation Agreement therewith, and
- (d) if a new Road Decongestion/Light Rail Transit Master Plan will be proposed.

Mr Bodha: Madam Speaker, I would like to thank the hon. Leader of the Opposition to ask this question as it relates to two of the most ambitious projects ever designed in Mauritius.

Madam Speaker, as the House is aware, the country is faced with major transport network difficulties which cause acute traffic congestion problems especially during peak hours at the entrance and exit of Port Louis. The Road Decongestion Programme is one of the most important road infrastructure projects ever embarked by any Government. It will lay the foundation of a modern Mauritius and it will help to alleviate the road traffic congestion problem, which is being aggravated with the increasing number of vehicles.

It will enhance mobility and fluidity especially among the main conurbations along Curepipe – Port Louis corridor. This is as regards to infrastructure and mobility.

As regards to Mass Transport System, the LRT has been one of the most ambitious projects for the transportation of passengers from the Upper Plaine Wilhems to Port Louis and it has been around here since 1989.

With regard to part (a) of the question, I am informed that the Mauritius Light Rail Transit System Project was initiated under a Government to Government Agreement between

the Government of Mauritius and the Government of Singapore represented by the Singapore Cooperation Enterprise (SCE).

A feasibility study was undertaken by the SCE in October 2013, prior to the Project. The estimated capital cost of the Project is Rs24.8 billion in 2013.

I am informed that Rs539,226,992 have been spent as at date on the LRT Project as follows -

SN		
1	Singapore Cooperation Enterprise (Consultancy Services)	Rs411,692,528
2	KDA Geo Systems Co Ltd for land survey and data processing services	Rs25,462,250
3	Water Research Co Ltd for geotechnical survey	Rs5,842,657
4	P & P Link for Communication port folio	Rs8,096,230
5	MRA (Tax Deduction at Sources TDS) & Value Added Tax	Rs86,941,387
6	Grant Thornton for Household & Traffic Surveys	Rs1,150,000
7	Legal Fees	Rs41,940
	Total	Rs539, 226,992

Madam Speaker, with regard to part (b) of the question, I wish to inform the House that the Singapore Cooperation Enterprise team was engaged in 2012 to undertake the Feasibility Study and Project Implementation Planning for the Mauritius Light Rapid Transit system. Following the successful completion of that stage, the SCE team was assigned the duty to undertake the role of Transaction Management and Transaction Advisor for the project's procurement.

Today, in view of the significant work already done and the sum paid to SCE, no feasibility study is envisaged. Discussions are currently being held with SCE with the view to engage them to produce an update of the studies already completed.

In fact, Madam Speaker, a delegation of SCE has arrived yesterday to start preliminary discussions on the matter.

With regard to part (c) of the question, I wish to inform the House that the Road Decongestion Programme will involve the following components -

- (i) A1-M1 Link Road and Bridge over GRNW linking Coromandel to Motorway M1 at Soreze;
- (ii) Ring Road Phases 2 & 3 (including 2 Tunnels); Signal Mountain and Colline Monneron;
- (iii) Quay D/Freeport Roundabout, and
- (iv) Jumbo/Phoenix/Dowlut Roundabout linking it to the Terre Rouge/Verdun Road.

As announced in the last year's Budget, my Ministry had initiated necessary steps for the implementation of the Programme as from this year.

I wish, however, to inform the House that the Road Decongestion Programme on its own would not have solved the problem of traffic congestion. This is the reason why since the start we knew that we have to come ultimately with an alternative mode of transport which would be complementary to the Road Decongestion Programme and that is the key word.

While the Road Decongestion Programme will ease fluidity of movement of vehicles, the LRT will ensure mobility of people and facilitate the access to jobs and other activities.

Madam Speaker, the Road Decongestion Programme is therefore complementary to the possibility of having an LRT. It is visioned to have a road transport system with a three tier structure. It is like ground plus two. What exists actually will form the base, that is, the first level. The Road Decongestion Programme will be the second level and the LRT will represent the third level. All the levels will be integrated to provide greater mobility and fluidity in the transport system for the next 30 years.

Madam Speaker, as I indicated earlier, the Ministry had already initiated procedures for the implementation of the Road Decongestion Programme as from this year as follows -

- Ring Roads Phase 2 and 3;
- Quay D/Freeport Roundabout;
- A1 –M1 Link Road, and
- Phoenix/Jumbo Roundabout.

Bids have already been invited for consultancy in respect of the following projects in September 2015 -

- (i) The grade separated junction at Phoenix, and
- (ii) A1 – M1 Link Road.

However, following my visit in November last to South Korea, I was very impressed by the Korean state-of-the-art technology and knowhow in the fields of roads, bridges and tunnels construction, I invited them to make a technical and financial audit of our RDP. In fact, a Korean team of consulting and engineering firms visited Mauritius in November 2015 and made an initial assessment. They came on a second visit in March 2016 to make a complete technical and financial assessment of the Road Decongestion Programme which had started with Rs34 billion but which had been reduced to Rs15 billion.

They submitted their final report in April 2016 and necessary procedures were initiated in accordance with the provisions of the Public Procurement Act to consider the possibility of an implementation of the RDP under the G to G agreement. In fact, a Memorandum of Understanding was signed between the RDA and the Korea Expressway Corporation on 05 April 2016.

A due diligence exercise was carried out on the proposal of the Korean Team to ensure that Government is obtaining value for money. The due diligence exercise has been completed and submitted to the High Powered Committee set up under the chairmanship of the Secretary to Cabinet and Head of the Civil Service. The report of the High Powered Committee will be submitted shortly to Government for consideration and a decision.

Madam Speaker, it is not proposed to amend the Road Decongestion Programme to accommodate the LRT. However, in view of the different alignments of the LRT and the

RDP, it is proposed to study how best we could integrate the transport system along the two alignments.

Madam Speaker, regarding part (d) of the question, there exist a Master Plan for the RDP and a Master Plan for the LRT. It is therefore not proposed to carry out a separate Master Plan. It is more appropriate to see how to integrate the two from the Town and Country Planning perspective to see to it that the project can be implemented efficiently and that they are financially viable if Government decides to go on the LRT Project.

Madam Speaker, I wish to add that at all times the RDP has taken into account the alignment of the LRT. As I mentioned in the House last week, all the 92 plots of land acquired for that purpose have been maintained.

Mr Bérenger: There is a last part.

Mr Bodha: Yes, I answered part (d).

Madam Speaker: It has been answered.

Mr Bodha: There exist a Master Plan for the RDP and a Master Plan for the LRT. It is therefore not proposed to carry out a separate Master Plan. It is more appropriate to see how to integrate the two from the Town and Country Planning exercise to see to it that the project be implemented efficiently and that they are financially viable if Government goes with the LRT system.

Mr Bérenger: Does this figure of the funds already spent on the LRT project include land acquisition and, if not, do we have the figure for land acquisition so far?

Mr Bodha: No. It does not include the acquisition of land. In fact, this is being done at the level of the Ministry of Housing and Lands. From what I have heard, it is around Rs2 billion.

Mr Bérenger: If I can move to the second part, that is, the LRT itself, we have been told that there will not be a new feasibility study carried out, but an update of the 2013 feasibility study. Do we have, at this stage, the latest estimate of what the LRT project will now cost? It was estimated at Rs24.8 billion in 2013.

Mr Bodha: Madam Speaker, this is going to be the starting point. In fact, we have not started discussions at all so far.

Mr Bérenger: We were told last week that there had been a meeting held under the chairmanship of the Rt. hon. Prime Minister. Anything new! Can I ask whether there has been development since then and whether Minutes of that meeting are available?

Mr Bodha: It was a meeting, in fact, to address the issue of the roadmap if we were to consider the LRT as a feasible option.

Mr Bérenger: At this stage, do we know whether, if we go ahead with the LRT, it will be a PPP project and how it would be financed including can we know the financial involvement of India eventually therein?

Mr Bodha: No. We are not yet there, Madam Speaker.

Mr Bérenger: Well, I wonder whether we will ever get there. Did I hear the hon. Minister say that the *tracé* itself will be re-examined, will be updated or re-examined by the same Singapore people?

Mr Bodha: What I said is that we have an alignment which has been there. This alignment has at all times been taken into consideration when we designed the RDP; all the plots which have been acquired along the alignment have been preserved. So, the alignment is there. It is intact.

Mr Bérenger: Can I know whether, at this stage, the Government has taken a decision whether it is going to proceed the way that the previous Government did? According to expert advice that I have received from the African Development Bank and other development institutions, it was very dangerous the decision that was taken, that is, to allot one tender, one contract, to one firm or group of firms to design and construct the LRT, and then later on choose another firm to operate. The expert advice I got, this is the last thing to do because if the operator has not been involved in the first two parts thereof, it is going to raise all sorts of objections. There are going to be extra costs, amendments and so on. So, has a decision been taken at this stage now that we are envisaging to get going with the LRT again, to have the three stages, that is, design, construction and operation allotted to the same consortium or group of companies?

Mr Bodha: Madam Speaker, in fact, we are just starting again. What we are going to do is, we have all the studies which have been carried out by the Singapore team. It is going to be actualised and then we will sit down and see what are the implications as regard to the roadmap. That was, in fact, the purpose of the meeting with the Prime Minister; it is to see

what is the roadmap as regard to the technical, later the financial. First of all, we have to see the project from the reassessment and the re-evaluation as at 2016.

Mr Bérenger: Yes, but I am sure that the hon. Minister will agree with me that this is what took place before. The Singaporeans did the feasibility study. They took charge of everything and yet, according to me, the wrong decision was taken to proceed in two stages: design and construction, and then later to get somebody else to operate. My question is: have we decided not to follow that very dangerous route anew?

Mr Bodha: There is, in fact, no decision which has been taken, but I agree with the hon. Leader of the Opposition on one matter. The most important thing in whatever we do in infrastructure or major project is the technology. You should do it in such a manner that you have the best technology at the best price. So, we are going to reassess what has been done by the Singapore team and see what is the best way forward. The hon. Leader of the Opposition mentioned the three stages. We will see whether from what has been already done, how to move in such a manner that it is in the best interest of the country and it is in the best interest of the country to be able to provide this project to the nation.

Mr Bérenger: Last week, only a week ago, I move on to the Road Decongestion Programme, the hon. Minister said that he had absolutely no problem. He said he has absolutely no problem: "Of course, we can table the Memorandum of Understanding." Can I know why it has not been...

Mr Bodha: I am sorry about that Madam Speaker. We can table it. We will table it as soon as we can today.

Mr Bérenger: And what about the report! He told us also last week that the report from the Korean firm had already been received some time back and it was being examined. Will it be made public?

Mr Bodha: First of all, Madam Speaker, it is a 300-page report. Second, there has been a due diligence report which has been worked upon it. Thirdly, there has been a High-Powered Committee which met and discussed the due diligence report. The whole document is going now to Cabinet. Once Cabinet decides one way or the other, all the documents will be laid on the Table of the National Assembly. I said that we are going to do this in all transparency. It has to be done in the best interest of Mauritius. And I said that all the problems we have had in the past like financial overruns, delay, quality of project, delivery

will have to be taken care of. *Nous n'avons pas droit à l'erreur. Nous n'avons pas droit aux erreurs que nous avons commises dans le passé, Madame la présidente.*

Mr Bérenger: I am glad to hear that. Can I have a point of clarification? Because I have listened to the hon. Minister carefully last week and I read the verbatim and at one point, at page 62 of the verbatim, this is what the hon. Minister said –

“From what I understand (...)

I know that the hon. Minister understands many things.

(...) KEC, that is the Korean Company, is the regulator, the builder.”

Can I have a point clarification whether they are regulator, a builder or both and anything else?

Mr Bodha: The Korea Expressway Corporation, in fact, is the regulator and the builder and the manager of about 8,000 kms of motorway in South Korea. They also do the procurement, the engineering and they manage the tunnels. In fact, there are two things I have said, may I say three things, Madam Speaker? Firstly, Korean technology has built the highest building in the world today, 126 towers, the Burj Al Khalifa in Dubai. They have built a motorway of 34 kms four-ways on the sea in Korea and they have built, now, a tunnel of 12 kms in the mountains, four lanes which I have been able to visit. So, the Korea Expressway Corporation, in fact, is the regulator and also the manager of the main projects in Korea.

Mr Bérenger: But not the builder! If I heard the hon. Minister correctly, he said on several occasions: “They have also built this, built that”. I take it that they plan things; they regulate, but are not builders. I take it they tender out the works for the building of those projects.

Mr Bodha: What KEC does, in fact, is the engineering, the procurement and the construction in relation to the main contractors in South Korea. The main contractors in South Korea, we have: Daewoo Engineering, Samsung Engineering which has, in fact, built the building of the Burj Al Khalifa. Let me now just give an idea. They built the *Barakah* Nuclear Power Station in Abu Dhabi; 387 kms motorway in Algeria. They are building the tunnels...

(Interruptions)

They do the EPC, that is, the Engineering Procurement and the Construction is done by the other main contractors which are also Government companies.

Mr Bérenger: That is what I wanted to hear that they are not builders. They tender out the works contrary to what the hon. Minister said last week. So, did I hear correctly that, as far as the Road Decongestion Programme is concerned, at this stage, none of its components have been left out including, I take it, for example, the tunnel coming into Port Louis?

Mr Bodha: The RDP is going to be implemented as it is with all the components. On the contrary, in fact, the former proposition, which was by Maynard which was, in fact, designed by the former Government, proposed a 1.2 km tunnel under the Signal Mountain which would be a two-lane tunnel. What the Koreans have proposed is a four-lane tunnel below the Signal Mountain and we would have co-exited around Dauguet. We thought about a viaduct along the Montagne Coupée near the Champ de Mars. What the Koreans have proposed, in fact, is to dig a tunnel under Colline Monneron so that this will then go beyond Cité Martial to link up with the great separator coming from the North.

Mr Bérenger: On the last part of my question, maybe the hon. Minister didn't get the point which I was making. The hon. Minister has informed us that there was a Master Plan for the LRT by whatever name called. There is a Master Plan for the Road Decongestion Programme, again by whatever name called, and they are going to be merged in one way or the other. My question is: don't we need a Road Master Plan for the whole of the island? Because what has been going on at the same time, before we were going for LRT, then we went for decongestion and in the meantime, fiscal policy is encouraged, purchase of cars, leasing and so on. Bus companies have been encouraged to borrow billions. So, there is no overall Master Plan for road traffic in Mauritius. My question is: is that not required now before we embark again on the LRT project to have *une vue d'ensemble*, a Master Plan for road traffic planning and development in Mauritius?

Mr Bodha: That's a good idea, but we would like to mention to the hon. Leader of the Opposition that this is the programme of the Labour Party and the MMM about road infrastructure. It was exactly what we are doing now. To come back to the ...

(Interruptions)

Yes!

(Interruptions)

Madam Speaker: No interruption, please! No interruption!

Mr Bodha: But, as regards the major alignments, I have them here, Madam Speaker. In fact, there are two connecting points. One is Phoenix where we have the three roundabouts and the great separator and the last one is at the terminal in Port Louis. So, we have the two alignments here. And then, what I said is that the alignment as regards the LRT has never been tampered with. It has always remained there. The land which has been acquired has always remained there. Again, it is a decision of Government. If Government decides to go ahead with both projects, both projects can be done. I also said that I totally agree with the hon. Leader of the Opposition. We will go to Cabinet, most probably this week, and all that we are going to do with South Korea will be made public once Government has taken a decision. I can say that it is the best solution we can have. The Koreans have also proposed in their package – because it goes beyond the building of the roads or the bridges or the tunnels - that they will work on a road Master Plan as well within the package that we are going to sign with them, again if Government decides to do so.

Madam Speaker: Hon. Osman Mahomed!

Mr Mahomed: My question pertains to the LRT. Would the hon. Minister kindly confirm to the House whether during the days of the previous Government, the way leading to the LRT Project, there was a High-Powered Committee comprising of the then Secretary to Cabinet and Head of Civil Service, the Solicitor-General, Supervising Officer of the MPI, CEO of the then MLTA and, most importantly, a Probity Officer who is a senior member of the Judiciary and that this Committee has verified all the transactions and have found out that everything was in order and for the MLRT Project to be implemented as a priority concurrently and not as a second storey or third storey of the building; he just gave analogy that he is proceeding with?

Mr Bodha: Whether there was a High-Powered Committee which stated that it was the best project, I think this is yet to be proven.

Dr. Sorefan: The hon. Minister has mentioned due diligence on the Korean Company, the Korea Expressway Corporation. Will the hon. Minister confirm to this House whether this company is not a private company - he seems to give us the impression that it is a Government entity, but according to my information, it is a private company – and whether this due diligence was done by RDA with the help of the Chairperson, Mr Wong So, who, I understand, has a relationship with the Koreans?

Mr Bodha: I would like to say this loud and clear to the nation, as my friend, hon. Bhagwan, usually says. The poor daughter-in-law of Mr Wong So has a snack in Grand' Baie. What can this have with a project of this magnitude, Madam Speaker! And, I said once this has gone to Cabinet and Cabinet has approved this, all the documents, the Mission Report, the due diligence exercise and the High-Powered Committee Report will be laid on the Table of the National Assembly.

Mr Rutnah: In relation to the breakdown of the figures that the hon. Minister was giving earlier on, the hon. Minister quoted legal fees. Can he enlighten this House who were appointed as legal advisers in relation to this project, how much fees have been paid so far and when were those legal advisers appointed? If the hon. Minister does not have the information now, perhaps it can be tabled later.

Mr Bodha: No, I don't have the answer, but I think I can provide it later.

(Interruptions)

Madam Speaker: Hon. Bhagwan!

(Interruptions)

No crosstalking, please!

Mr Bhagwan: The hon. Minister has said on many occasions, if ever Government goes ahead with the LRT Project, can the hon. Minister inform the House whether local authorities are in the picture because, in the past, local authorities were not in the picture and within the *tracé*, there are places where market has to be removed or other utilities. So, can the hon. Minister inform the House whether in the costing of the whole project, funds will be given to local authorities from the start to the end so that, at the same time, provisions can be made to move utilities such as markets and other items?

Mr Bodha: Madam Speaker, I have been made to understand that this LRT file was a top secret file in the Prime Minister's Office and all the RDA...

(Interruptions)

Yes. The RDA people never knew about the alignment. Everything was done at the level of the Prime Minister's Office. That's why when hon. Mahomed said...

(Interruptions)

...said that there was a High-Powered Committee which analysed, I said this has yet to be proven.

(Interruptions)

Well, I think it is very important. Everybody

(Interruptions)

...all the stakeholders - because this is going to be a major project - again I say if Government comes with a decision to go about it, all the stakeholders have to be taken on board because this will change the face of Mauritius totally. As regards the funding, I think we will have to consider that matter as well.

Mr Uteem: Madam Speaker, the hon. Minister just mentioned the opacity in the past and we are talking about a huge project. So, may I get the assurance from the hon. Minister that in respect of all tender documents and all agreements that are going to be signed, whether with the designers, the contractors and the operators, there would be no confidentiality clause so that in this House we will be able to ask questions and get answers?

Mr Bodha: I do not want to be called by any names, Madam Speaker. This is a very important project. The Rt. hon. Prime Minister has said that all the projects that we do should be done in transparency, no cost overrun, no delay and there should be quality. I can give the assurance to the House and I said if Government tomorrow decides on the G to G with South Korea, the Mission Report, the Due Diligence Report and the High-Powered Committee Report will be laid on the Table of the National Assembly.

Madam Speaker: Last question, hon. Leader of the Opposition!

Mr Bérenger: I think I heard that as far as the Road Decongestion Programme is concerned, when the report of the Koreans will have been examined and so on, it will go to Cabinet next week, from what I heard. Can we have an indication of a time frame, by what time the updating of the feasibility study for the LRT should be ready and when can we expect, therefore, that to be before Cabinet?

Mr Bodha: In fact, as regards the RDP, it is going to Cabinet this week if the Rt. hon. Prime Minister, of course, agrees to it.

As regards the LRT, we are having the first discussions today and tomorrow. And, we know the Rt. hon. Prime Minister, if decisions have to be taken, they would be taken as fast as we can.

As regards the RDP, Rs2.5 billion have already been earmarked for this year and works are supposed to start in December.

Madam Speaker: Time is over! Hon. Dr. Sorefan!

BANK OF MAURITIUS – ASSET MANAGEMENT COMPANY – SETTING UP

(No. B/449) **Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister of Finance and Economic Development, Minister for Rodrigues and National Development Unit whether, in regard to the possibility of setting up an Asset Management Company (AMC), he will, for the benefit of the House, obtain from the Bank of Mauritius, information as to –

- (a) the names of the members of the Working Group set up to examine same, indicating the respective expertise thereof;
- (b) the proposed financial structure of the AMC;
- (c) the expected time frame within which legislation will be introduced for the implementation of the AMC, and
- (d) if the AMC will be a subsidiary of the Bank of Mauritius.

The Prime Minister: Madam Speaker, on 08 January 2016, the Bank of Mauritius issued for public consultation a document on the ‘Setting up of an Asset Management Company in Mauritius’. This Consultation Document was duly published on the website of the Bank of Mauritius on the same day and is available for consultation by members of the public.

With respect to part (a) of the question, the names of the members of the Working Group as well as their respective expertise are as follows –

- (i) Mr Deenesh Ghurburrun, Chairman of the Working Group. He was previously, Assistant Director-Supervision at the Bank of Mauritius and he is a Chartered Accountant, reckoning 31 years of service at the Bank;
- (ii) Mr Clarel Benoit, Barrister-at-Law, Legal Adviser of the Bank of Mauritius, with 30 years of practice as Barrister;
- (iii) Mr Gunness Ramdewar, Senior Attorney, Attorney of the Bank of Mauritius, with 50 years of practice as Attorney-at-Law;

- (iv) Mr Mario Hennequin, Banking and Finance Consultant, with 30 years of practice in the banking industry;
- (v) Mr Pravind Samboo, Head of Risk Control Unit, Corporate Credit at Barclays Bank Mauritius Limited, with 38 years of practice in the banking industry;
- (vi) Mr Mardayah Kona Yerukunondu, Assistant Secretary-Legal Services Division, Barrister-at-Law, reckoning 37 years of service at the Bank of Mauritius, and
- (vii) Mrs Rajshri Jutton-Gopy, Chief-Legal Services Division, Attorney, reckoning 19 years of service at the Bank of Mauritius.

Regarding part (b) of the question, the Working Group has proposed that the stated capital of the AMC be Rs1 billion, and the initial amount paid as capital be Rs500 m., 60 percent of which will be held by the Bank of Mauritius and the remainder by commercial banks and other institutions.

Concerning part (c) of the question, it is expected that the draft legislation will be ready by the end of this year.

With regard to part (d) of the question, the proposal of the Working Group for Bank of Mauritius to hold 60 percent of the shares of the company is under consideration.

Dr. Sorefan: Will the Rt. hon. Prime Minister inform the House what was the outcome of the visit of the Second Deputy Governor, Mr Punchoo, who was not in the Working Group, who went to Ireland with a team - today I read that on the Public Notice from the Bank of Mauritius - and he was not in the capacity of Working Group...

Madam Speaker: Ask your question, hon. Dr. Sorefan!

Dr. Sorefan: Yes, I started that. Will the Rt. hon. Prime Minister inform the House what was the outcome of the visit of the Second Deputy Governor, Mr Punchoo, who was not in the Working Group, went to Ireland with a team of the Central Bank for the setting up of the AMC mentioned in the Public Notice of today in which the Governor of the Bank is blowing his own trumpet and, at the same time, trying to discredit his previous colleague?

The Prime Minister: Well, I am not aware whether he went with a team and what has been the outcome. I am given to understand that he is in charge of banking supervision. He also supervises the setting up of AMC and works of the Working Group. He is a supervisor.

Madam Speaker: Yes, hon. Dr. Sorefan, I will draw your attention to the fact that your questions should not be long and second, that you should not express any opinion in your question.

Dr. Sorefan: Will the Rt. hon. Prime Minister inform the House regarding the case of Mr Mario Hennequin who is 70 years old being recruited as a consultant by the Governor of the Central Bank, he is a retired officer from Barclays and he is enjoying a consultancy by the Governor of the Central Bank and Mr Mario Hennequin is the brother-in-law of the Chief Resource Officer? The Rt. hon. Prime Minister said this same Chief Resource Officer is having an enquiry by the ICAC.

(Interruptions)

The Prime Minister: Well, he has been chosen because of his experience in the banking sector. He is a professional and has the expertise required. I would like to point out whether in this country people who are related to people in Government have no right to live! If they deserve something, they should not get it! Well, this was the philosophy of the previous Government, not ours!

Madam Speaker: Hon. Uteem!

Mr Uteem: Thank you, Madam Speaker. The Rt. hon. Prime Minister just mentioned that in addition to the Bank of Mauritius there will be other shareholders of the AMC, other institutions. May I know from the Rt. hon. Prime Minister whether, at this stage, he has a list of institutions which have given their consent to become shareholders of that company?

The Prime Minister: Well, we will see to that.

Madam Speaker: Hon. Ramful, last question!

Mr Ramful: Since the idea of coming up with this Asset Management Company is to do away with the Sale by Levy system that we have, can the Rt. hon. Prime Minister give us an idea about the amount of non-performing loan that we have currently in the banking system?

The Prime Minister: I need a specific question of that.

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

Dr. Sorefan: Last question on this, Madam.

Madam Speaker: Next question, I said!

SEYCHELLES - STATE BANK OF MAURITIUS - DIRECTORS

(No. B/450) **Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister of Finance and Economic Development, Minister for Rodrigues and National Development Unit whether, in regard to the directors employed at the State Bank of Mauritius Branch in the Seychelles, he will, for the benefit of the House, obtain from the Bank of Mauritius, information as to if it had received a request from the Central Bank of the Seychelles for a due diligence exercise to be carried prior to the appointment thereof and, if so, indicate the outcome thereof.

The Prime Minister: Madam Speaker, I wish to inform the House that SBM Bank (Seychelles) Ltd is a wholly-owned subsidiary of SBM Holdings Ltd through SBM Bank Holdings Ltd.

Following an application made by SBM Bank (Seychelles) Ltd for a banking licence in the Seychelles, the Central Bank of that country wrote to the Bank of Mauritius in January 2016.

The request for information by the Central Bank of Seychelles was part of its due diligence process with a view to conducting an overall assessment of the application.

Madam Speaker, I am informed that the Bank of Mauritius responded to the Central Bank of Seychelles in accordance with the established practices between regulators. Exchange of information on a regulator-to-regulator basis is strictly confidential and is made on the basis of trust. Accordingly, the Bank of Mauritius has advised that no information can be disclosed to any other party, in accordance with section 26 of the Bank of Mauritius Act.

Dr. Sorefan: May we know from the Rt. hon. Prime Minister whether Dr. J. Khadaroo, who is a Director of SBM, is also a Director at the Seychelles branch and whether there is a conflict of interest for supplying IT applications to SBM (Mauritius) without tender and enjoying a royalty fee of Rs80,000 per month?

The Prime Minister: Well, if he is enjoying Rs80,000, I hope he deserves it.

(Interruptions)

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

MAURITIUS REVENUE AUTHORITY - MR K. R. - VAT REGISTRATION

(No. B/451) **Dr. R. Sorefan (Fourth Member for La Caverne & Phoenix)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister of Finance and Economic Development, Minister for Rodrigues and National Development Unit whether, in regard to Mr K. R., he will, for the benefit of the House, obtain from the Mauritius Revenue Authority, information as to the amount of Value Added Tax that he owes thereto, indicating the steps that have been taken for the recovery thereof.

The Prime Minister: Madam Speaker, I am informed that Mr K. R. was under a contract of services and therefore was not liable to be registered for VAT purposes.

Dr. Sorefan: As per my information, a contract for service requires payment of VAT. Will the Rt. hon. Prime Minister inform the House whether, as an independent, non-executive Director and having a contract as a Service Consultant, he should not pay VAT to the MRA?

The Prime Minister: A contract of service, I have been told, is similar to a contract of employment, where the person derives income, bonus, sick and casual leave, medical and insurance cover, and other benefits. The income benefits are subject to income tax. A contract for service is similar to consultancy services, that is, a self-employed person doing business on his own account. The PAYE is subject to VAT.

Dr. Sorefan: As per my information, a service contract is consultancy. They are trying to get away with this. This man has enjoyed Rs33 m. ...

Madam Speaker: Hon. Dr. Sorefan, each and every time, I ask you to put your question. Don't provide information! The object of a question is to get information.

Dr. Sorefan: Well, a service contract is consultancy, and it goes without saying that he should pay VAT. I will ask the Rt. hon. Prime Minister to look into it that this man comes to Mauritius and pays the VAT because he is bound to do it, as it is consultancy. The officers from the Bank are just evading this man to pay because he left the country.

The Prime Minister: The hon. Member is on the wrong track.

MINISTERS - CODE OF CONDUCT – ELABORATION

(No. B/452) **Mr S. Fowdar (Third Member for Grand' Baie & Poudre d'Or)** asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister of Finance and Economic Development, Minister for Rodrigues and National Development Unit whether, in regard to the Ministerial Code, he will state if consideration will be given for the

advisability of a review thereof to include an obligation on the Members of Government not to use offshore tax arrangements for the sake of transparency and good governance.

The Prime Minister: Madam Speaker, as I stated in my reply to Parliamentary Question No. B/99 of 05 April 2016, in line with our commitment to reinforce our overall governance framework, Government is envisaging the elaboration of a Code of Conduct for Ministers.

The issue raised by the hon. Member as to whether the Code should include an obligation on Members of Government not to use offshore tax arrangements will be considered in that same context.

Mr Fowdar: Madam Speaker, I understand that Ministers are not allowed to be Directors and shareholders. But are they also not allowed to be beneficiary owners in offshore sector?

The Prime Minister: Well, if the law allows it, then I see no problem.

Mr Jhuboo: Madam Speaker, holding an offshore account does not make you a criminal as long as you comply with the tax requirements of your country. Does not the Rt. hon. Prime Minister think that it is the declaration of assets law that should be amended? Any MP should, at least, indicate whether he holds directly or indirectly a bank account, onshore or offshore.

The Prime Minister: Well, the Labour Party was in Government for so many years. Why didn't they think it fit to amend that law? Madam Speaker, use of offshore tax arrangements by Members of Government to the extent that our offshore centres already comply with international norms and standards, including standards on transparency and exchange of information as well as international standards against money laundering and combating the financing of terrorism, it may not be necessary to impose any prohibition on the use. The more so that we have recently reinforced our legal arsenal in the fight against illicit enrichment through the Good Governance and Integrity Reporting Act. Moreover, financial institutions are already required to maintain appropriate risk management systems in relation to politically exposed persons. Nevertheless, the proposals of the hon. Member may be considered in due course.

Madam Speaker: Hon. Ganoo!

(Interruptions)

Order, order please!

(Interruptions)

Hon. Ganoo!

Mr Ganoo: Can I ask the Rt. hon. Prime Minister to see to it that when the Ministerial Code is drafted and prepared, this Code makes it an obligation to anybody who becomes an MP or a Minister to declare whether he has been granted the nationality or citizenship of another foreign country, that is, in case he has a double nationality, he should declare it also?

Madam Speaker: No comment, please!

(Interruptions)

No comment, please!

The Prime Minister: I have been given to understand, Madam Speaker, that the Draft Public Service Bill incorporating a Code of Conduct for Members regarding Public Officers and Advisers is currently being prepared by the Attorney General's Office. It should be pointed out that it is up to a Minister to scrupulously avoid any danger of an actual or apparent conflict of interest between his ministerial position and his private financial interest. In order to avoid such a danger, the Minister should normally be guided by the general principle that he should either dispose of any financial interest giving rise to the actual or apparent conflict...

(Interruptions)

Madam Speaker: Hon. Baloomoody, please!

(Interruptions)

The Prime Minister: ...or take...

Madam Speaker: Hon. Baloomoody! You are disrupting the Rt. hon. Prime Minister!

The Prime Minister: ... or take alternative steps to prevent it. However, procedures in relation to Ministers, private interests should not be such that they exhibit the holding of ministerial office by individuals with wide experience whether from industry, the professions or some other walks of life. The framework should only ensure that systematic steps are taken to avoid the danger of an actual or perceived conflict of interest.

Mr Fowdar: Madam Speaker, I just want to confirm from the Rt. hon. Prime Minister if investment in a foreign bank by Ministers is considered as a business.

The Prime Minister: Well, we should consult the State Law Office for that.

Madam Speaker: Next question, hon. Jhugroo!

MBC – ENGLISH FOOTBALL PREMIER LEAGUE – LIVE BROADCAST

(No. B/453) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister of Finance and Economic Development, Minister for Rodrigues and National Development Unit whether, in regard to the Mauritius Broadcasting Corporation, he will, for the benefit of the House, obtain therefrom, information as to –

- (a) the present financial situation thereof;
 - (i) giving details of the income thereof and;
 - (ii) indicating the amount owed thereto and the measures taken, if any, for the recovery thereof, and
- (b) if negotiations will be held with the Digital Satellite Television for the broadcast of the matches of the forthcoming Barclays Champion League Football.

The Prime Minister: Madam Speaker, in regard to part (a) (i) of the question, I am informed by the Officer-in-Charge of the Mauritius Broadcasting Corporation that, for the period 01 January 2016 to 20 May 2016, the income received by the MBC amounts to Rs296 m., derived mainly from the collection of television license fees and payment of advertising charges. The actual expenditure as at 20 May 2016 is Rs244 m.

Concerning part (a) (ii) of the question, I am informed that, as at 20 May 2016, a total amount of Rs62 m. is owed by the Corporation representing arrears in respect of advertising charges and late payment of domestic and non-domestic television licence fees. I am further informed that the following measures are being implemented to recover the amount due -

- legal action has been initiated against debtors;
- payment facilities in instalments are being provided to some debtors, and
- an in-house monitoring unit has been set up for the timely collection of all dues through close monitoring and follow-up.

Madam Speaker, as regards part (b) of the question, I am informed by the Officer-in-Charge that negotiations for the broadcast of the matches of the forthcoming English Football Premier League will soon be initiated with the authorised licensee for free-to-air live broadcast.

Madam Speaker: Hon. Jhugroo!

Mr Jhugroo: Due to the fact that MBC is overstaffed - in my previous PQ - will the hon. Rt. hon. Prime Minister consider asking the new management or the actual management to undertake the appropriate reforms?

The Prime Minister: Well, I am surprised. I understand that MBC is understaffed; now I am being told that it is overstaffed. Well, if it is so, we will pass on the information so that the situation be remedied.

Madam Speaker: Hon. Jhugroo!

Mr Jhugroo: Can the Rt. hon. Prime Minister inform the House which institution performs the audit exercises of the MBC and whether previous audit reports had revealed any weaknesses and made appropriate recommendations?

The Prime Minister: Well, I will need a specific question for that. I don't have that information at hand.

Madam Speaker: Hon. Dr. Sorefan!

Dr. Sorefan: Is the Rt. hon. Prime Minister aware that the MBC is sending threatening letters to households to pay their *redevance* immediately or else action will be taken for just Rs150 not paid?

The Prime Minister: Well, if they have been asked to do so amicably and there had been no response, I don't see anything wrong in what the hon. Member is suggesting is taking place.

Madam Speaker: Hon. Bhagwan!

Mr Bhagwan: Since the Rt. hon. Prime Minister stated that the MBC is understaffed, at least, can he state when a new Chairperson and a new independent Director-General will be appointed?

The Prime Minister: The needful is being done, very soon.

Madam Speaker: Next question, hon. Ameer Meea!

LOVEBRIDGE PROJECT - OPERATIONAL

(No. B/454) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East) asked the Rt. hon. Prime Minister, Minister of Defence, Home Affairs, Minister of Finance and Economic Development, Minister for Rodrigues and National Development Unit whether, in regard to the Lovebridge Project being implemented under the Corporate Social Responsibility, he will state the amount of money invested therein by Government and by the private sector respectively, as at to date, indicating the amount of money disbursed therefrom during the present financial year, giving details as to the projects implemented thereunder.

The Prime Minister: Madam Speaker, in the context of the National Parrainage Programme, an amount of Rs100 m. has been earmarked as one-off grant to support the Lovebridge '*parrainage*' project, out of the amount of Rs126 m. of unspent CSR money collected from the private sector by the MRA during the year 2015. The amount was disbursed on 26 January 2016.

I am informed that the private sector, whose contribution is expected to be above that of Government, has so far mainly contributed in kind, in terms of office premises and staff, equivalent to some Rs2 m. However, the Lovebridge Project is yet to be fully operational. I am also informed that as per its project plan, the private sector will be contributing towards the implementation of the programmes relating to education, housing, health and food requirements of the poor and needy.

I am further informed that Lovebridge Ltd has so far recruited some 25 technical staff that are currently being trained to coordinate support programmes to the poor households. 46 families (220 persons) are already benefitting from Lovebridge Ltd and the number of beneficiaries will increase to 2,500 by December 2017.

Lovebridge Ltd will be submitting bi-annual progress reports and its audited annual report from which more details will be available on its activities and programmes.

Madam Speaker, I have given strict instructions to review and strengthen the existing monitoring and evaluation mechanism of the use and the outcomes of the funds allocated for the Lovebridge Project.

Furthermore, in the context of the next Budget, the CSR framework will be reviewed in line with the implementation of the Marshall Plan against Poverty.

Mr Ameer Meea: Madam Speaker, it is really shocking the figures that we just heard, that only Rs2 m. has been contributed by the private sector and that in kind - not in cash, but in kind. A lot of emphasis was made by the previous Finance Minister...

Madam Speaker: Your question!

Mr Ameer Meea: ...on this issue during the last Budget but, in my question, I asked the Rt. hon. Prime Minister details of the amount that has been spent by Lovebridge in relation to CSR, but we did not get an answer.

The Prime Minister: Well, I think I mentioned. What I have here is that an amount of Rs100 m. has been earmarked as one-off grant to support the Lovebridge 'parrainage' project, out of the amount of Rs126 m. of unspent CSR money collected from the private sector by the MRA during the year 2015.

Mr Ameer Meea: Madam Speaker, with due respect to the Rt. hon. Prime Minister, it is stated in the question the money disbursed therefrom, the Lovebridge Company, that has been disbursed in relation to CSR; it is not the money that has been contributed.

The Prime Minister: Well, what are the expenses incurred, I have no details over here. We will try to get the information and table it.

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

Mr Bérenger: Can I know from the Rt. hon. Prime Minister if he has the figures, but, first, the Rs100 m. was generously allotted by the former Minister of Finance and Economic Development to go into that company. Rs100 m. of public money! We have been told that it has been earmarked. Can we know the reason why not a cent, not a rupee of that Rs100 m. has gone to Lovebridge Company Ltd. to date? What is the reason?

(Interruptions)

The Prime Minister: I understand a total of Rs3 m. has been disbursed.

Madam Speaker: Hon. Shakeel Mohamed!

Mr Mohamed: Yes, thank you very much, Madam Speaker. Could the Rt. hon. Prime Minister consider tabling not only where this money is going to, to which organisations, if there are any, because my information is that the organisations that are supposed to benefit from this whole Lovebridge Project are not found within certain geographical areas of the country, and there is an abuse and discrimination with regard to those who benefit from that

project? So, that is why my humble request is that the Rt. hon. Prime Minister tables a complete detailed list of those organisations, with their addresses, which are benefiting from this Lovebridge Project.

The Prime Minister: Well, we will try to ask them to furnish the information and then table it.

Madam Speaker: Hon. Ameer Meea!

Mr Ameer Meea: Madam Speaker, in the last Budget the previous Finance Minister stated that this is a new approach for empowering vulnerable families, and in a PQ by myself last year, he stated, I quote -

“In the Budget there are 38 companies, now we have 110 companies”.

And he also stated -

“This is why I am very excited to see this reaction from the private sector to the request of Government”.

Now, we have seen that this excitement had led to only Rs2 m. of contribution and that in kind. So, can I ask the Rt. hon. Prime Minister whether it would not be proper to return to the previous system whereby 2% of the company’s book profit was being treated as CSR and thus, this was taken to fight poverty for vulnerable families, and also whether guidelines should not be re-instated?

The Prime Minister: Well, it seems to me it has not been that pleasant. So, we will have to look into that.

Madam Speaker: Time is over! Questions addressed to Ministers. Hon. Rughoobur!

NINE-YEAR BASIC SCHOOLING PROGRAMME - PRE-PRIMARY EDUCATION

(No. B/464) Mr S. Rughoobur (Second Member for Grand’Baie & Poudre d’Or) asked the Minister of Education and Human Resources, Tertiary Education and Scientific Research whether, in regard to the Nine Year Basic Schooling Programme, she will state if adequate measures have been taken for the integration of children aged between 3 and 5 years therein.

Mrs Dookun-Luchoomun: Madam Speaker, the reform agenda of my Ministry is a systemic one that, in fact, covers the entire spectrum ranging from the pre-primary, primary, secondary, TVET sectors as well as the tertiary sector.

The Nine Year Continuous Basic Education Reform is just one component of my Ministry's overall reform agenda for education and training sector. It provides for a new education structure which covers the primary and lower secondary education subsectors, that is, Grades 1 to 9.

However, the educational reform does cover the pre-primary sector as well, as my Ministry is strongly convinced of the pivotal role played by this sector in building the foundation upon which future learning ultimately depends. The pre-primary education, thus, becomes the most essential educational starting point.

Madam Speaker, this is why my Ministry is currently engaged in bringing in a number of measures in the pre-primary sector with a view to rendering it more conducive to teaching and learning process.

In this regard a number of initiatives are currently being taken and these are -

- (i) the review of the National Curriculum Framework for pre-primary which provides guidelines, learning outcomes and indicators for the teaching and learning process in this sector with a view to aligning it with a new curriculum developed in the context of the NYCBE Reform;
- (ii) the development of the Early Childhood Special Needs Framework for the pre-primary sector;
- (iii) the professionalisation of the sector through capacity building and training including training of teachers working with children with special education needs;
- (iv) setting up quality assurance mechanisms by providing training to the Supervisory Cadre;
- (v) development of new norms and standards entailing a review of the current Early Childhood Care and Education Regulation in order to ensure qualitative improvement for the sector;
- (vi) construction and opening of new pre-primary units to promote equity and access, and
- (vii) the improvement of learning environment in both public and private preschool institutions.

Madam Speaker, I wish to further inform the House that in order to ensure a smooth transition and integration of the pre-primary schools' children to the primary sector, a number of measures have been taken to determine the readiness of these pupils. One of them consists of the administration of the Developmental Learner Profile. The DLP is a tool which will allow the teacher to follow and the child along set targets.

Another new initiative in the Early Childhood Education Sector is the adoption of new approaches to pedagogy. The Early Childhood Care and Education Authority has embarked on a Preschool Curriculum Enrichment Programme in Science and ICT. Some 700 pre-primary teachers have been trained in the use of ICT. The Digital Awakening Project has been implemented on a pilot basis. A teacher's manual on the Early Years ICT Integration Programme has also been developed.

Madam Speaker, the major transformations in the pre-primary sector and with our willingness to share our good practices and model, Mauritius has been requested by the Association for the Development of Education in Africa to host the Inter-country Quality Note Early Childhood Development which is a mechanism for peer learning among African countries, the main objective of which is to serve as a forum for advocacy and monitoring early childhood development, as a priority in national development agendas. We are in the process of finalising an ICQNECD Strategic Plan 2016-2018.

Madam Speaker, all these innovative measures for the pre-primary sector bear testimony of the special attention my Ministry is giving to this sector with a view of equipping each child with knowledge, foundation of skills and attitude that will guarantee success to all their future learning. The more so these accompanying measures will definitely ensure the full integration of children aged 3 to 5 into the next phase of basic education in the context of the Nine Years of Continuous Basic Education Reforms.

Madam Speaker: Hon. Rughoobur!

Mr Rughoobur: I thank the hon. Minister for her reply. One of the sustainable development goals for education approved by the United Nations is, and I quote –

“By 2030, ensure that all girls and boys have access to quality early childhood development, care and pre-primary education so that they are ready for primary education.”

May I ask the hon. Minister - I know that there has been a list of measures that have been taken by her Ministry - at the level of intersectoral collaboration, in terms of NPF,

Ministry of Gender Equality, Child Development and Family Welfare, Ombudsperson for Children, have there been any measures taken to ensure that the children are prepared to go for this transition?

Mrs Dookun-Luchoomun: Madam Speaker, we are already working in close collaboration with the Ministry for Gender Equality, Child Development and Family Welfare and the Ministry of Social Security, National Solidarity and Reform Institutions to ensure that all children in Mauritius get access to such type of quality education.

Madam Speaker: Hon. Osman Mahomed!

Mr Mahomed: Thank you, Madam Speaker. I have visited the website of the Ministry and I have found a French version brochure on Nine Year Basic Schooling and a PowerPoint presentation of 20 pages. Can the hon. Minister inform the House whether there is a full strategy document, an Action Plan whereby things are clearly defined in terms of time frame, costing because it is going to cost big time? Is there such a document?

Mrs Dookun-Luchoomun: Madam Speaker, we have already passed the final document through Cabinet. I have sent the document for peer reviewing at the World Bank. We have already received the response from them. They found the document extremely interesting and they are even thinking of using it as a model for the region. So, in fact, the document is ready. We are finalising it. The figures will be in there as far as the planning for the next few years are concerned. Yes, Madam Speaker.

Madam Speaker: Hon. Rughoobur!

Mr Rughoobur: Thank you, Madam Speaker. I understand that the Early Childhood Care and Education Authority has the responsibility to monitor the management of all this. May I ask the hon. Minister to enlighten the House as to the adequacy of resources to supervise not only the access, but the quality of education in those pre-primary units?

Mrs Dookun-Luchoomun: Madam Speaker, I have just mentioned to the House that we are improving on quality. We are, in fact, ensuring that there is a proper quality assurance done and we are training supervisors for that particular purpose.

Madam Speaker: Hon. Mrs Selvon!

Mrs Selvon: Thank you, Madam Speaker. Could the hon. Minister tell the House what are the adequate measures being taken for the special needs children?

Mrs Dookun-Luchoomun: Madam Speaker, I would request the hon. Member to come with a substantive question, but I will still say that in my answer that I have just mentioned that we are taking on board special training for teachers who will be responsible for the training of students with special needs and this is already incorporated in the project.

Madam Speaker: Next question, hon. Rughoobur!

NPF/NSF INVESTMENT COMMITTEE - COMPOSITION

(No. B/465) Mr S. Rughoobur (Second Member for Grand'Baie & Poudre d'Or) asked the Minister of Social Security, National Solidarity and Reform Institutions whether, in regard to the National Pension Fund, he will, for the benefit of the House, obtain therefrom, information as to the –

- (a) composition of the Managing Committee thereof;
- (b) total amount of fixed deposits thereof, indicating the names of the banking institutions wherein the funds have been deposited, indicating the amount thereof in each case, and
- (c) amount of funds invested in immovable properties, giving the list thereof.

Mrs Jeewa-Daureeawoo: Madam Speaker, there is no Managing Committee for the National Pensions Fund. I take it that the hon. Member is referring to the National Pensions Fund/National Savings Fund Investment Committee, known as NPF/NSF Investment Committee set up under section 38 (2) and (3) of the National Pensions Act 1976. The National Pensions Fund and National Savings Fund Investment Committee which is currently chaired by the Financial Secretary, has a tripartite composition. I have arranged for a document to be laid in the Library of the National Assembly giving out the present composition of the Committee.

Madam Speaker, the NPF and NSF Investment Committee has been set up with the purpose of determining how to invest the surplus funds of the National Pensions Fund and National Savings Fund.

Regarding part (b) of the question, I have to inform that to date the National Pensions Fund holds fixed deposit accounts in different banks in rupees, US dollars, Australian dollars and GB pound sterling. I have again arranged for the breakdown of the fixed deposits to be laid in the Library of the National Assembly.

As for part (c) of the question, I am informed that a total amount of Rs1,368,300,000 has been invested in immovable properties. This investment comprises the purchase of two multi-storeyed buildings in Ebene, namely Altima Building for a sum of Rs380 m. and Ebene Heights for a sum of Rs443.4 m. The remaining amount of Rs544.9 m. has been spent for the construction of 12 buildings, one housing the headquarters of the Ministry and of the National Pensions Fund in Port Louis and the others housing regional social security offices. A list giving out the relevant details has been laid in the Library of the National Assembly.

Mr Rughoobur: Madam Speaker, may I know from the hon. Minister if there has been a Consulting Adviser that has just been appointed to advise the Investment Committee and the name of that company?

Mrs Jeewa-Daureeawoo: The NPF/NSF Investment Committee acts independently, but we do have an Investment Adviser and he is consulted with regard to investment made.

Mr Rughoobur: Madam Speaker, may I know from the hon. Minister if the consulting adviser of the NPF is a subsidiary of the State Investment Corporation? May I have the answer?

Mrs Jeewa-Daureeawoo: I don't think so.

Mr Bérenger: The hon. Minister has told us that the National Pensions Fund does not have a Managing Committee. It has a Board?

Mrs Jeewa-Daureeawoo: Yes.

Mr Bérenger: Can we know whether the Board is up to date? Can we have the membership of the Board?

Mrs Jeewa-Daureeawoo: Yes. The Chairperson of the NPF/NSF Investment Committee is the Financial Secretary, Mr Manraj. We have three representatives of the Government and then we have employer representatives and employee representatives.

Mr Bérenger: Secondly, the National Pensions Fund has its actuaries and those actuaries have to review and produce their actuarial review at regular intervals as provided in the law. Can I know whether we are abiding by the law and when the next actuarial report is expected out?

Mrs Jeewa-Daureeawoo: Well, yes, we are abiding by the law. There is a report which will be out in three months by Deloitte Company.

Mr Mahomed: I do reckon that the hon. Minister has stated she is tabling some documents and we are talking about investing public money. If there is a figure to be put on the performance of that portfolio, can the hon. Minister provide to the House an indication about the performance of our investment over 2015?

Mrs Jeewa-Daureeawoo: Well, the Committee is presumed to satisfy itself on the soundness and legality of the proposed investment. I do understand that there is an amount of Rs101 billion in the said account.

Mr Uteem: In a press communiqué in 2013, the NPF/NFS Investment Committee stated that it is guided by three basic principles when making an investment namely: return, security and liquidity. So, may I know from the hon. Minister whether investments are still guided by these core principles and, therefore, will the hon. Minister agree with me that Pension Fund should not be used to buy shares in national insurance company.

Mrs Jeewa-Daureeawoo: Well, as I said earlier, the Committee is here to look into the soundness of the investment and I do hope that they are doing their work properly - look into the investment and act independently.

Mr Bérenger: The hon. Minister gave us the composition of the Board earlier on, but I did not hear her give us the names of the trade union representatives on the Board of the National Pensions Fund. Can we have that?

Mrs Jeewa-Daureeawoo: Well, I have given the composition of the NPF/NSF Investment Committee and not the Board. We have employee and employer representatives in the NPF/NSF Investment Committee.

(Interruptions)

Employer representatives are Mr Chasteigner Du Mée, Mr Bussawah, Mr Appavoo. Employee representatives are Mr Oodit, Lecturer, University of Technology, Mauritius; Mr Naugloo, Finance Officer, Department Archive and Mr Vythilingum, Finance Officer.

Madam Speaker: Hon. Ameer Meea, last question!

Mr Ameer Meea: Can I ask the hon. Minister whether the NPF has been invited to invest in the National Insurance Company and, if so, what has been the decision of the Board, whether to invest or not in the NIC?

Mrs Jeewa-Daureeawoo: Unfortunately, I am not aware of this.

**PLAISANCE-GRAND'BAIE & TERRE ROUGE-VERDUN TRUNK ROADS –
LIGHTING & MAINTENANCE**

(No. B/466) Mr S. Rughoobur (Second Member for Grand'Baie & Poudre d'Or) asked the Minister of Public Infrastructure and Land Transport whether, in regard to the trunk roads from Plaisance to Grand Bay and from Terre Rouge to Verdun respectively, he will, for the benefit of the House, obtain from the Road Development Authority, information as to if –

- (a) regular cleaning and maintenance thereof are being carried out, and
- (b) measures are being taken to repair the defective lighting system thereof in collaboration with the local authorities

Mr Bodha: Madam Speaker, I am fully aware of the problems raised by the hon. Member.

I am informed by the RDA that the trunk roads from Plaisance to Grand'Baie and from Terre Rouge to Verdun concern motorways M1, M2 and M3 over some 82 kilometres.

The RDA carries out regular cleaning and maintenance works, including resurfacing, grass trimming, pruning of ornamental plants, lopping of branches, cleaning of drains and repair or replacement of damaged guardrails along those roads throughout the year, in line with its mandate.

I am further informed that the motorways have been maintained and up to April/May 2015, an amount of Rs9,058,290 had been disbursed for milling and resurfacing works along motorway M1 from Wooton to Ebene northbound and southbound.

Moreover, the Ministry of Environment, Sustainable Development, and Disaster and Beach Management has, from 18 April to 17 May this year, carried out trimming and carting away of branches on both sides of the motorway from the roundabout at Beau Plan to the roundabout at Terre Rouge. Mowing of grasses on both sides and along the central verge of the motorway of M2 from the roundabout at Beau Plan up to Calebasses has also been concurrently undertaken.

Additionally, the Ministry of Tourism and External Communications and the Tourism Authority have been involved in the cleaning and maintenance of the motorway from the airport roundabout to Mahebourg in the context of the 'Greening Mauritius' Campaign. Trees are being planted and maintained along the stretch of the motorway, as and when required.

Madam Speaker, in spite of the efforts made by all the various bodies, we are aware of problems on certain segments due to lack of resources including manpower. As a sustainable measure, Government is envisaging to review the structure for the cleaning of the motorway as follows –

- a) the Ministry of Environment, Sustainable Development, Disaster and Beach Management will be entrusted with the responsibility of planting and lopping of existing trees, trimming of plants and general embellishment along all the motorways;
- b) the Road Development Authority will be called upon to look after the cleaning of the other classified roads, and
- c) the Local Authorities will be responsible for the other roads within their local boundaries.

The Road Development Authority would, however, continue to be responsible for the road furniture, the maintenance of roads and for the drains.

Madam Speaker, as regards part (b) of the question, I have to inform the House that, in fact, the Street Lighting System concerns several public bodies namely the Road Development Authority, the Local Authorities and the Central Electricity Board.

The RDA has the responsibility to install the street lighting on all major roads within the road construction period. Maintenance of the network is catered for under these construction contracts for the first year only. After the construction of the road, the RDA hands over the street lighting to the Local Authority concerned which has the responsibility for its maintenance. The involvement of the CEB is mainly to provide electricity for the street lightings.

However, on 07 April 2016, Government has decided that the responsibility for the lighting of all motorways be entrusted to the CEB while Local Authorities would be responsible for the lighting of other classified and non-classified roads.

Madam Speaker, I am further informed by the Local Authorities that street lightings are defective along many segments of the motorways. The matter is being studied at the level of the Central Electricity Board. A survey has been made and in this context a meeting will be chaired by the Vice-Prime Minister, Minister of Energy and Public Utilities.

With regard to the Terre Rouge-Verdun Link Road, my Ministry is looking into the possibility of extending the opening of the road till 9 o'clock at night in light of the various representations of the public. Therefore, I have already requested the CEB to carry out a survey of the street lighting system thereat and to remedy any segment where the system is faulty.

Madam Speaker: Hon. Rughoobur!

Mr Rughoobur: Thank you, Madam Speaker. I think this issue of the motorway being in a deplorable state these few months has been raised on several occasions. May I know from the hon. Minister, in terms of cleaning - it has not been that clear in his reply - who is to be accountable for the maintenance of the motorway? I am not speaking about the trees on both sides, but the maintenance because this is impacting negatively on the image of the country.

Mr Bodha: The maintenance of the motorway itself will be under the responsibility of the Road Development Authority.

Madam Speaker: Hon. Osman Mahomed!

Mr Mahomed: Thank you. My question relates to the defective street lighting system. Would the hon. Minister be able to tell the House whether it is being envisaged - since we are paying one of the highest tariffs for street lighting which is Rs7.82 per Kw/hour, tariff 510 and the more so street lighting has a heavy bearing on the peak electricity demand at night time - to go for more economical and ecological solutions like Solar PV lighting and LPD lighting?

Mr Bodha: This is being studied by the CEB and the meeting with the hon. Vice-Prime Minister, Minister of Energy and Public Utilities will, in fact, consider the situation as it is now and whether we can use other alternative modes.

Madam Speaker: Hon. Bhagwan!

Mr Bhagwan: Can I ask the hon. Minister whether he is looking into the possibility of revamping this project, of asking the private sector to look after the maintenance and upkeep of the roundabouts in terms of the CSR? That was an initiative taken which has given good results and was abandoned afterwards. Can he inform the House whether he intends to ask the RDA or initiate actions himself with the private sector which falls within the Plaisance to Grand Bay motorway in terms of embellishment, upkeep and maintenance?

Mr Bodha: This is a very good idea. In fact, in the past, most of the roundabouts were under the responsibility of private companies. L' AHRIM has offered, in fact, to consider this possibility for the embellishment and the landscaping of the roundabouts and my colleague, the Minister of Environment, now will coordinate with them to see to it that this can be done as well.

Madam Speaker: Hon. Lesjongard!

Mr Lesjongard: Thank you, Madam Speaker. May I ask the hon. Minister whether he thinks that it is a wise decision to entrust to the Central Electricity Board the maintenance of street lighting? As it is, they don't have enough time to cope with the present situation, that is, looking after the consumers of the Central Electricity Board and now, with the additional workload they have to maintain the street lighting on our roads?

Mr Bodha: Well, we have...

(Interruptions)

We have made a request to the CEB and the CEB is considering the request. Today what is happening is that the local authorities don't have the resources, don't have the manpower to see to it that the street lighting in all the segments of the motorway is carried out in the best manner. So, in fact, it seems that the CEB has the manpower and the installation throughout the island because they are servicing I don't know how many hundreds of thousands of households. So, if there is any problem to remedy any situation they are the authorities which can deliver because today as it is, it is not working.

Madam Speaker: Hon. Rutnah!

Mr Rutnah: Thank you, Madam Speaker. Can the hon. Minister look into the dual carriageway coming from Mapou towards Calebasses, there is in the middle of the dual carriageway a very large hole in which a motor vehicle actually plunged into and the driver died? Can the hon. Minister look into that hole and try to...

(Interruptions)

Madam Speaker, when I said look into the hole I did not mean literally but metaphorically - to look into it so that it is covered in such a way that other accidents do not take place?

Mr Bodha: I will certainly do that, Madam Speaker.

(Interruptions)

Madam Speaker: The Table has been advised that the following Parliamentary Questions have been withdrawn: PQ Nos. B/470, B/497, B/498 and B/499. I suspend the sitting for one and a half hours.

At 1.02 p.m. the sitting was suspended.

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

The Deputy Speaker: Hon. Jhugroo!

VILLE NOIRE, CAVENDISH BRIDGE – LIGHTING & REPAIRS

(No. B/467) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien) asked the Minister of Public Infrastructure and Land Transport whether, in regard to the Cavendish Bridge of Ville Noire, along the Plaine Magnien Road (A12), he will state if he has been informed of the bad state thereof and, if so, will he, for the benefit of the House, obtain from the Road Development Authority, information as to if consideration will be given for a survey to be carried out thereat with a view to –

- (a) assessing the life span thereof;
- (b) replacing the wooden planks thereat, and
- (c) reviewing the street lighting system thereat and, if so, when and, if not, why not.

Mr Bodha: Mr Deputy Speaker, Sir, I would like to refer the hon. Member to the reply made by the Rt. hon. Prime Minister to Parliamentary Question No. B/710 at the sitting of the 20 October 2015 in relation to the Cavendish Bridge which is situated along the Plaine Magnien/Mahebourg Road (A12).

In fact, all bridges/culverts along classified roads including the Cavendish Bridge are maintained by the Road Development Authority. The Cavendish Bridge links la Ville Noire Village to Mahebourg. The Bridge was constructed in the year 1853 by Governor James Higginson and rebuilt in stone and concrete by Paul Le Juge de Segrais in 1908. It was inaugurated in 1911 and is today considered as a potential heritage site.

In year 2000, the RDA constructed footpaths in a metal structure with wooden planks on both sides of the bridge, to allow safe movement of pedestrians from one side to the other. In July 2011, the bridge was repainted by the RDA in the context of its centenary celebration.

Mr Deputy Speaker, Sir, with regard to part (a) of the question, I am informed by the RDA that the highway authority carries out regular inspections of bridges under its purview, as part of its Bridge Maintenance Programme. The Cavendish bridge was inspected by the RDA on 14 April 2016, that is this year, and it was found to be structurally sound in terms of the bridge deck, arch ribs, bridge abutments, wing walls, bridge approach, footways and gullies. The need to commission a study to assess the lifespan of the bridge does not, therefore, arise at this stage.

In regard to part (b) of the question, I am given to understand that the wooden planks are subject to theft, to decay, to wear and tear and thus require regular maintenance by the RDA.

However, with a view to enhancing safety of pedestrians and minimising maintenance interventions, the RDA is envisaging the replacement of the wooden planks by treated wooden planks fixed on galvanised mild steel plates.

The RDA is currently holding consultations with the National Heritage Fund regarding this project and is expecting to launch the Request for Quotations by the end of June 2016.

Mr Deputy Speaker, Sir, in regard to part (c) of the question, I am informed that the District Council of Grand Port is responsible for the street lighting system along the bridge. I am further informed that seven decorative lamps along that bridge are not functional due to recurrent acts of vandalism. In fact, the local authority has replaced and repaired these lamps on several occasions. As a sustainable remedial measure, the District Council of Grand Port is working in collaboration with the Energy Services Division of my Ministry for the redesign of the street lighting network.

Mr Jhugroo: Can the hon. Minister consider tabling the survey reports carried out, with dates and whether he has got any pictures with regard to the deterioration of the said bridge? With your permission, Mr Deputy Speaker, Sir, if I may table some pictures taken by me on the site and a copy can be given to the hon. Minister to see the state of the said bridge. Being given that Cavendish Bridge of Ville Noire - as just mentioned by the hon. Minister - forms part of the history of Mauritius and as the present state represents a security hazard for users, will the hon. Minister give due consideration to restore same at the earliest possible?

Mr Bodha: I will do so certainly, Mr Deputy Speaker, Sir. I am going to table a copy of the report which was made in April 2016.

CEB - GAS TURBINE PROJECT - MOTT MAC DONALD REPORT

(No. B/468) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Vice-Prime Minister, Minister of Energy and Public Utilities whether, in regard to the Mott Mac Donald Report on the geotechnical studies in respect of the implementation of the Gas Turbine Project on the Grande Saline site, he will –

- (a) for the benefit of the House, obtain from the Central Electricity Board, information as to when it was commissioned, indicating the -
 - (i) date on which same was handed over thereto and;
 - (ii) cost of the geotechnical studies, and
- (b) state if he will table copy thereof.

The Vice-Prime Minister, Minister of Energy and Public Utilities (Mr I. Collendavelloo): Mr Deputy Speaker, Sir, with your permission, I shall reply to this question together with PQ No. B/500 more especially as we are unlikely to reach No. B/500 today.

I shall start by referring to part (b) of PQ No. B/468 and, in that connection, I am tabling a copy of the Mott MacDonald Report entitled Hydrogeological & Ecological Assessment and dated March 2016.

Mr Deputy Speaker, Sir, the project for the construction of a tank farm to store Heavy Fuel Oil dates back to 2011 when the Ministry of Housing and Lands agreed to reserve State Land found at Les Grandes Salines for the erection of a heavy fuel oil tank farm. According to the Central Electricity Board, this was necessary in order to cope with the increase in consumption of electricity in Mauritius. The lease for a portion of 62,785 square metres was finalised on 20 March 2015.

In the meantime, CEB obtained an EIA licence on 20 September 2013.

On 30 October 2015, the Ramsar Committee approved the grant of the Ramsar Certificate for the project subject to a number of conditions including a condition that the hydrogeology characteristics of the site needed to be confirmed by an expert in the relevant field. It was also specified that the necessary geotechnical investigations should be carried out on the site and construction of all infrastructure works will need to be supervised by an experienced consultancy firm.

I am informed by the Central Electricity Board that its appointed Mott Mac Donald on 28 November 2015 to carry out the required exercise.

In March 2016, Mott Mac Donald submitted its recommendations which were sent to the Ramsar Committee. The cost of the study was 25,758 Pounds sterling.

I am informed by the Central Electricity Board that there is no project for the implementation of gas turbine project at Les Grandes Salines. The project is only for the construction of a tank farm. In answer to part (b) of PQ No. B/500, I am informed by the CEB that five consultation meetings were held in the context of the EIA study conducted between 31 October 2012 and 31 January 2013. The EIA report which was submitted to the Ministry of Environment contains information on the outcome of the consultation meetings. For the moment, only land levelling and felling of trees are being carried out.

Mr Bérenger: Since the hon. Minister has said that the new tank farm project is going ahead and that an EIA certificate has been obtained from CEBB, an EIA certificate was obtained on the conditions that the tank farms be situated as far away from the residential quarters at the other end? Is there any change there and, if there is any change, has a new EIA certificate been obtained?

Mr Collendavelloo: Yes. It dates to 06 January 2016, the Ministry of Environment approved the relocation of the HFO tank farm. Well, let me use the exact words “CEB was informed that the proposed relocation of the HFO tank farm is recommended subject to the following conditions. All conditions attached to the RAMSAR clearance shall be scrupulously observed. The proponent shall submit a copy of its contingency plan to the Mauritius Port Authority. Mitigation measures shall be implemented. Measures against fire hazard, a boundary wall of adequate height as well as a buffer of trees shall be provided to shield the premises of CEB from the residential area to minimise noise disturbance and other nuisances. Only emergency access should be allowed along the seven boundaries. All other conditions of the EIA license bearing references dated 30 September 2013 remain in force except for condition of the 17 which is waived.

Mr Bérenger: Can I try to get it clear. Am I right in saying – I am asking that indeed the CEB requested that the tank farms be re-sited and they have obtained the Environment Committees’ green light, that is the tank farm will be not at the one end of the site furthest away from the houses and so on and is now – whether this is so, has been brought close to the houses?

Mr Collendavello: From the letter of 06 January 2016, which I may table in order that there is no ambiguity in my answer, it does appear that CEB made that request for the relocation of HFO tank farm. I can equally table it, so that you have all the information.

Mr Bhagwan: The hon. Vice-Prime Minister himself, in a reply - I think a PNQ or PQ - confirmed that the site was inappropriate for the installation of a combined-cycle power station, as he has just stated. Could the hon. Vice-Prime Minister evaluate, give the country some light to the financial and technical prejudice which the CEB would have incurred had the issue not been raised here by the hon. Leader of the Opposition following the controversial letter sent by the General Manager of CEB on 08 October 2015?

Mr Collendavello: That encourages me to delve into a debate of opinion. I would rather have a substantive question on this, so that I can answer.

Mr Baloomoody: Can I ask the hon. Vice-Prime Minister what is the distance from the place where these tanks will be stored and the next habitation?

Mr Collendavello: More than 60 metres.

Mr Mahomed: To me, the construction of tank farms on this marshy plot of land raises two issues. The first one is safety because we are talking about highly flammable gas, and also the cost of construction because the land is as it is. Does the report stipulate whether it is safe to construct there, and what kind of cost is the CEB going to incur in constructing there? Is it normal cost, high cost, very high cost?

Mr Collendavello: On safety, the hon. Member will note all the mitigation measures which are recommended by Mott MacDonald. Of course, safety must be the prime consideration. Secondly, with regard to the cost, I don't have the cost in mind. If the hon. Member asks a question, I will come with detailed answer, but I know it was as a result of a tender exercise that this was finally agreed.

Mr Bérenger: The CEB makes a mess of a lot of things, and they granted the tender for building of the plant before they had obtained the green light and so on. Then, they had to pay damages to the contractor. Now that the tanks have been moved, can I know - if the hon. Vice-Prime Minister has the information - whether there are additional damages that have been paid or are going to be paid to the contractor?

Mr Collendavello: I shall enquire.

Mr Baloomoody: Can I ask the hon. Vice-Prime Minister whether all permits have been obtained prior to the start of the work at that site, especially for...

Mr Collendavello: The works have not started.

Mr Baloomoody: No. Clearing of site has started. Clearing of that site has started.

Mr Collendavello: Yes, cleaning of site has started.

Mr Baloomoody: So, can I know whether all the permits have been obtained from the appropriate authorities?

Mr Collendavello: Please come with a question based on this, and I will answer.

The Deputy Speaker: Hon. Bhagwan, last supplementary!

Mr Bhagwan: When we go back to the project itself - it is clear, because this has been discussed in the National Assembly through PQs and PNQs - would not the hon. Vice-Prime Minister agree that, had it not been for some whistle-blowers, genuine Mauritians, the country would have lost millions of rupees due to the mistakes and mismanagement at the level of the Central Electricity Board?

Mr Collendavello: It is a question of opinion, Mr Deputy Speaker, Sir.

The Deputy Speaker: Hon. Bhagwan, next question!

BATS - CULLING

(No. B/469) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Minister of Agro-Industry and Food Security whether, in regard to bats, he will state -

- (a) the number thereof culled since October 2015 to date, indicating the -
 - (i) regions where the culling exercises have been carried out;
 - (ii) culling method resorted to, and
 - (iii) amount of munitions used;
- (b) if any report has been prepared on the impact thereof on fruits production, and
- (c) if any consultation is ongoing with the relevant local and international organisations concerned therewith.

Mr Seeruttun: Mr Deputy Speaker, Sir, the bat species which exists in Mauritius, namely the *Pteropus niger* species, is a protected species and lives exclusively on fruits. This species is endemic to Mauritius and was in the early 1970s classified as “critically endangered”. However, the population has increased considerably over the years and, according to the last survey carried out in November 2013, it was estimated at around 90,000. The bat population has been causing significant damages to fruit plantations, especially during the fruiting season in November/December.

Last year, my Ministry received numerous complaints from growers regarding the damages caused by fruit bats in both commercial orchards and in backyards, affecting principally mango and litchi productions. According to some reports, even bananas have started to be eaten by bats.

Mr Deputy Speaker, Sir, one of the measures taken by the Ministry to control damages caused to fruits by bats was the introduction of a bird net scheme, which subsidises the cost of net at the rate of 75%. However, despite this measure, the damages caused by bats have continued to increase. In 2014, the damages caused to litchi production increased to 50% as compared to 22% in 2010.

In view of the representations made by fruit growers last year and the risks of losses in fruit production, which could have affected both the local and export markets, my Ministry decided to carry out a controlled culling of bats during the last fruiting season. Consultations were held with all stakeholders and the collaboration of the Police authorities was sought for the culling exercise, and the culling operation was carried out during the period 06 November to 04 December 2015.

Mr Deputy Speaker, Sir, with regard to part (a) of the question, I have been advised as follows -

- (i) the number of bats culled during the operation, as per the report of the Commissioner of Police, was 30,938;
- (ii) the culling of bats was carried out in various regions throughout the island where bats exist, and these regions are mainly forest areas on both State and private lands. The island was split into four regions: the northern, southern, western and central eastern regions, and the culling exercise was carried out on different sites in those regions, and

- (iii) the Special Mobile Force resorted to culling by shooting with rifles of 0.22 calibre, and 26,225 cartridges bore 12 mm were used.

Mr Deputy Speaker, Sir, as regards part (b) of the question, an assessment carried out by the Food and Agricultural Research and Extension Institute (FAREI) indicated that an average of 10% decrease in fruit loss has been recorded across the island.

Regarding part (c) of the question, all stakeholders were consulted prior to the culling exercise, and subsequently the National Parks and Conservation Service of my Ministry has started, in collaboration with the Mauritian Wildlife Foundation, a survey of the roosting sites of bats for an eventual island wide survey of the bats population.

I also had the opportunity to meet Mr Luther Bois Anukur, Regional Director of the International Union for the Conservation of Nature (IUCN), in March this year, and a number of priority areas were discussed, including the IUCN support to the development of a national strategy to address the bat/human conflict and to the ecological restoration of degraded habitats.

The IUCN has delegated a bat specialist, namely Dr. Mrs Tammy Mildenstein, who is a member of the IUCN Species Survival Commission Bat Specialist Group and a specialist in flying fox monitoring techniques, to assist the NPCCS in the bat survey. Dr. Mildenstein was in Mauritius from 18 to 23 May 2016, and I met her yesterday itself to discuss her preliminary findings. She has, in fact, congratulated Mauritius for our sustainable management of our bat population and the efforts made by the Government to manage the loss of fruit production through the subsidy scheme. She acknowledged also that the bat population in Mauritius is quite high as compared to other small islands which are facing similar bat/human conflict problems. She will submit her report and the Ministry will decide on the way forward for the bat survey and the necessary measures to be taken going forward.

Mr Deputy Speaker, Sir, as a Contracting Party to the Convention on Biological Diversity, it is our duty and obligation to preserve our endemic species and I can assure the House that all efforts will be made by my Ministry to continue to protect and manage the bat species population and ensure its survival.

Mr Bérenger: Mr Deputy Speaker, Sir, can I know - since we have ratified the given Convention and the hon. Minister himself has reminded us that bats are our model, is a protected species - before culling took place, do we have under the Convention, and did we obtain the green light for culling of so many bats and so on?

Mr Seeruttun: Mr Deputy Speaker, Sir, we all know that this problem has been with us for some time now and we know the trouble faced by all the fruit growers. When we decided to go ahead with this programme of culling the bat population, we did inform all those contracting parties with whom we have signed some obligations. Obviously, their role is to protect and to ensure that all endangered species are well protected, but we did also inform them that from our survey that we carried out, the bat population has gone to such a level that today it has become nearly a pest. So, we need to control it, but our aim was not to go and put in danger the whole population. We did also inform them that we are going to do it within a given period of time and we are going to go to a level of 20% of the population that we had identified at this very moment.

Mr Bérenger: My question is: “we did also inform them of this (...)”, ‘them’ being whom? Is there an institution, an organisation which under the Convention we have to report to, get the green light of?

Mr Seeruttun: We informed the International Union for the Conservation of Nature (IUCN) to whom we are contracting party and also the local representative here which is the Mauritius Wildlife Foundation.

The Deputy Speaker: Hon. Bhagwan!

Mr Bhagwan: The hon. Minister has informed us that 30,000 bats have been culled. Can he inform the House that in the process of the culling with the Special Mobile Force, how these bats which were hit were disposed of? Just shooting and leave them there? Was there any protocol how to dispose of these bats?

(Interruptions)

Mr Seeruttun: Mr Deputy Speaker, Sir, when we undertook that exercise, we mobilised a number of personnel from my Ministry, especially the personnel of the National Parks and Conservation Service to assist the SMF. All the bats that were culled were collected and then incinerated at the level of my Ministry.

The Deputy Speaker: Hon. Jhuboo!

Mr Jhuboo: Thank you, Mr Deputy Speaker, Sir. The argument of the Wildlife is that the culling period coincides with the lactating and calving period of the bats. So, can we know from the hon. Minister whether he will postpone the culling or move it forward and he will take on-board the issues of the Mauritius Wildlife Foundation?

Mr Seeruttun: Mr Deputy Speaker, Sir, we haven't decided yet whether we are going to conduct the same exercise this year. As at to date, we are proposing to carry out the survey, to do a count and then look at the outcome of that survey and then decide what to do. So far, we haven't yet decided whether we are going to carry out the same exercise that we did last year.

The Deputy Speaker: Hon. Mahomed, last supplementary!

Mr Mahomed: The hon. Minister has made mention of complaints received from mango, litchi and banana planters, but another problem that bats cause is havoc on our electricity distribution network. Has the Ministry obtained any formal complaint or request from the Central Electricity Board with regard to that problem?

Mr Serruttun: No, Mr Deputy Speaker, Sir.

The Deputy Speaker: Hon. Bhagwan, next question, please!

Mr Bhagwan: One last question, Mr Deputy Speaker, Sir, on this very important issue! I have only asked one supplementary.

The Deputy Speaker: One last question!

Mr Bhagwan: We are five months from the fruits' season like mangoes, litchis. From past experience, what does the hon. Minister intend to do to reassure the fruit growers six months before December? Especially, we have the issue of nets. There is a real problem. We all know there is a problem of distribution, purchase and installation. So, what does the hon. Minister has to say to the fruit growers as we are at six months of the season of litchis and mangoes especially as they have lost a lot of money?

Mr Seeruttun: Mr Deputy Speaker, Sir, the net scheme is still on. In the next Budget we are going to provide fund for that scheme. So, we are going to go ahead with the distribution of nets to those who are willing to buy them at the subsidised price. We have also embarked in a programme to plant fruit trees in the bats' habitats so that instead of them moving away from their habitats to come and look for food in residential areas. We have already embarked into that programme. We are also encouraging fruit growers, instead of planting fruits that would grow tall, to go for dwarf varieties. That would be an easier way to protect the plants.

(Interruptions)

It is a real problem, like I said. It has been there for a long time. It is only now that we are taking the problem in both hands. We have, at least, to tackle it the way it has to. We have tried last year with the culling exercise. Hopefully, we will see some positive results this year and we will continue to monitor it so that, in the future, we can do away with the problem of bats destroying our fruits production.

The Deputy Speaker: Hon. Bhagwan, next question!

HOSPITALS & CARDIAC CENTRE - CARDIAC SURGEONS

(No. B/470) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Minister of Health and Quality of Life whether, in regard to the Cardiac Centre of Pamplemousses and the public hospitals, he will state –

- (a) the number of Cardiac Physicians with qualifications and expertise in Paediatric Cardiac Intervention currently employed thereat
- (b) if the name of one Mr R. M. was removed from the list of patients awaiting angioplasty in April 2016 and, if so, indicate
 - (i) the reasons therefor, and
 - (ii) who took the said decision, and
- (c) the number of foreign cardiac surgeons employed on contract thereat, indicating in each case the –
 - (i) terms and conditions of employment thereof, and
 - (ii) number of open cardiac interventions that they have carried out.

(Withdrawn)

STRAY DOGS

(No. B/471) Mr R. Bhagwan (First Member for Beau Bassin & Petite Rivière) asked the Minister of Agro-Industry and Food Security whether, in regard to the stray dogs, he will –

- (a) for the benefit of the House, obtain from the Mauritius Society for Animal Welfare (MSAW), information as to where matters stand as to the control thereof, and

- (b) state if his Ministry is in presence of representations with regard to the proliferation thereof and, if so, indicate the actions taken in relation thereto, if any.

Mr Seeruttun: Mr Deputy Speaker, Sir, I am informed that the dog population in Mauritius is around 300,000, out of which at least 80,000 are considered to be strays, that is, without an owner or a defined abode.

The Mauritius Society for Animal Welfare, the MSAW, which has replaced the Mauritius Society for the Prevention of Cruelty to Animals (MSPCA) since 2013, is responsible for the control of stray dogs and operates in strict compliance with the provisions of the Animal Welfare Act 2013 and the rules set out by the World Organisation for Animal Health.

The main measure adopted over the years for the control of stray dogs was to catch and euthanise them. Stray dogs are sources of serious problems in the society and the MSAW is constantly pressurized from different quarters, namely hotels, schools, hospitals, market places, District Councils and Municipalities, etc. to catch stray dogs. However, there has also been growing pressure from NGOs for the MSAW not to resort to the 'Catch and Euthanise' method. MSAW was thus in a disarray and had to restrict its activities.

As from last year, MSAW has adopted a three-pronged approach to control stray dogs in Mauritius, namely -

- (i) Mass Sterilisation of dogs;
- (ii) Catching and euthanasia of stray dogs in accordance with the Animal Welfare Act 2013, and
- (iii) Registration of dogs and sensitisation of owners on 'Responsible Pet Ownership'.

The mass sterilisation campaign, in fact, started in September 2015 and the public was invited to call with their dogs at the different veterinary clinics for the sterilization of their pets. Accordingly, sterilisation campaigns were conducted in several regions, namely, Union Park, Abercombie, Calodyne, Beau Bassin, Rose Hill, Camp Levieux, Bambous, Flacq, Rivière du Rempart and Pamplemousses amongst others, and only yesterday the Municipal Council of Vacoas has also started a campaign. I am informed that some 2,065 dogs have

been sterilised as at to date. However, this figure is on the low side as the target is to sterilise at least 15% of the dog population.

With regard to the 'Catch and Euthanise' method, some 2,258 dogs have been caught since January 2016 to date and 2,023 have been euthanised. It is proposed to accelerate this campaign and the targets are the public beaches, hotels, schools and hospitals. It is relevant to mention that the MSAW has recruited additional staff and purchased new equipment to render the dog catching activity more effective.

In addition, sensitisation campaigns on 'Responsible Pet Ownership' will continue to be held in primary schools, community centres, Citizens Advice Bureaux and other social groups. The MSAW has recently set up a Communication Unit and recruited a new Communication Officer to give a boost to its communication, sensitisation and education campaigns through distribution of pamphlets, weekly talks on the radio to sensitise members of the public. Emphasis will also be laid on increased use of the social media to communicate with the public. The Quiz, Essay and Debates competitions on the theme of Stray Dogs and the Welfare of Animals in general which used to be organised by the MSAW in the past will be revived to promote responsible pet ownership.

Mr Deputy Speaker, Sir, with regard to part (b) of the question, my Ministry and the MSAW normally receive complaints from the public and different institutions regarding the presence of stray dogs. These complaints are being attended to by the MSAW, on a priority basis, given its limited resources. It is also worth mentioning that the staff of MSAW operates in very difficult conditions and are at times demotivated as they are often harassed and even attacked by members of the public in the course of their duty.

Mr Bérenger: The hon. Minister gave very approximate figures for the dog population in general and for the stray dog population. Very approximate! I am sure he will agree with me that what we want to know is: is the situation improving over the last five years? Are we progressing or is it going from bad to worse?

Mr Seeruttun: Mr Deputy Speaker, Sir, I did mention the figure of 80,000 of stray dogs, but then, again, among the dogs that we call 'stray dogs', some of them are owned dogs, but they are left in the open, especially at night and some of them are not owned 'stray dogs'. According to the figures obtained from the MSAW, about 80% of those 80,000 that are supposed to be stray dogs are really strays. So, these are the figures that I have got, and like I said, we have embarked in a campaign to sterilise dogs in Mauritius. We are also

pushing forward to control those strays and I am sure we will get the results in the near future. We have had to also train the personnel. You would agree with me that the MSPCA, ever since it was created, and up to now, has not been really upgraded in terms of infrastructure, in terms of training of personnel and all these have been taken care of now to address these problems.

Mr Bérenger: Another statement! My question is: are we progressing? If we look at the situation year after year, my question was simple: are we progressing or are we going backwards?

Mr Seeruttun: Well, Mr Deputy Speaker, Sir, it looks like we are going on the right direction to control the dog population. I have not got the figures to give whether the number that we used to have five years back has gone down or not, but what I can say is that we are faced with the problem now and we are doing our best in terms of addressing the problem.

Mr Bérenger: In the same line, the number of dogs killed - stray dogs, I mean, which are caught and disposed of – how has that progressed? Do we have figures over the last five years; is that moving, in what direction? Is the hon. Minister aware that in the recent past, those animals were killed in the most unacceptable conditions? Has that changed, has that been modernised or are they still being butchered?

Mr Seeruttun: Mr Deputy Speaker, Sir, again, I have just mentioned that we are providing training to the personnel of the MSAW so that everything that is being done now, are being done in a very humane way so that there is no more ‘butchering of dogs’. So, all necessary measures are being taken to ensure that a humane approach is adopted.

(Interruptions)

No more butchering is being done now. Again, it is a problem that we have to face with and we are doing our level best to make sure that we reduce that problem of stray dogs.

The Deputy Speaker: Hon. Minister, the question was: do you have the figures of the number of dogs captured?

Mr Seeruttun: I have just mentioned that since January to date we have captured some 2,258 dogs. But, again, if you ask me the number for the last five years, I have not got the figures with me at the moment, but I can look for it and table it on the Table of the National Assembly.

Mr Bhagwan: The hon. Minister has stated that he has given more funds to the Mauritius Society for Animal Welfare. Can the hon. Minister inform us how many of the vehicles are actually operational at the level of the Mauritius Society for Animal Welfare for this job?

Mr Seeruttun: Unfortunately, I have not got the number of vehicles available at the MSAW, but I know that they are planning to buy one and they have also been offered a vehicle from the Airport of Mauritius Ltd and they are in the process, therefore, of increasing their vehicle fleet.

The Deputy Speaker: Hon. Osman Mahomed, last supplementary!

Mr Mahomed: The hon. Minister mentioned about 15% being the target of sterilisation. That is a very low figure if I go by the latest report of the Humane Society International which recommends that we go for a target of 65% to 70% of sterilisation rate if we want to reduce productive capacity below replacement level and ensure population reduction over time.

Mr Seeruttun: Well, I said 15% annually. This is our annual target.

(Interruptions)

The Deputy Speaker: Hon. Jhugroo, next question!

ECONOMIC & TRADE ADVISORS - POSTING

(No. B/472) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien) asked the Minister of Foreign Affairs, International Trade and Regional Integration whether, in regard to the Economic and Trade Advisors in post since July 2005 to December 2014, he will give a list thereof, indicating in each case the –

- (a) posting thereof;
- (b) duties and responsibilities thereof, and
- (c) breakdown of salaries, foreign service allowances and/or other allowances drawn and fringe benefits to which they were entitled.

Mr Lutchmeenaraidoo: Mr Deputy Speaker, Sir, the information requested by the hon. Member is being tabled.

Mr Jhugroo: Can the hon. Minister confirm whether a special friend of the former Prime Minister, Mr Laurent Obadia, who was involved in the transaction for the purchase of

airbuses by the former Government, is among the list of Trade Advisers posted in Paris and can we know what are the financial implications for the term he has been in office?

Mr Lutchmeenaraidoo: Mr Laurent Obadia worked from 01 March 2006 to 15 January 2015. His duties were –

- (a) to maintain a reliable network of contacts with the French Economic and Commercial Operators;
- (b) to report activities on policies;
- (c) to direct investment to Mauritius;
- (d) to provide assistance and information to investors, and
- (e) any other duties as assigned by the Head of mission.

The total salary he received for that period was Rs8,775,347.08 and the entertainment allowance he received for that same period was Rs18,011,468.58 and then he received finally a special gratuity of Rs1,194,000.

(Interruptions)

Mr Jhugroo: Can the hon. Minister state how come a Trade Advisor posted in Paris be co-opted on the Board meetings of Air Mauritius Ltd. in the past although he was not an official member of the Board?

Mr Lutchmeenaraidoo: Well, if the hon. Member said it, it must be true. I don't have the information with me.

Mr Jhugroo: Can the hon. Minister inform the House whether he is aware that Mr Laurent Obadia was involved in the Dufry/Frydu transaction?

(Interruptions)

Mr Lutchmeenaraidoo: Well, if the hon. Member has the information it must be right because I don't have this information with me.

Mr Jhugroo: Can the hon. Minister state whether any Economic and Trade Advisers have been nominated since December 2014 and, if so, can we know the names, countries where these persons have been posted and the terms and conditions of their employment?

Mr Lutchmeenaraidoo: 2014, well, no one has been recruited since. There has been no recruitment.

The Deputy Speaker: Okay. Next question, hon. Jhugroo!

AGALEGA ISLAND – JETTY & AIRSTRIP

(No. B/473) Mr P. Jhugroo (Second Member for Mahebourg & Plaine Magnien) asked the Minister of Ocean Economy, Marine Resources, Fisheries, Shipping and Outer Islands whether, in regard to the Agalega Island, he will state –

- (a) if any port development project is being envisaged to prevent the risks associated with the disembarkation of goods and of passengers thereat, and
- (b) where matters stand as to the implementation of the Airstrip Project thereat.

Mr Koonjoo: Mr Deputy Speaker, Sir, as regards part (a) of the question, I wish to inform the House that a Memorandum of Understanding was signed between the Government of Mauritius and the Government of India, by virtue of which the Government of India would assist the Government of Mauritius through a financial grant of USD 18 million to *inter alia* undertake the construction of a new jetty for berthing of ships to ensure safe embarkation and disembarkation of goods and passengers. Development of port is not envisaged at this stage.

As regards the Airstrip Project, the status is as follows –

- (i) in January 2016, the Government of India has deputed a team of three experts to be part of the Implementation Agency as per the MoU;
- (ii) the team visited Agalega Island soon after they arrived and, in the light of consultations with various stakeholders, has advised that the investigations be carried out and a detailed project report be prepared.

The draft terms of reference have already been prepared. The procedure for the appointment of a consultant is under way and is due to start in the coming weeks. The project is expected to be completed by December 2018.

My Ministry, in collaboration with the Outer Islands Development Corporation (OIDC), is closely monitoring each phase to ensure timely and successful project implementation. This project will drastically change the socioeconomic landscape of Agalega island, enhancing connectivity between mainland Mauritius and Agalega and thus offering new opportunities for a better quality of life to the inhabitants of the island.

The Deputy Speaker: Hon. Leader of the Opposition!

Mr Bérenger: I am sure the Minister is aware that, for more than 10 years, the Government of India has stood ready to help us. For more than 10 years we know that this

airstrip cannot be used normally, only in emergencies. At least, we are being told that it is expected that works will finish in December 2018, but can't things be activated?

Mr Koonjoo: Mr Deputy Speaker, Sir, we all know that and I am sure that the hon. Leader of the Opposition knows better than anybody else that things are not easy there in Agalega. First of all, we don't have the materials; in Mauritius, we have to take them there. All these things we have taken into consideration and we are doing our best. It is almost one year that we are in power and...

(Interruptions)

Okay!

(Interruptions)

The Deputy Speaker: Let the hon. Minister answer!

Mr Koonjoo: 15 months, is the hon. Member happy?

(Interruptions)

We are doing our utmost best, Mr Deputy Speaker, Sir, and be assured that this Government will not leave any stone unturned to fulfil our mission.

The Deputy Speaker: Hon. Jhugroo!

Mr Jhugroo: Are you aware hon. Minister that between year 2000 and 2005 and precisely before year 2003 there had been two consultancies done with regard to port development and airstrip of Agalega and, as just mentioned, there has been no port development? Can I know from the hon. Minister whether he has got a time frame with regard to the jetty project? When this will start because the condition of disembarkation is very dangerous for those people going to Agalega?

Mr Koonjoo: The jetty project is together with the airstrip project. So, we are working on both of them and, as I told the House, it will take by the end of 2018 to complete both projects, but, side by side, we are doing other jobs also.

The Deputy Speaker: Hon. Ameer Meea!

Mr Ameer Meea: This project had been announced in the last Budget and an amount of more than Rs300 m. had been budgeted. Now we just heard from the hon. Minister that a MoU has been signed with the Government of India for 18 million USD. Can I ask the hon. Minister does this USD18 million include the jetty and the airstrip or is it only for the jetty, and also now we just heard that the project will be terminated by end of 2018, that is, in two and a half years and the hon. Minister said that things are difficult there but, at least, tenders should be launched so that things are activated quickly.

The Deputy Speaker: Don't state your opinion!

Mr Koonjoo: It is good for the information of the House that I give the following information. I said that we are monitoring the project. There is a Joint Project Management Commission with India and Mauritius together. This Commission is being monitored by myself and there is another Implementation Agency which is a Committee chaired by the Permanent Secretary of my Ministry. We are following everything to make things happen quickly but, my good friend will understand that, at times, we have got problem of the rough seas and he should know that, at times, when our ship goes there it has to wait for weeks or days before embarking and disembarking cargo. This is one thing. We are doing our best. Alright! I must recall the hon. Member that the grant that India has given is meant for the jetty as well as for the airstrip.

The Deputy Speaker: Hon. Mohamed!

Mr Mohamed: Thank you, Mr Deputy Speaker, Sir. The hon. Minister keeps on telling us, Mr Deputy Speaker, Sir, about the bad weather there, about the rough seas, about the difficulty in accessing the island. That is the whole point. That is the whole point of the need for the construction of the jetty and the airport. Since he has stated that there is a Joint Working Committee, that he is monitoring all of this, could he, therefore, Mr Deputy Speaker, Sir, tell us, have any consultants been appointed, has the design been approved, and if so, by whom and when is the work about to start? Simple question: when will it start?

Mr Koonjoo: Mr Deputy Speaker, Sir, I said we are following all procedures. We are waiting for the DPR report to be out and for the information of the House, we are waiting for one consultant to come and help the three members already in Mauritius.

The Deputy Speaker: Hon. Jhugroo, a last supplementary!

Mr Jhugroo: With the upgrading of the jetty, will the hon. Minister confirm whether there has been any provision made with regard to disembarkation of goods in containers there?

Mr Koonjoo: I just said that at times it is difficult to embark and disembark cargo. Unfortunately, at times we have to wait and I am sure the hon. Member knows that because he has been in Agaléga, he has been Manager there, he should know the problem in Agaléga.

The Deputy Speaker: Hon. Minister, you have already answered this in the previous supplementary questions. I think you have made your point.

(Interruptions)

Hon. Fowdar!

CAREER GUIDANCE SERVICE & HUMAN RESOURCE DEVELOPMENT COUNCIL

(No. B/474) Mr S. Fowdar (Third Member for Grand' Baie & Poudre d'Or) asked the Minister of Education and Human Resources, Tertiary Education and Scientific Research whether, in regard to the students, she will state if career guidance is being provided thereto by her Ministry, indicating if a service has been set up therefor and, if so, indicate the

—

- (a) role played by the Human Resource Development Council thereat, if any, and
- (b) if the said service will fully apprise the students of the secondary and tertiary levels of future jobs prospects and guide them in their choice of fields of studies.

Mrs Dookun-Luchoomun: Mr Deputy Speaker, Sir, I wish, at the outset, to inform the House that the portfolio of Career Guidance Service, whose mission is to provide guidance and counselling to students and the public at large, has just been transferred back to my Ministry on 16 May 2016. I must, however, highlight that the Career Guidance Service also fell under the purview of my Ministry earlier, that is, from 1993 till 22 June 2015, date on which it was shifted to the Ministry of Labour, Industrial Relations, Employment and Training for a period of nearly one year.

Now that the portfolio of Career Guidance Service is again with my Ministry, a new orientation is being defined. The Career Guidance Service will be restructured in order to provide students' continuous support and advice with regard not only to their choice of

subjects at school level but also, most importantly, to their future career and personal development.

Mr Deputy Speaker, Sir, with regard to part (a) of the question, I wish to inform the House that the Human Resource Development Council has been asked to conduct skill studies in 10 different sectors of the economy in line with the Government Vision 2030. The Council will have to provide useful information on skill requirements which will be widely disseminated by the Career Guidance Services to education and training providers and to secondary and tertiary education students.

Mr Deputy Speaker, Sir, I wish to highlight that the HRDC has launched the Career Development Stairway website for the ICT/BPO sector and this provides information on job profiles and career progression potentials for students at schools, universities, jobseekers as well as employers. The HRDC will also be called upon to support the Career Cube Project and work in collaboration with my Ministry and the Career Guidance Service with a view to triggering the thinking process of students about career management by exposing them to career talks and themes such as managing careers, developing employability skills, interviewing skills, etc.

Mr Deputy Speaker, Sir, with regard to part (b) of the question, I wish to further inform the House that the Career Guidance Service will be delivering talks on the choice of subjects to students of Form III, Form V and Upper VI in order to empower them to make timely and informed choices regarding further studies, training for lifelong employability and also personal fulfilment.

With a view to keeping abreast with the latest developments in the educational landscape locally and internationally, career and educational fairs will be organised for students to have the opportunity to gather information related to postsecondary studies as well as vocational and technical studies. Information on employment opportunities and sectors that will be recruiting will be made available to them.

The Career Guidance Service will work in partnership with the HRDC to create the skills interface platforms between the universities and industry in order to gauge the skills gap and enhance employability. This will help students in their choice of the field of study and career.

The Deputy Speaker: Hon. Fowdar!

Mr Fowdar: Thank you, Mr Deputy Speaker, Sir. I do understand that the subject matter Career Guidance has just been transferred to the Ministry of Education. It should have been with the Ministry of Education right at the beginning. In the meantime, can the hon. Minister - in view of the present labour mismatch - consider whether she would advise the tertiary level to review the curriculum so that the new curriculum meets the labour market in the future?

Mrs Dookun-Luchoomun: Mr Deputy Speaker, Sir, the Tertiary Education Commission also produces a list of Indicative Priority Fields of Study that, as its name suggests, provides a list of areas of focus for undergraduate and postgraduate education. However, at the University of Mauritius, we also have a committee which has been set up where consultations are held with the industry and the private sector in the designing of the curriculum and courses.

The Deputy Speaker: Hon. Uteem!

Mr Uteem: Thank you, Mr Deputy Speaker, Sir. May we know from the hon. Minister how many staff there are in this Career Guidance Department at her Ministry and how regularly do they carry out these school courses?

Mrs Dookun-Luchoomun: Mr Deputy Speaker, Sir, the Career Guidance Services at the Ministry is manned by 7 employees. However, we need to review it. I have just said, we are restructuring the unit so as to make it more adequate for the provision of the service. As far as the education fairs talks are concerned, obviously, we are preparing to have it regularly at schools. We also often send our officers to the different schools on request.

The Deputy Speaker: Hon. Baloomoody!

Mr Baloomoody: One of the main criticisms of the Auditors in the Performance Audit Report of 2015, they said –

“The problem is of employment and employability of jobseekers (...) and there is an absence of a holistic approach”.

We have so many institutions, the Ministry of Education, the Ministry of Employment, the ITC and the Human Resources Development Council and all these are working independently. I have just heard the hon. Minister mentioned several institutions as well. So, is Government prepared to have a holistic approach as there is only one unit who can advise, especially youngsters who want to go for further studies, can get information?

Mrs Dookun-Luchoomun: Mr Deputy Speaker, Sir, in my answer I have just mentioned that there is a collaboration that has been established between my Ministry, the HRDC and the institutions providing training so that, in a consulted manner, we may decide on the way forward.

The Deputy Speaker: Hon. Ramful!

Mr Ramful: The Career Development Stairway which provides online information on job opportunities etc, I believe is restricted to the ICT/BPO sector only. Now, does the hon. Minister propose to extend it to other sectors?

Mrs Dookun-Luchoomun: Certainly, Mr Deputy Speaker, Sir. We have just mentioned that the HRDC has come up with a career step up and this will be applied to other sectors as well.

The Deputy Speaker: Hon. Fowdar, a last supplementary!

Mr Fowdar: Mr Deputy Speaker, Sir, can I ask the hon. Minister whether she is disadvising those who are going to study for medicine these days because you have got a surplus of doctors actually in the market?

Mrs Dookun-Luchoomun: Mr Deputy Speaker, Sir, we are not doing that. In fact, we are just ensuring that the quality of education dispensed is raised.

The Deputy Speaker: Hon. Fowdar, next question!

NATIONAL ICT/BPO CAPACITY BUILDING FRAMEWORK

(No. B/475) Mr S. Fowdar (Third Member for Grand' Baie & Poudre d'Or) asked the Minister of Technology, Communication and Innovation whether, in regard to the Business Process Outsourcing Sector, he will state if his Ministry has carried out a training need analysis in relation thereto and, if so, indicate if his Ministry will organize and fund these training programmes with a view to boost up the sector.

Mr Sinatambou: Mr Deputy Speaker, Sir, with a view to boosting up the ICT/BPO sector, my Ministry held a number of consultations with different stakeholders as far back as during the month of April and May 2015 to identify the competencies and skills required for the sector. I am informed that dedicated meetings were held with employers, Industry Associations, the National Computer Board, the University of Mauritius and the University of Technology Mauritius.

As an outcome of these consultations, my Ministry has come up with a draft National ICT/BPO Capacity Building Framework document which provides a roadmap for moving towards the second wave of technology, communication and innovation development by 2020.

The broad goals and objectives of the framework document are -

- (i) to address the mismatch between supply and demand of qualified manpower for the ICT call centre/BPO sector.
- (ii) to increase the employability of jobseekers and supply the ICT/BPO industry with a pool of qualified manpower, and
- (iii) to create the required Human Resource Talent pool to sustain the second wave of ICT development.

As part of the process involved in the elaboration of this draft National Capacity Building Framework document, a survey on training needs was carried out during the month of October 2015 among 200 ICT/BPO companies employing at least 10 employees. A second survey on training needs was carried out during the month of March 2016 among another 100 ICT/BPO companies. The findings of both surveys will be used in finalising the draft National Capacity Building Framework document and eventually to mount relevant training programmes in the required fields with a view to producing a significant pool of talented manpower and addressing the issue of skills mismatch.

As regards the question whether my Ministry will organise and fund the training programmes, this is going to be a joint exercise between the public and private sectors with part funding from both sides.

Mr Fowdar: Can I know from the hon. Minister whether there have been consultations between the private sector and the public sector to see when and how they can fund these training programmes?

Mr Sinatambou: Yes. In fact, there is already in existence an endeavour which is called the ICT Skills Development Programme which is funded jointly by the public and the private sector. So, consultations had already happened before this current exercise and funding is already done currently for existing training, Mr Deputy Speaker, Sir, on a joint basis and consultations had already been held. This time, with this new capacity building framework, the same type of approach is being recommended, but we first want to finalise the draft capacity building framework.

Mr Fowdar: Can I know from the hon. Minister when was the last training needs analysis carried out for the ICT sector?

Mr Sinatambou: Well, to that question the last one would be the one which has been carried out here because, as I said, there have been two surveys, two training needs surveys whereby, in October 2015, 200 ICT/BPO companies were actually surveyed as part of the training needs analysis and a second survey was carried out, Mr Deputy Speaker, Sir, in March 2016, this time among an additional 100 ICT/BPO companies. Maybe, however, I should say that things are delaying a little bit because the response has not been up to the standard we expected. From the 200 companies which were surveyed in October 2015, we got only 22 companies which responded and from the additional 100 companies which were surveyed in March 2016, only 33 have responded.

The Deputy Speaker: Hon. Uteem!

Mr Uteem: Thank you, Mr Deputy Speaker, Sir. In the Budget it was announced that the Réduit Campus would be used to offer courses in ICT and other ICT related fields and before that we were told that we are going to have an ICT Academy and listening to the answer of the hon. Minister I don't hear anything about these projects. So, are these projects still ongoing? Are we still going to have an ICT Academy and the campus at Réduit to provide training to ICT related fields?

Mr Sinatambou: For the campus at Réduit, I am not the substantive Minister, but I can answer for the ICT Academy where we are opting much more for professional type of education. For example, we have received the approval of Cabinet to have an MOU signed with the IBM Middle East and Africa University which is about bringing technology knowledge to students. We have an agreement, in principle, with Oracle to provide, again, professional technical training. So, the ICT Academy will be much more oriented towards technical hard-core professional expertise, but for the Réduit site, I believe a substantive question, Mr Deputy Speaker, Sir, should be put to the substantive Minister.

Mr Fowdar: Mr Deputy Speaker, Sir, can I ask the hon. Minister, besides the training, does he envisage to help the BPO sector by organising road shows for them?

Mr Sinatambou: Well, I certainly would like to do that. However, we need to have a more systematic and holistic approach. Yes, the Ministry is very much inclined to help in doing that. However, it has to be done in conjunction with the Board of Investment and with all those organisations which are part and parcel of the system.

The Deputy Speaker: Next question, hon. Fowdar!

SME - DBM & BPML BUILDINGS - VACANT SPACE

(No. B/476) Mr S. Fowdar (Third Member for Grand'Baie & Poudre d'Or) asked the Minister of Business, Enterprise and Cooperatives whether, in regard to the Small and Medium Enterprise projects, he will state if his Ministry will put at the disposal of potential investors the former DBM building and other vacant Government buildings.

Mr Bholah: Mr Deputy Speaker, Sir, I wish, in the first instance, to inform the hon. Member that the decision to put any vacant DBM or Government building at the disposal of potential investors does not rest with my Ministry.

However, I am informed that a Committee, which has been set up at the Ministry of Finance and Economic Development and which comprises of representatives from DBM, BPML, SLDC, SMEDA and my Ministry, is considering the option of making available suitable vacant space in the DBM and BPML buildings to the small and medium entrepreneurs.

DBM and BPML have been requested to identify the vacant space available in their respective industrial buildings and the extent that could be converted into SME units for use by the small and medium entrepreneurs, and also to indicate whether the identified vacant space would require any structural modifications or renovation works, and the costs thereof.

Once those information are available, the Committee will consider whether it would be cost effective to use the identified vacant space.

The Deputy Speaker: Hon. Fowdar!

Mr Fowdar: Thank you, Mr Deputy Speaker, Sir. Can I ask the hon. Minister whether this information is being passed on to potential SME investors?

Mr Bholah: No. We will wait for the final report to be available so that exact and accurate information be given to the SMEs.

Mr Uteem: Mr Deputy Speaker, Sir, I understand we are not talking about SMEDA moving there, we are talking about Small and Medium Enterprises moving to the vacant space. So, may I know from the hon. Minister what will be the criteria used to allocate these spaces to the SME and what would be the rental which is going to be charged to these SMEs?

Mr Bholah: Well, as I said, neither my Ministry nor SMEDA owns any building. It will be up to the owners of the building, either BPML or DBM, to fix the rental.

Mr Barbier: Mr Deputy Speaker, Sir, I do not know whether the hon. Minister is aware of the DBM buildings which are in the industrial zone. Actually there is a lot of space which is free, but unfortunately the price is according to market value. Will the hon. Minister see to it that these buildings be put at the disposal of small enterprises at a reasonable rate so that they can take the opportunity of using these buildings?

Mr Bholah: Yes, the hon. Minister right. According to information provided to me, there exists at this moment...

(Interruptions)

Hon. Member, I am sorry!

The Deputy Speaker: Hon. Minister, please continue!

Mr Bholah: The hon. Member is right. Presently, there exists some 200,000 ft.² of vacant space only at DBM, but structural modifications need to be brought around and once these are completed then, obviously, DBM will ask for SMEs, for small businesses, to come in and to occupy this space.

The Deputy Speaker: Hon. Fowdar, last supplementary!

Mr Fowdar: Thank you, Mr Deputy Speaker, Sir. Can I ask the hon. Minister whether, when allocating these buildings to the new entrepreneurs, he will consider giving them some sort of rent-free for certain years, and also tax-free in their business venture for some time?

Mr Bholah: Well, we will give all sorts of incentives, but I can't, at this moment, promise whatever incentives we can give to them. But I can say that, regarding three sites that we have, the SME Parks that we have, for the first three years of occupation, the Ministry of Finance and Economic Development provides a rebate to the extent of 50% on the rent.

MINISTRY OF YOUTH & SPORTS – COACHES – EMPLOYMENT

(No. B/477) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière) asked the Minister of Youth and Sports whether, in regard to Coaches/Adviser Coaches employed by his Ministry, he will state if there have been changes in the terms and conditions of employment thereof and, if so, indicate the reasons therefor.

Mr Sawmynaden: Mr Deputy Speaker, Sir, I have to inform the House that the Coaches are employed on the permanent and pensionable establishment of my Ministry, and the terms and conditions of their employment are as per the recommendations of the Pay Research Bureau.

As regards Adviser/Coaches, I would like to refer the hon. Member to the reply I made to PQ B/762 at our sitting of 03 November 2015, wherein I informed, among others, that the services of all Adviser/Coaches have been retained on a month-to-month basis. In fact, when I assumed Office as Minister, the contract of three Adviser/Coaches had already expired since August 2014, 18 October 2014 and 08 November 2014, and their services were retained on a month-to-month basis. As regards to the remaining 15 Adviser/Coaches whose contracts expired on 31 December 2014, the same principle was applied as the three Adviser/Coaches before.

On the basis of performance reports submitted by their respective immediate supervisors, the contract of employment of 12 of them has been renewed for a further period of one year.

Insofar as the alignment of their salaries in the wake of the PRB Report 2016 is concerned, the matter has already been taken up with the Ministry of Civil Service and Administrative Reforms and a reply is being awaited.

Mr Quirin: M. le président, le ministre vient de nous dire qu'il y a un certain nombre de *Coaches* et d'*Adviser/Coaches* dont les contrats ont été renouvelés sur une base d'une année. Peut-on savoir du ministre à partir de quelle date ces contrats ont été renouvelés, s'il vous plaît ?

Mr Sawmynaden: As from 01 January 2016.

Mr Quirin: En ce qui concerne les autres, peut-on savoir combien de temps cela va prendre pour qu'ils puissent bénéficier d'un même type de contrat ?

Mr Sawmynaden: Actually, there are only three remaining, and the process is under way for their contracts to be renewed as well.

SPORTS COMPETITIONS – GOVT. OWNED INFRASTRUCTURES - FEE

(No. B/478) Mr F. Quirin (Fourth Member for Beau Bassin & Petite Rivière) asked the Minister of Youth and Sports whether, in regard to the competitions organised by sports federations in the premises of Government owned infrastructures, he will, for the benefit of

the House, obtain from the Mauritius Sports Council, information as to the conditions, including the financial implications, if any, imposed by the Council therefor.

Mr Sawmynaden: Mr Deputy Speaker Sir, I am informed by the Mauritius Sports Council that National Sports Federations are required to pay a fee whenever they organise competitions in the premises of Government-owned infrastructures. The fees applicable have been calculated just to cover the expenses to be incurred for payment of overtime to handy workers and also to meet cost of utilities.

A higher rate is applicable during weekends and public holidays and also where lighting facilities are provided.

Mr Deputy Speaker Sir, I am tabling a paper giving details of rates applicable for the different categories of infrastructures as well as those applicable during weekdays and weekends together with the standard conditions for renting of the infrastructures.

Mr Quirin: M. le président, peut-on savoir de l'honorable ministre à partir de quelle date cette nouvelle politique de faire payer les fédérations pour l'utilisation des infrastructures a été appliquée, s'il vous plaît?

Mr Sawmynaden: I am informed that it has been like that for some time. Actually, for training purposes, the infrastructures are made available free of charge. However, in case of training conducted after 18 00 hours and during weekends, a nominal fee is charged to meet to the cost of overtime and utilities.

As far as students are concerned, training is free of charge. However, educational institutions have to pay an appropriate fee. But I don't have the exact date from when it was applicable. I can look into it and table it in the Assembly.

Mr Quirin: M. le président, bon nombre de fédérations éprouvent déjà de grosses difficultés à faire fonctionner leurs fédérations, et cette fois-ci on leur demande de venir payer des sommes énormes. J'ai, en ma possession, copie d'un courrier électronique de la fédération de badminton, où pour l'utilisation du gymnase de badminton pour une semaine on leur réclame à peu près R 40,500 - en gros. C'est énorme ! Les fédérations éprouvent d'énormes difficultés. Quand elles sollicitent le ministère, le ministère n'a pas de budget. Déjà, pour organiser leurs compétitions, cela leur coûtent énormément. Est-ce que l'honorable ministre ne considère pas qu'il faut revoir cette décision ? Je ne comprends pas cette nouvelle politique. C'est pour cela que j'ai demandé à l'honorable ministre la date à

laquelle cette nouvelle politique a été appliquée. Est-ce que c'est récent ? Est-ce que c'est la politique du gouvernement 'Lepep' de faire payer les fédérations ?

Mr Sawmynaden: Actually, we are the one giving money to the federations. I think it is in our politics to make them...

(Interruptions)

It is the Mauritius Sports Council, which is a parastatal body. Actually, pour *améliorer les structures, pour pouvoir vraiment maintenir les structures*, we need a minimum amount of money, especially to pay the handy workers overtime and also to pay for electricity. I think this is the minimum cost being charged by the Mauritius Sports Council, so that they can still run the gymnasium. I prefer to have the gymnasium opened rather to have it closed.

Mr Ameer Meea: In his reply, the hon. Minister stated that for students, the facilities are free, but for educational institutions, they have to pay a fee. Doesn't the hon. Minister think that this does not make sense at all?

Mr Sawmynaden: Actually, I said that this is a minimum fee, and this fee is charged by the federations. The federations are the ones who are charging because they are the ones who are keeping the stadium. So, they need a minimum fee to pay their workers. It is a very small amount.

The Deputy Speaker: One last question, hon. Quirin!

Mr Quirin: M. le président, peut-on savoir quelle est la somme qui a été récoltée depuis que le *Mauritius Sports Council* applique cette nouvelle formule de faire payer les fédérations ? L'honorable ministre n'est pas au courant de la date. Mais est-ce qu'il a les chiffres par rapport à la somme, à ce jour, récoltée par le *MSC*?

Mr Sawmynaden: Unfortunately, I don't have this figure with me. I will have to ask the Council.

SAINT FRANÇOIS XAVIER STADIUM – LIGHTING & BLEACHERS

(No. B/479) Mr A. Ameer Meea (Second Member for Port Louis Maritime & Port Louis East) asked the Minister of Youth and Sports whether, in regard to the Saint François Xavier Stadium, he will state if consideration will be given for the covering of the bleachers and for the provision of lighting thereat and, if so, when and, if not, why not.

Mr Sawmynaden: Mr Deputy Speaker, Sir, as the hon. Member is aware, major upgrading works have been carried out at St François Xavier Stadium during the first phase of a project “Extension of St François Xavier Stadium”, undertaken in the years 2010-2013. I understand that there was a second phase of the project wherein provision would have been made to cover the bleachers and also to provide lighting facilities thereat.

The Ministry has not yet embarked on the second phase of the project due to budgetary constraints.

Following the decision to entrust the organisation of the 10th Edition of the Indian Ocean Islands Games 2019 to Mauritius, my Ministry will have to undertake major upgrading and uplifting works at its various sports infrastructures which may be retained as sites for competition or for training purposes. The upgrading works will be carried out during the period 2016-2019. Funds to meet the cost to be incurred will have to be provided over four financial years, starting 2016-2017.

In this context, St François Xavier Stadium will be one of the sites where upgrading works will have to be carried out, and these works will include the covering of the bleachers and provision of lighting amongst others.

Once the approval in principle of the Ministry of Finance and Economic Development is obtained regarding allocation of funds, the detailed scope of works and the calendar for the works to be undertaken would be worked out. At this stage, I cannot indicate as to when the works would be undertaken.

Mr Ameer Meea: At the St François Xavier Stadium, there is no need for any upgrading of any infrastructures because the infrastructures there are very good. There is only need for lighting and to cover the bleachers, because the local inhabitants can't make use to the maximum of the stadium as when the sun sets, they can't use the stadium. They only use it for one and half or two hours per day. So, can the hon. Minister treat this as urgent, so that this can be done quickly?

Mr Sawmynaden: Actually, Saint François Xavier Stadium, this is one of the projects that we wanted to put the bleachers because it attracts lots of spectators. But, unfortunately, when we decided to go onto that project, we found out that the synthetic turf - because this football ground is a synthetic one - needs to be replaced. So, it's better than we do the synthetic turf first - actually we do the whole project together, the covering and the

synthetic turf as well. So, it will be a major project because we will have the Indian Ocean Island Games there.

UNEMPLOYMENT

(No. B/480) Mr S. Mohamed (First Member for Port Louis Maritime & Port Louis East) asked the Minister of Labour, Industrial Relations, Employment and Training whether, in regard to the unemployed, he will state the present number thereof, indicating the

—

- (a) number thereof found in the age group of 16 to 28 years, and
- (b) actions being taken to address the present unemployment issue.

Mr Callichurn: Mr Deputy Speaker, Sir, the Employment Division of my Ministry is mandated to register and place job seekers in gainful employment.

As at 31 March 2016, the total number of registered unemployed job seekers across all age groups stood at 24,576 comprising of 7,815 males and 16,761 females. The number of registered unemployed job seekers thereof aged between 16 to 28 stood at 14,060 comprising of 5,437 males and 8,623 females.

As regards part (b) of the question, the list is quite long. So, I am tabling the information sought.

Mr Mohamed: At some stage, Mr Deputy Speaker, Sir, the hon. Minister has been quoted widely as contesting the figures of unemployment rate delivered or the methodology proposed and practised by the Statistics Office of Mauritius. Could he inform the House what does he intend to do in order to correct any such anomalies that he has detected? Because this does remind me of a very, very long time back, when the hon. Vice-Prime Minister Soodhun was also Minister of Labour, he had spoken the same language of not being happy, and saying that the Central Statistics Office were delivering figures that were not correct and that there were less unemployed. So, what does the hon. Minister intend to do in order to correct this problem, which he has found?

Mr Callichurn: Let me explain first. The difference in figures produced by Statistics Mauritius and the Employment Service can be explained by the fact that Statistics Mauritius works on a sample size of about 5% of household in Mauritius and then extrapolates on the proportion of unemployed thereafter. Inversely, the Employment Service Register which is in my Ministry registers individual job seekers as opposed to sampling the population job seekers. So, it is more reliable.

Mr Mohamed: I have got two more questions; this is one of them, with your permission, Sir! Is the hon. Minister aware that the ILO and sometime in 2014, had asked an expert called Mr Kofi Agosu who is an LMIS Specialist from the ILO Office in Pretoria, to carry out *un état des lieux*, precisely of the methodology that was used by the Central Statistics Office or the Statistics Mauritius Office, for collecting of data in order to come up to a figure of employment and had detected as far back as 2014, that there were some lacuna in the methods of the Statistics Office of Mauritius. Is the hon. Minister aware that there is such a report? And, if not, I will gladly share that with them.

Mr Callichurn: Presently, I am not aware of such a report. I will be very glad if the hon. Member could share the information with me. Thank you.

Mr Ganoo: Can I ask the hon. Minister whether he has the figures for the percentage of the unemployed youths who have studied up to tertiary level?

Mr Callichurn: No, unfortunately, I don't have the information. The hon. Member can come with a substantive question, I will be glad to answer.

Mr Uteem: At the level of the Ministry, has any survey been carried out to ascertain the time which a person spends on the list from the date he is registered with the Ministry and the date that he gets an employment? On average how long does it take for him to get an employment, once he has registered with the Ministry?

Mr Callichurn: Actually, the officers of my Ministry are working on a system so that we can capture those figures.

The Deputy Speaker: Hon. Mohamed, last supplementary!

Mr Mohamed: *En passant*, the report which I am giving to my good friend, the hon. Minister of Labour, Industrial Relations, Employment and Training is there. What the hon. Minister of Labour, Industrial Relations, Employment and Training is saying is that, according to him, the figures provided by Statistics Mauritius are not in any way closer to the reality. Therefore, in his view, if he is saying that the exact number of unemployed should be lower than what Statistics Mauritius says, would he, therefore, not agree on the same basis that the level of unemployment of 7.8 % at the time when the previous Government was in power, must have been lower?

Mr Callichurn: Without any doubt, it must have been.

The Deputy Speaker: Hon. Mohamed, next question!

SAUDI ARABIA – DIPLOMATIC RELATIONS

(No. B/481) **Mr S. Mohamed (First Member for Port Louis Maritime & Port Louis East)** asked the Minister of Foreign Affairs, Regional Integration and International Trade whether, in regard to the Non Aligned Movement, he will state the impact of our membership thereto, if any, following the development of our diplomatic and bilateral relationship with Saudi Arabia.

Mr Lutchmeenaraidoo: Mr Deputy Speaker, Mauritius joined the Non- Aligned Movement (NAM) in 1973 and highly values its Membership with the Organisation. Moreover, it may be recalled that NAM has repeatedly and forcefully reaffirmed our sovereignty over the Chagos Archipelago, including Diego Garcia.

The kingdom of Saudi Arabia was one of the founding members of the Non-Aligned Movement and it enjoys close and privileged ties with many NAM countries.

I wish to emphasise that the development of our diplomatic and bilateral relationship with Saudi Arabia will not impact and have any adverse bearing, in any way whatsoever on our membership to the NAM and to any other Regional/ International Organisations. The consolidation of our relations with Saudi Arabia, as with our other sovereign nations, is an important component of our economic diplomacy and can only enhance intra-NAM cooperation.

I also wish to put on record that since 2015, this Government has spared no efforts to further boost our bilateral relations with Saudi Arabia through the opening of the Mauritius Embassy in Riyadh and a Consulate General in Jeddah.

In that regard, on 28 April 2016, the Ministry of Foreign Affairs of Saudi Arabia informed my Ministry that the Registration Certificate, a prerequisite for the recognition and opening of the Embassy of Mauritius has been issued.

Mr Bérenger: Being given that we are talking about the Non-Aligned Movement and Iran, I am sure the hon. Minister is aware that Iran is the outgoing Chairperson of the Non-Aligned Movement. They were supposed to hand over to the next Chair - already quite a while back. The next Chair is Venezuela which is in the situation that they are in. Therefore, can I know whether his Ministry can inform the population what next? The Summit was supposed to be held in Venezuela a few years back. What is going to happen now? What is being prepared?

Mr Lutchmeenaraidoo: Well, at the next meeting in Venezuela the new Board will be elected, including the new Chairman.

Mr Mohamed: Mr Deputy Speaker, Sir, what I was trying to get out is, whilst congratulating the excellent measures, I hope it does come to reality of going ahead with any development with regard to Saudi Arabia and whilst agreeing that it is of utmost importance, what has his Ministry done or at least himself, through any Members of Government, in order to reassure the membership of the Non-Aligned Movement, including Iran, that whatever statements – I did not mean that badly – but the actual Vice-Prime Minister stated about the position of Saudi Arabia as opposed to Iran, widely reported on the internet whereby siding with the Saudi Arabia as opposed to Iran and getting into this diplomacy harmlessly? What has the Ministry or himself done in order to reassure the Non-Aligned Movement that in no way should it be interpreted as us being on the wrong side of history?

Mr Lutchmeenaraidoo: Well, I don't know how we could be on the wrong side of history if our relations with Iran also are as good. In fact, Iran was the Chairman of the Non-Aligned Movement in 2002 as far as I remember.

A substantial question came out once those two countries broke relations, whether Hajj Muslims could go from Iran to Saudi Arabia for the next Hajj coming and I need to tell you that some good news are coming that Iran has accepted the conditions put by Saudi Arabia for Hajj from Iran to go to Saudi Arabia for the next Hajj.

The Deputy Speaker: A last supplementary!

Mr Mohamed: Thank you. What I would like to be more precise, maybe if I am more precise then the hon. Minister would be able to give me a precise answer. The actual Vice-Prime Minister has made it very clear that he sides with the tough stance of Saudi Arabia against Iran and approves the tough position of Saudi Arabia against Iran. How, therefore, does he, at the Head of the Ministry of Foreign Affairs, as Minister of Foreign Affairs, reconcile that position with our excellent relationship with Iran? That is the point I am trying to make.

Mr Lutchmeenaraidoo: I grasp the point, but, as Minister of Foreign Affairs, I am not aware of what the hon. Vice-Prime Minister, Minister of Housing and Lands said.

(Interruptions)

The Deputy Speaker: The Table has been advised that Parliamentary Question No. B/492 has been withdrawn! Time is over! Hon. Lesjongard, there are still two minutes if you can have a...

Mr Lesjongard: Mr Deputy Speaker, Sir, I thought time was over. PQ No. B/482!

LAND RESEARCH AND MEDIATION UNIT – ALLEGED LAND DISPOSSESSION

(No. B/482) Mr G. Lesjongard (Second Member for Savanne & Black River) asked the Deputy Prime Minister, Minister of Tourism and External Communications whether, in regard to the families who have been allegedly dispossessed of their land by the sugar barons, he will –

- (a) state if he will now table the list of the names of the 42 families concerned therewith, and
- (b) for the benefit of the House, obtain from the Land Research and Mediation Unit, information as to if the 42 families concerned therewith have been officially convened to appear before the said Unit and, if so, indicate where matters stand.

(Interruptions)

The Deputy Prime Minister: Next time!

(Interruptions)

We'll try again next time, Mr Deputy Speaker, Sir. We'll try again next time!

(Interruptions)

The Deputy Speaker: Please let us not waste time! There is one minute left!

The Deputy Prime Minister: Mr Deputy Speaker, Sir...

(Interruptions)

I was...

(Interruptions)

Thank you for giving me the chance to hold the fault.

Mr Deputy Speaker, Sir, in regard to part (a) of the question, the list of the 42 cases of alleged dispossession of land has been laid in the Library of the National Assembly on 28 March 2016.

I would also like, at the outset, to clarify that out of the 42 cases, only 5 of them relate to sugar estates.

In regard to part (b) of the question, I am informed by the Head of the Land Research and Mediation Unit that all 42 families have been contacted. In certain cases, the Unit has held several meetings with claimants on the technical and legal aspects of the claims and has advised on the way forward.

So far, the progress on these 42 cases is as follows –

- in 31 cases, the claimants have now been advised to contact a legal adviser in order to seek redress in Court;
- in 6 cases, the matters are pending before the Supreme Court;
- 2 cases are in the process of being lodged before the Supreme Court by the claimants;
- in 1 case the dispute has been settled between the parties,
- 1 complainant has lost his case in Court, and
- 1 case has been referred to the Ministry of Housing and Lands regarding the illegal prescription of State land.

Mr Deputy Speaker, Sir, I would like to inform the House that this whole exercise is proving to be a tedious task, the more so, as the Unit is also attending to some 300 other cases mentioned in the Truth and Justice Commission Report.

Moreover, the State Law Office has pointed out that, as far as they are concerned, upon perusing the report submitted by the former Land Research and Mediation Commission, they have not encountered cases that could be the object of criminal prosecutions.

Mr Deputy Speaker, Sir, the Government, through the Land Research and Mediation Unit, has left no stone unturned to help those who have been dispossessed from their properties to have the necessary advice and assistance in their quest to retrieve their land.

Mr Lesjongard: Thank you, Mr Deputy Speaker, Sir. The Deputy Prime Minister in a reply in November 2015 - I have a copy of the reply - he stated that he is tabling the list of the 42 families. Now, we understand that five months later, that is, on 29th March that the list was tabled. Is he aware that those families have been roaming about in the various Ministries to know whether their names are on that list and it was only in the month of March although that, in the same reply he stated that: ‘we are moving very fast in order to give satisfaction to those families,’ and it is only five months later that that list was tabled?

The Deputy Prime Minister: Mr Deputy Speaker, Sir, I think the hon. Member should make...

(Interruptions)

The hon. Member should make a difference between a list that is being tabled that he asked for, that was tabled in March, although the question is today. The list was tabled in March and that is what he asked for and the efforts which I will, in fact, recognise of our Land Mediation Committee to find a solution to these 42 cases.

They have been contacted. They have not waited for these people to take cognizance of the list that has been tabled here in the House. These people have been contacted directly by Mr Mandaree who is in charge of the Committee. So, they have not waited for this here.

(Interruptions)

The Deputy Speaker: Hon. Lesjongard!

Mr Lesjongard: Mr Deputy Prime Minister, in a reply to this House, you stated in November: 'I am tabling a list indicating the names of the families concerned.' Five months later, you have tabled the list. Now, you are stating that Mr Mandaree has contacted those families. Only five families have been contacted informally, hon. Deputy Prime Minister, until today.

The Deputy Prime Minister: Well, there is no need to get excited.

(Interruptions)

Mr Lesjongard: I have to get excited.

(Interruptions)

The Deputy Prime Minister: Well, if you want...

(Interruptions)

I am not fooling...

(Interruptions)

The Deputy Speaker: Hon. Lesjongard!

The Deputy Prime Minister: ... any family...

(Interruptions)

The Deputy Speaker: Hon. Lesjongard, let the hon. Deputy Prime Minister answer!

The Deputy Prime Minister: ...nor am I fooling you.

(Interruptions)

And you are not fooling me either...

(Interruptions)

The Deputy Speaker: Let the hon. Deputy Prime Minister answer!

The Deputy Prime Minister: Believe me, you are not fooling me either! I know very well what you are up to.

(Interruptions)

Now, I don't want to get into a fight with you.

(Interruptions)

The Deputy Speaker: Hon. Deputy Prime Minister...

The Deputy Prime Minister: Now, my information...

The Deputy Speaker: Hon. Deputy Prime Minister, I have allowed time to run out and it is actually four minutes past the time allocated. So, either the hon. Member let the hon. Deputy Prime Minister reply to his question or we stop now!

(Interruptions)

The Deputy Prime Minister: Mr Deputy Speaker, Sir, this Member is misleading this House in trying to pretend to be in the Opposition! I know very well what this Member is being up to and I can say it in this House without misleading the House, but I will abstain from that. Now...

(Interruptions)

... what I am going to tell you now...

(Interruptions)

I know very well what you are...

(Interruptions)

Do you want me to tell you? Just challenge me and I will tell you! Just challenge me and I will tell you what you are doing! So,...

(Interruptions)

...Mr Deputy Speaker, Sir, there has been some delay, I agree and I apologise, in laying the information on the Table of the House. The Government is paying about Rs300,000 a month for this Committee to work. We have done what we have done. I cannot go and do the work myself. We have taken people who are supposed to be doing the work. Now, the Member is coming up and telling me that the information that has been provided to me is not accurate. I have noted his statement and I will go back to challenge the information that has been provided to me. But the information that has been provided to me, I am giving it to you in good faith and please don't challenge that! I am giving you the information in good faith in that there are 42 cases, 31 cases of these, not 5, have been advised to contact a legal adviser to take the case to Court because we only take it so far. 6 cases are in Court. 2 other cases are in the process of being lodged. 1 case has been settled. 1 complainant has lost his case. These are all facts that I am providing! And 1 case has been referred to the Ministry of Housing and Lands. This is the information that I have given to the House.

The Deputy Speaker: Right! Time is over! Madam Speaker will now resume the Chair.

At this stage, Madam Speaker took the Chair.

MOTION

SUSPENSION OF S.O. 10(2)

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

The Deputy Prime Minister rose and seconded.

Question put and agreed to.

Madam Speaker: Hon. Members, I have to inform you that the statement of hon. Minister Bhadain is unusually lengthy in view of the importance of the subject matter. I have used my discretion to allow the said statement to be made.

STATEMENT BY MINISTER

MAURITUS & INDIA - DOUBLE TAXATION AVOIDANCE CONVENTION

The Minister of Financial Services, Good Governance and Institutional Reforms (Mr S. Bhadain): Madam Speaker, I wish to make a statement on the amendment of the

Double Taxation Avoidance Convention ('the DTAC') between the Government of Mauritius and the Government of the Republic of India for the avoidance of double taxation and the prevention of fiscal evasion with respect to taxes on income and capital gains and on other economic discussions held with India. The Mauritius-India Treaty has been in existence for the past 32 years. Amendments to the Treaty have been the subject of discussions between the two Governments for the last 10 years. The Joint Working Group ('JWG') on the DTAC between India and Mauritius had met on ten occasions to address issues relating to the misuse and abuse of the DTAC, without any positive outcome.

Madam Speaker, the factual chronology of events with regard to discussions on the DTAC and on other economic issues since this Government took office are as follows: on 04 June 2015, a Ministerial delegation led by the then Minister of Finance and Economic Development held discussions in India and a draft Protocol prepared by the Ministry of Finance and Economic Development was submitted to the Indian authorities. On 29 June 2015, the Joint Working Group ("JWG"), led by the Financial Secretary, held its 11th and last meeting in New Delhi, and a 'revised' draft protocol was initialed by the Financial Secretary and the Secretary of the Ministry of External Affairs of India.

On 03 July 2015, Cabinet agreed to the signing of the Protocol, but operators in Mauritius expressed their concerns with regard to Article 11 on 'Interest' and Article 13 on 'Capital Gains' and submitted that the revised Protocol would not safeguard their interests.

On 06 July 2015, the then Minister of Finance and Economic Development sent a letter to the Indian authorities requesting for confirmation that the provisions contained in the Protocol regarding Capital Gains shall apply only to new investments made on or after 01 April 2017. Four days later, on 10 July 2015, a second letter was sent for the date of entry into force of the Protocol to be set either as 01 April 2017, or the date of entry of GAAR (General Anti Avoidance Rules), whichever is the later; and also for the 'grandfathering provision' to apply. Further four days later, on 14 July 2015, a third request letter was sent by the then Minister of Finance and Economic Development, which in addition to the requests made, also asked that Capital Gains should not be charged in India, where conditions of Limitation of Benefits (LOB) are met; and asking for exemptions for banks not to pay tax on interest to be reintroduced and for the Protocol to be amended again.

On 31 August 2015, the Indian authorities rejected these requests which they termed as, and I quote, 'unacceptable', except for the 'grandfathering provision', which remained,

and I quote, 'under consideration'. In October 2015, during the state visit of the Rt. hon. Prime Minister to India, the issue of the DTAC was taken up with the hon. Prime Minister of India. It was confirmed that the interests of Mauritius will not be harmed and we were invited to conclude on the amendments to the DTAC in view of the introduction of GAAR on 01 April 2017 and India's decision to implement 'Source Base Taxation'.

Madam Speaker, on 28 February 2016, an Indian delegation led by Mrs Renu Pall (Joint Secretary) visited Mauritius and held discussions with the Financial Secretary, the Secretary for Foreign Affairs and myself. The next day the Indian Minister of Finance, hon. Arun Jaitley, in his Union Budget Speech 2016/2017, confirmed India's commitment to implement GAAR as from 01 April 2017. On the same day, the then Minister of Finance and Economic Development of Mauritius publicly expressed his refusal to sign the revised Protocol. On 02 March 2016, the Indian delegation confirmed that India was revising its Tax Treaties and would no longer entertain Double Non-Taxation. They explained that Mauritius had only two options: either to negotiate a grandfathering clause of Article 13 to protect existing investments; or to continue with the current Treaty until the coming into force of GAAR on 01 April 2017, following which, in the absence of a clear arrangement, that is, the signed Protocol revising the DTAC, a 'Notice of Termination of Treaty' would be issued. We were also informed that Cyprus had been declared a 'Notified Jurisdictional Area', under S 94A(1) of the Indian Income Tax Act since November 2013 and the benefits under the Cyprus-India Treaty had been suspended.

On 12 April 2016, the Rt. hon. Prime Minister and Minister of Finance and Economic Development sent a delegation led by myself, comprising of the hon. Attorney General and other officials to India to continue discussions with the Indian authorities. After a full day of negotiation with the Indian delegation, led by Dr. Hasmukh Adhia, the Revenue Secretary of India, they were agreeable to the 'grandfathering provisions' on Article 13 only and also a phasing-out period of 2 years. They further clarified in no uncertain terms that, if the Treaty was not revised prior to the deadline of 01 April 2017, a 'Notice of Termination of Treaty' would be issued, which both countries should avoid. Accordingly, I informed the Rt. hon. Prime Minister and obtained his instructions prior to meeting with the Indian Minister of Finance. After the meeting with hon. Arun Jaitley, it was agreed that -

- (i) with regard to 'Article 13', all investments made through Mauritius before 01 April 2017, will NOT be subject to Capital Gains Tax in India;

- (ii) a phasing-out period will be granted to Mauritius from 01 April 2017 to 31 March 2019, whereby only 50% of Capital Gains made through Mauritius will be taxed in India and the remaining 50% will be taxed in Mauritius at 0%, subject to investments being substance based, that is, LOB compliant; and the LOB threshold be revised to provide that a company shall be deemed to be a shell/conduit company if its revised expenditure on operations is less than Rs1.5 m. in the immediately preceding period of 12 months from the date the gains arise. Comparatively, the threshold for Singapore, is 3.5 times more, as a company shall be deemed to be a shell/conduit company if its total annual expenditure is less than SGD 200,000 (Rs5.2 m.);
- (iii) as regards 'Article 11' on interest, all debt-claims made through Mauritian banks prior to 01 April 2017, will NOT be subject to withholding tax on interest in India; and all debt structures made by banks and other institutions thereafter, through Mauritius shall be taxed at a rate not exceeding 7.5% of the gross amount of the interest as compared to, for example, 10%-15% in Singapore, and
- (iv) linkages to be established between the GIFT (Gujarat International Finance Tec-City) and the MIFC (Mauritius International Financial Centre).

These were the discussions held with regard to the protocol amending the DTAC, Madam Speaker.

The next day, on 13 April 2016 meetings and discussions were held with the Foreign Secretary and the Principal Secretary at the Prime Minister's Office in India, which focused on other financial and economic matters, relating to the line of credit of USD500 m. which was provided by H.E. Shri Narendra Modi during his visit to Mauritius, but which could not be utilised without increasing our national debt. We requested for financial assistance in terms of grants and equity participation, for the setting up of a new "Financial Services City", that is, the new Mauritius International Financial Centre (MIFC); the Heritage City project; a new International Exhibition and Convention Centre, and another capital project to be announced in the Budget 2016/2017. The relevant debt figures, financials and project files, were provided to the Indian authorities for due consideration.

On 29 April 2016, Cabinet approved the signature of the revised protocol to amend the DTAC. On 05 May 2016, the Special Envoy of the Prime Minister of India led a

delegation to Mauritius to finalise discussions with my Ministry on the financial grant assistance sought by Mauritius. The next day, a meeting was held at the Prime Minister's Office where the Indian delegation confirmed to the Rt. hon. Prime Minister that the Government of India would provide a total amount of Rs12.7 billion (USD353 m.) in the form of financial grants for four specific projects. The only condition attached is that these projects should be awarded to Indian companies by the Government of Mauritius using our own tendering process. Accordingly, written confirmation was sent to the Rt. hon. Prime Minister of Mauritius.

On 10 May 2016, the revised protocol amending the DTAC was signed by the Financial Secretary, representing the Government of Mauritius and the Indian High Commissioner to Mauritius, representing the Government of the Republic of India.

Madam Speaker, I wish to draw the attention of the House on the following -

- (i) Certainty, clarity and predictability has been restored for investors in our jurisdiction with the re-negotiated protocol amending the bilateral treaty;
- (ii) All investments made through Mauritius prior to 01 April 2017 would not attract any payment of Capital Gains Tax, whenever the shares are sold. As a result of the 'grandfathering provisions': (i) there will not be any abrupt exodus of existing investments from Mauritius, and (ii) between now and 31 March 2017, there may well be an increased flow of investments and structures into Mauritius;
- (iii) The phasing out period until 31 March 2019, brings certainty to international investors about LOB substance requirements in Mauritius and also that 50% of their capital gains are taxable in Mauritius at zero percent whilst the remaining 50% will be taxed in India, whilst the Singapore-India treaty provision on capital gains exemption will terminate after 31 March 2017. Our revised treaty ensures that capital gains on sale of shares will only be taxed at half the rate i.e. between 5% and 7.5%;
- (iv) the removal of capital gains tax exemption to a Mauritius resident for investments made after 01 April 2019, will curb tax evasion and misuse of treaties. It is in line with the requirements of BEPS, Base Erosion and Profit Shifting, and the G-20; it will eliminate Double Non-Taxation and the negative reputational risk faced by Mauritius with regard to the European

Union, the European Investment Bank, the OECD and also NGOs across Europe and Africa;

- (v) With regard to debt structuring, the new arrangement with respect to the renegotiated reduced withholding tax rate of 7.5% on interest, compared to Singapore (10%-15%); Cyprus (10%) and the Netherlands (10%-15%) will make Mauritius a preferred jurisdiction for investors inasmuch as India has a growing debt market compared to equity and is relaxing its exchange controls to facilitate debt from overseas, this will usher India-Mauritius tax relationship into a new era. The protocol has made Mauritius even more competitive than Singapore, Cyprus, and the Netherlands. Moreover, other forms of securities such as Compulsorily Convertible Debentures ('CCDs'), Optionally Convertible Debentures ('OCDs'), and some derivatives are not affected.
- (vi) The revised protocol also mitigates the risk of abuse of our jurisdiction as a money laundering platform, as there is now enhanced transparency for genuine investors, and
- (vii) positive changes in our tax treaties are now being implemented in our financial services sector in line with international best practices of good governance, with companies operating activities of substance and providing a full chain of value-added services in Mauritius. The new vision of Government for the new MIFC will be announced in the coming days.

Madam Speaker, on other economic issues discussed as I stated earlier, India has been attentive to our needs regarding our inherited debt predicament and has agreed to provide us with grants assistance amounting to Rs12.7 billion for four main projects, which includes a grant of Rs3.6 billion to enhance the offerings of our financial services sector and assist our sustainable development and progress into a 'Non-Tax Treaty Centric' jurisdiction of international repute and substance.

I remain, Madam Speaker, thankful to all those who have contributed to the fruitful conclusion of negotiations and to the Government of the Republic of India.

Thank you.

(4.31 p.m.)

ANNOUNCEMENT

“WEEKLY” MAGAZINE - EDITORIAL ENTITLED “CATCH ME IF YOU CAN”

Madam Speaker: Hon. Members, my attention has been drawn to the “Editorial” of the weekly magazine, the “Weekly” issue No. 193 for the week 28 April to 04 May entitled “Catch me if you can”.

For record purposes, I have deemed it fit to reproduce certain extracts of the article, I quote -

“With the scant respect for the normal parliamentary practices being displayed week in and week out in our national assembly, I suggest we close it and allow the honourable members to do what they do best; travel a bit more at our expense and carry on with any deals they wish to engage in no questions asked.

Our national assembly has become grotesque in its intolerance of accountability on almost all issues. And the Speaker seems to be unwittingly helping in the muzzling of MPs every time ministers find themselves in a tight spot over key issues.

On Tuesday, our Speaker, shrieking at the top of her voice, was quick at stopping opposition members from asking supplementary questions about the National Insurance Company...”

The article further continues, I quote -

“Before the opposition had the opportunity to challenge that, the Speaker decided it was time to move to the next question! After barely two supplementary questions instead of four! And when the Speaker decides, you obey.”

I am furthermore, laying a copy of the article on the Table of the Assembly. Hon. Members, in my view, it is clear that the article constitutes a deliberately tendentious and motivated attack on the National Assembly, the highest institution of the Republic.

I must say that being personally targeted by these disparaging remarks places me in a delicate situation.

Besides being perverted and grossly misrepresentative of the Proceedings of the House, the article, in its reference to the Chair, also displays ignorance of certain basic rules governing parliamentary practice and procedure. In so doing the author does not only thrust indignities on the House but also categorically accuses the Chair of partiality.

Hon. Members, as guardian of the Standing Orders and Rules of the National Assembly, I have no alternative than to submit myself to the provisions of the Standing Orders governing breaches of privilege.

Hon. Members, according to Erskine May, I quote -

“reflections on the character of the Speaker and accusations of partiality in the discharge of his duties may be held to constitute breaches of privilege or contempt. ... The Speaker’s actions cannot be criticised incidentally in debate or upon any form of proceeding, except a substantive motion”

In an impugned article, of a similar nature in India, in 2005, a journalist made allegations against the Speaker of the Lok Sabha, to the effect that he, I quote –

“is partisan, has no sense of prestige, is high-handed in his behaviour and has no sense of fair play”.

The then Speaker Somnath Chatterjee, concluded, I quote –

“according to me, the position in law is beyond any doubt and to anyone concerned with the parliamentary system, it is clear that the impugned article not only reeks of malice, but is highly contumacious in its conception and in its contents as it deliberately accuses the Speaker of partiality and reflects on his character and actions as Speaker which amounts to gross breach of privilege of the Speaker and also of the House.”

Similarly, I am of opinion that the impugned Editorial is tantamount to a breach of privilege of the House.

Hon. Members, such unwarranted criticism coming from no one less than the Editor-in-Chief herself, should, in my opinion, be viewed with the greatest concern.

I would like to stress that I am unequivocally attached to the liberty of the press. The role of the media to air, report and publish the workings, including debates, questions and other proceedings of the House is essential in a modern democracy and its right to comment and to fair, albeit fierce, criticism cannot and should not be negated.

Moreover, the importance of a good working relationship between Parliament and the media cannot be underscored. I believe that *a good working relationship between the media and the legislature should be based on mutual respect and the recognition of our respective role.*

The press is rightly described as the fourth pillar of our democracy and has been referred to, as a common man's last hope. Without a free press, democracy would be in danger. However, this freedom should not be taken as a license to *make gratuitous and motivated attacks on great institutions of the Republic*.

Having said so, I would like to reiterate my commitment to continue fostering the good professional relationships which have always existed between our two institutions and to even further strengthen them. To that effect, my office does not hesitate to provide updated facilities to the press to help them discharge their obligations in the best possible manner. We are also in the process of adopting new technologies which will further enable journalists to capture parliamentary information in real time.

Hon. Members, as Speaker, I am duty-bound to protect the privileges of the House and at the same time to see to it that our noble institution is not denigrated.

Keeping in mind the long-standing professional relationships between the media and the National Assembly and in recognition of the fact that both are essential actors in a working democracy, I am inviting the Editor-in-Chief to tender her unreserved apologies to the Chair and to the House.

In case no apologies are received within a week, I shall come back to the House to have the matter dealt with as appropriate. Thank you.

PUBLIC BILLS

First Reading

On motion made and seconded the Supplementary Appropriation (2015-2016) Bill (No. VII of 2016) be read a first time.

Second Reading

THE NATIONAL WAGE CONSULTATIVE COUNCIL BILL

(No. VI of 2016)

Order read for resuming adjourned debate on the Second Reading of the National Wage Consultative Council Bill (No. VI of 2016).

Madam Speaker: Hon. Rughoobur!

(4.39 p.m.)

Mr S. Rughoobur (Second Member for Grand’Baie & Poudre D’or): Thank you, Madam Speaker. Madam Speaker, thank you for giving me the opportunity to say a few words on this Bill. I would like to congratulate the hon. Minister and his team for the preparation of this important Bill and, at the same time, I would also like to thank all the hon. Members who have intervened before me and I thank them for their valuable contribution.

Madam Speaker, let’s start on a positive note. I think there is unanimity in the House in the setting up of this Wage Council, but there are reservations, there are concerns expressed especially from hon. Members on the other side of the House on certain issues relating to the independence of the Council, on the issue of quorum and a few other issues.

Madam Speaker, I should, first of all, probably refer to an interesting event in the early 80s when Lady Thatcher was appointed Prime Minister. Everybody is aware that when she was appointed Prime Minister, she came up with drastic reforms of the economy. She wanted to bring drastic reforms. She wanted to privatise. She was in favour of an open market economy and, at that time, Madam Speaker, more than hundred top economists in the UK expressed their concerns, protested against the reforms being brought and we know afterwards what happened. The reforms were successful, but that was not the point I wanted to make. The important point that I wanted to make, Madam Speaker, is the reply that at that time Lady Thatcher sent to those hundred top economists stating to them, “I had to disregard your complaints. I had to disregard whatever protests you had simply because there was not a single proposal in the document you sent to me.”

Madam Speaker, there are two issues that I wanted to address, today, in my speech on this Bill. The first issue I wanted to address is the issue of competitiveness of our nation. The second issue, of course, is my personal disappointment on an amendment which is being brought at the request of the unions.

Madam Speaker, on the competitiveness of the nation, of the country, we are talking of legitimate rights. In the Wage Council, we have stakeholders, the employers, the unions, we have representatives of the Government having the legitimate rights. It is based on these rights that the unions have suggested, have proposed a series of reforms of which part of them have been taken on board by the Government. But, Madam Speaker, we cannot dissociate legitimate rights from responsibilities. The understanding of the responsibility of one and all will enable us to understand that the competitiveness of our country is too important, Madam Speaker and this is what Singapore understood long ago. Singapore set up

the Wage Council in as far back as 1942. Madam Speaker, as far back as 1942, almost 44 years back and when we look at the Wage Council of Singapore, even if it is not similar to what is being proposed, even if there we are not talking about minimum wage, Madam Speaker. I have been looking at the latest report of that Wage Council. They have exactly done what we should be doing with this Wage Council, Madam Speaker.

Let me quote two recommendations of the latest report of the Wage Council of Singapore, Madam Speaker, just to give you an idea of the type of Wage Council that we require for a country, that I hope would be the case in the years to come and I quote –

- “1. The Government endorses the NWC’s focus on skills to ignite productivity growth and sustain wage increases. The labour market is expected to remain tight in 2015 and this will place some upward pressure on wages. Raising productivity is essential for wage growth to be sustainable and to enhance Singapore’s economic competitiveness.
2. As such, the Government supports the NWC's recommendation that real wage increases should be in line with productivity growth over the long term, and that employers should share productivity gains fairly with workers and in a sustainable manner. The Government urges employers, unions and workers to work together towards this goal.”

Madam Speaker, this is the type of Wage Council, this is the type of recommendation that we expect; a structure that we are about to put in place, to come in the months, in the years to come.

Madam Speaker, this is what Singapore did long, long ago, and we want the stakeholders, especially the unions, the Government, the employers to understand that, without the competitiveness of the nation, it would be impossible to promote the interest of any stakeholder, be it the Government, be it the unions or the employers.

The other issue that I wanted to raise in my brief speech, Madam Speaker, is the amendment that we are bringing to this Bill, relating to the payment of additional remuneration. Madam Speaker, everybody is aware about the total mess we end up with whenever there is tripartite negotiation. Year after year, it is the same story, Madam Speaker. You get to sit in a Tripartite Committee at the end of the financial year, you get discussions on the rate of compensation, and it ends on a total mess.

Madam Speaker, when I look at what has been withdrawn - the additional remuneration part -, the amendment made, for me, let's put it this way, it is very unfortunate. It's very unfortunate because, Madam Speaker, the unions, unfortunately, do not understand where their interest lies, because this would have, at least, given them the opportunity for a year to discuss on ways and means to come with proposals on the type of compensation that they want for their workers. It is not only a question of wage, Madam Speaker; increasing wages. You have got other forms of compensation that could have been discussed with the Government. You have got one year to discuss, and at the end of the year, you come with a full package. If they have a proposal for a Tripartite Committee at the end of the year under the chairmanship of the Prime Minister or the Deputy Prime Minister, it could be put in place to discuss and ratify that package. But it is very unfortunate that we've missed such an opportunity.

Madam Speaker, to conclude, as I said, personally I have reservations on this, because excluding this additional remuneration defeats the very purpose of this Bill. The only proposal I would be having is that, once this Bill is voted, over the coming months the stakeholders sit together and try to see if this second part relating to additional remuneration may be reintroduced. I believe this would be in the interest of all the parties and in the interest of the nation as well.

Thank you, Madam Speaker.

(4.48 p.m.)

Mr R. Uteem (First Member for Port Louis South & Port Louis Central): Madam Speaker, I think that this Bill raises three fundamental questions.

The first question is: Should we have a national minimum wage?

Second question: How should that national minimum wage be fixed?

And the third question: Who should fix the national minimum wage?

On the necessity to have a national minimum wage, there is consensus in this House, and may I say outside of this House also, that the time has come for Mauritius to adopt a national minimum wage, and that would be, Madam Speaker, only reflective of Mauritius complying with its longstanding international obligations. For example, Mauritius has obligation under the Universal Declaration of Human Rights that was proclaimed by the

United Nations General Assembly in Paris on 10 December 1948. According to paragraph 3 of Article 23 of the Universal Declaration of Human Rights –

“Everyone who works has the right to just and favourable remuneration ensuring for himself and his family an existence worthy of human dignity, and supplemented, if necessary, by other means of social protection.”

Unfortunately, this provision of the Universal Declaration of Human Rights is not enshrined in our Constitution. But, today, with this Bill, we are getting closer to our commitment to this particular Article 23 of the Universal Declaration of Human Rights.

In 1973, Mauritius also ratified the International Covenant on Economic, Social and Cultural Rights. Article 7 of that Convention provides, and I quote –

“The States Parties to the present Covenant recognise the right of everyone to the enjoyment of just and favourable conditions of work which ensure, in particular:

- (a) Remuneration which provides all workers, as a minimum, with:
 - (i) Fair wages and equal remuneration for work of equal value without distinction of any kind, in particular women being guaranteed conditions of work not inferior to those enjoyed by men, with equal pay for equal work;
 - (ii) A decent living for themselves and their families in accordance with the provisions of the present Covenant;”

Again, introducing this national minimum wage would enable Mauritius to comply with Article 7 of the International Covenant on Economic, Social and Cultural Rights.

Mauritius is also a member of the International Labour Organisation (ILO) which was created in 1919, as part of the Treaty of Versailles that ended the First World War. The aim of the ILO is to promote rights at work, encourage decent employment opportunities, enhance social protection, and strengthen dialogue on work-related issues.

On 02 December 1969, Mauritius ratified Convention 26 of the ILO, which concerned the creation of Minimum Wage Fixing Machinery. That Convention entered into force as far back as 1930.

Under Article 1 of the Convention, Mauritius undertook to create the machinery whereby minimum rates of wages can be fixed for workers employed in certain trades – in

particular in homemaking trades – in which no arrangement exists for the effective regulation of wages by collective agreement or otherwise and where wages are exceptionally low.

In fact, applying this provision of Convention 26 of ILO, the Government in 1974 set up the National Remuneration Board under the then Industrial Relations Act, which has now been repealed and replaced by the Employment Relations Act 2008.

Under the National Remuneration Board, 30 Remuneration Orders have been passed by the Ministry, covering various sectors of the economy. Those Remuneration Orders provide for a minimum wage for people employed in certain sectors covered by the Remuneration Orders as well as conditions of work.

However, Madam Speaker, this Remuneration Order is of limited effectiveness because the National Remuneration Board only works when matters are referred to it by the Minister, and the Minister, under the law, will only refer matters to the NRB where he is satisfied that no arrangement exists in an industry for effective regulation of wages and conditions of employment or where a request has been made by a negotiating body consisting of a substantial number of workers in an industry not covered by collective agreement.

Madam Speaker, workers in sectors that are not properly syndicated, that are not grouped together very often end up falling outside the Remuneration Orders and if they are outside the Remuneration Orders it means that they don't have a guaranteed minimum wage and, therefore, can be exploited by employers.

Mauritius, Madam Speaker, unfortunately, is not among the 52 countries which ratified Convention 131 of the ILO concerning Minimum Wage Fixing, with Special Reference to Developing Countries which entered into force on 29 April 1972.

According to Article 1 of the Convention 131 –

“Each Member of the International Labour Organisation which ratifies this Convention undertakes to establish a system of minimum wages which covers all groups of wage earners whose terms of employment are such that coverage would be appropriate.”

Madam Speaker, it is most unfortunate that the Bill today before this House does not reflect all the provisions of the ILO Convention No. 131 and I will come back to this later when I deal with the minimum wage fixing machinery.

Madam Speaker, the primary objective of the minimum wage is to protect the income of the lowest paid workers in order to guarantee them a decent standard of living.

During a debate on the first draft proposal for basic minimum wage in 1909, Winston Churchill is reported to have said, and I quote –

“It is a serious national evil that any class of His Majesty’s subjects should receive less than a living wage (...) the good employer is undercut by the bad, and the bad employer by the worst.”

So, Madam Speaker, having a minimum national wage serves two main purposes; on the one hand, it enables the lowest paid workers to receive wages which allow them to have a decent living but, on the other hand, and equally important, it protects the most vulnerable workers from being exploited by unscrupulous employers.

Madam Speaker, the Bill talks about minimum wage. But, unfortunately, there is no definition of what is included or excluded in this definition of wage. There is no definition of wage. Does it mean basic wage? Does it include bonuses, gratuities and allowances for shifts? Does it include tips? Does it include benefit in kind? Is it the same as remuneration as defined under the Employment Rights Act? I hope during the summing-up the hon. Minister can give more clarity as to what consist of the minimum wage so as to avoid any dispute in the future, and especially to prevent unscrupulous employers from exploiting workers by adding bonuses to wages.

The next issue, Madam Speaker, is: do we need only one minimum wage or several minimum wages? I am glad to see that there will be no distinction between the minimum wage for women and that for men. Equal pay, equal work. And, I hope the Remuneration Orders will also, in due course, be amended to remove this distinction between women and men when it comes to wages. Indeed, as many hon. Members of this House may know, Remuneration Orders for the tea industry, the salt industry and the sugar industry provide different minimum wages for men and women; women being paid roughly 20% less than men for the same type of work.

So, if we agree with this principle of equal pay for equal work, then I don’t understand why in the Bill the hon. Minister is proposing that we have a different minimum wage – a lower minimum wage - for young persons aged between 16 and 18. Maybe the argument is to encourage people to employ more young people. But I don’t think that this argument holds, Madam Speaker, because like any adult young persons also have needs and

they also have wants. Many of the young persons become workers because they are forced to do so, because they need to provide for their families. They need to earn a living. And it would be very unfortunate if the difference in wage gives an opportunity to employers to exploit young persons. So, I would urge the hon. Minister to reconsider this section 5 (b)(iii) which provides for lower rate of national minimum wage for young persons, a measure which, according to me, is both discriminatory and unjust and also which may result in the exploitation of young persons.

Madam Speaker, turning to what I consider to be the second fundamental issue posed by this Bill which is how is this minimum wage, now that we have agreed that we need to have a national minimum wage, how do we calculate that national minimum wage? What method and what elements do we take into consideration?

In a report prepared by the ILO in September 2014 entitled “Minimum Wage Fixing Challenge in Mauritius” by a team led by François Eyraud, the report considers two main methods of fixing minimum wage. One is income based. One is based on cost of living and aims to determine the rate that will cover the basic needs of the workers. The second method is to take wages statistics into consideration and base the minimum wage on a percentage of the median wage. This is very important, Madam Speaker, to note that ILO does not recommend one method or the other. It does not favour one method over the other. In fact, what ILO says time and time again, repeatedly, in that report is that we need a system which would be the result, and I quote –

“(...) of a large debate and social dialogue.”

So, ILO encourages social dialogue so as to come up with a method of calculating the minimum wage which would be acceptable, which would be tailor-made to Mauritius.

So, if we consider a little bit more details, what are these two methods that have been dealt with by the ILO, the first method is based on household income. The CPI basket is used to determine the minimum income which a household needs to live above poverty line and that income is divided by the number of wage earners in this household. For example, if we take Statistics Mauritius, the last Household Budget Survey carried out in 2012 and reported in April 2013 we find that the average monthly household consumption expenditure for 2012 was Rs23,940. So, if we apply inflation for the past three years we get to a figure of roughly Rs25,000 to Rs26,000 as being the minimum household expenditure. Then we take this

Rs26,000 and we divide by the number of wage earners. If we decide that there are two wage earners we get Rs13,000. If we decide that there are three wage earners we get Rs8,700.

Of course, this figure is adjusted to take into consideration that a number of households also get pensions and other benefits. But, this method, Madam Speaker, has the merit of getting to a wage which is close to the cost of living, the actual amount of money which employees need to obtain to earn a decent living. And, it is with no surprise that trade unionists favour this method of calculating minimum wage because that would result, in theory at least, to a higher minimum wage than the second method. And it also ensures that the minimum wage would be equivalent to the living wage or what the French call *minimum vital*.

The second method, Madam Speaker, on the other hand, takes into consideration the actual wages that are being paid to workers. Statistics Mauritius comes up with annual statistics based on surveys and determines what are the wages that are being paid to workers in this country. Then, they take the median wage. What is the median wage? The median wage is the middle wage which means that 50% of workers earn higher than that median wage and 50% of workers earn less than that median wage and this is different from the average wage. Average wage being the total wage earned by all employees divided by the number of employees. An average wage is usually higher than median wage. So, once you have decided what the median wage is, which is set by the Statistics Mauritius Office, we apply a percentage. The minimum wage would be 50% or 60% or any percentage of that median wage.

Now, to give a concrete example, if we take the figures used by the ILO in its report in 2014, the average wage was 20,993 but the median wage was only 11,625. So, if we take this median wage, we apply the compensation that we have received in 2013, 2014 and 2015, we will get roughly to a median wage today of around Rs13,000. So, then the minimum wage, if we apply 50%, would be 50% of Rs13,000, which means Rs6,500 or if we apply 60%, it will become Rs7,800.

So, clearly, Madam Speaker, applying the second method, usually results in a lower minimum wage than applying the first method and all the care may be taken to ensure that this minimum wage calculated under the second method will ensure a decent living, it cannot be guaranteed because it is not based on the income needs of the worker, it is based on the actual wages that they are receiving. Therefore, if we use the second method, we cannot

really talk about *minimum vital* because it is not *minimum vital*, it is based on the wages that are being paid.

So, my question, Madam Speaker, is: why already tie the hands of the National Wage Consultative Council? Why don't we give them the liberty to come up with their own formula which can be a combination of both methods? They can base themselves on what is the basket, what is the cost of living and then they look also what is the existing wage which workers are earning and come with a formula *à la mauricienne* which is what ILO, in fact, recommended after consultation, come up with your own formula. It is very unfortunate that already we are binding ourselves and even though the hon. Minister is moving for certain amendments at Committee Stage, the main provision remains the same, which is section 5 (b) (ii) of the Bill which provides, and I read –

“The Council shall –

(b) be responsible for making recommendations to the Minister –

(i) subject to subparagraphs (ii) and (iii), for the introduction of a national minimum wage calculated on an hourly rate equivalent to a proportion of the domestic median wage of the preceding year for the lowest paid workers;”

So, this Council, their hands are already linked, they have to come up with a proportion. Now, in determining this proportion, they can take many factors into consideration: the income, the economic situation, but they still are bound to follow the median wage and come up with a proportion and this is in this respect, I think it is unfortunate that we are tying the hands of the Council like this.

Madam Speaker, moving to the third and final part of my presentation, that deals with who should fix the minimum wage and I dare say, Madam Speaker, this is the most controversial aspect of this Bill, the composition of this Minimum Wage Consultative Council and, in particular, the perceived *mainmise* which the Minister of Labour, Industrial Relations, Employment and Training will have on this Minimum Wage Consultative Council.

Earlier in my intervention, Madam Speaker, I referred to ILO Convention No. 131, concerning Minimum Wage Fixing, with special reference to developed countries.

Paragraph 3 of Article 4 of the Convention provides that –

“Wherever it is appropriate to the nature of the minimum wage fixing machinery, provisions shall also be made for the direct participation in its operation of

-
- (a) representatives of organisations of employers and workers concerned or, (...) on a basis of equality.”

So, ILO, Article 4, Paragraph 3, of Convention No. 131 very much emphasises the tripartite nature of this Wage Fixing Mechanism and requires that workers, representatives of organisations of workers be there on the basis of equality.

But if we turn to what is being proposed to the Bill, Madam Speaker, is very different. Section 10 of the Bill provides for the setting up of a board. The Council will be administered and managed by a Board; the Board will consist of 29 members, 7 members will not have voting rights. Out of the 29 members, 19 members would be appointed by the Minister, including the Chairperson. 7 of the remaining 10 persons are representatives of various Ministries. Section 11 (3) provides that the quorum for a meeting is 12 members, excluding the members who do not vote. So, 12 members who do not vote, effectively it means that if the Government representatives are there, if the representatives of the employer are there, you don't need the representative of the worker to be there to have a quorum. I think this is very wrong because this goes against the recommendation of ILO, of Convention No. 131 which requires the direct participation of representatives of the worker when fixing the National Minimum Wage.

So, I would urge the hon. Minister to consider at Committee Stage to move for an amendment to provide that, at least, the presence of one representative of the workers should be present for this Council to be present because it will serve no purpose if the Board were to take a decision in the absence and behind the back of the representatives of the workers. But amending the quorum, Madam Speaker, will not be sufficient. If the Board is to function properly, then, the workers should be allowed to choose their own representatives to the Board. Why should it be the Minister who appoints the representatives of the workers? Why shouldn't the workers themselves be allowed to represent themselves? To be allowed to choose one of them to sit on that Board. Why politicise the whole process? Surely, there would be a temptation for the Minister to appoint representatives who are perceived to be close to him, which will defeat the whole purpose of this Board. What will happen, Madam

Speaker, if all major trade unions and confederations of workers decided not to sit on the Board?

Only a few days ago, Madam Speaker, in an article which appeared in “Le Mauricien” of 19 May 2016, last week, Mr Ashock Subron, one of the main trade unionists in Mauritius, representative of General Workers Federation is reported to have said the following, and I quote –

« Je ne siégerai jamais sur un tel conseil. Pour moi, ce sont les travailleurs qui doivent nommer leurs représentants et non pas le ministre. C’est une question de principe ».

Unfortunately Madam Speaker, the position of Mr Subron is shared by all the trade unionists which have had the opportunity of speaking to since this Bill has been circulated. No one wants to be tagged as being a Minister’s appointee, as being a ‘*zomme minis*’. It is the workers who will have to choose their representatives and not the Minister.

Madam Speaker, we are all in favour of a national minimum wage. I know that the hon. Minister has made several concessions to the trade unionists on issues such as hourly rate, confidentiality and annual wage compensation although I see that hon. Rughoobur is not agreeable to the removal of this Section which was unanimously asked for by trade unionists. I am sure that, like me, the hon. Minister would have preferred that there is unanimity in support of this Bill in this House and outside this House, especially among the workers because this Bill is meant precisely to protect the workers. So, I would make an appeal to the hon. Minister to, at least, consider on this issue of the representatives of workers sitting on the Board if an additional concession can be made so that the workers themselves be allowed to choose their representatives, and, if this being the case, then the Wage Consultative Council can start work as soon as possible and minimum wage would be a reality in Mauritius.

Thank you, Madam Speaker.

Madam Speaker: I suspend the sitting for half an hour.

At 5.17 p.m. the sitting was suspended.

On resuming at 5.53 p.m. with Madam Speaker in the Chair.

Madam Speaker: Please, be seated. Hon. Roopun!

The Minister of Social Integration and Economic Empowerment (Mr P. Roopun): Madam Speaker, I rise up to support and applaud the presentation of this Bill.

The setting up of a minimum wage for all workers of this country irrespective of gender, along with the Marshall Plan against poverty, are landmarked measures ever taken by any Government to effectively combat poverty and reduce inequality.

In fact, a Government headed by Sir Anerood Jugnauth is once again creating history and it gives me pride to be associated with such an event today.

I am particularly glad that there is general consensus in this House about the philosophy of this Bill.

And I must commend the Minister of Labour, Industrial Relations, Employment and Training for incorporating various suggestions coming from the Unions and thus eliminating contentious issues.

It is not a surprise that the Opposition came with some criticisms, mainly about the mechanism put into place as any system is bound to have its strength and weakness; it is indeed not easy and practically impossible to satisfy everybody.

But what is most important is that we are keeping our promises and we have taken a daring decision, despite the worldwide gloomy conditions, and this Bill will forever transform the social landscape of this country.

I must reiterate that this Government fully endorse the Sustainable Development Goals adopted in September last at the UN and that we are more than ever determined, to achieve Goals 1 and 8 which provide for the elimination of poverty in all its forms everywhere and also for the provision of decent work for all.

The previous Government had promised to democratise the economy yet we know how a few cronies close to power misappropriated, not to say expropriated, everything they could lay their hands on. I need not give examples, but will just refer to the recent report of the World Bank which shows that between 2007 and 2012, some 18,500 additional Mauritians became relatively poorer.

On assuming office, Madam Speaker, this Government reacted promptly by providing a substantial increase of 30% to beneficiaries of various social allocations and since, the latter are receiving some Rs80 m. every month. And I have all reasons to believe that the number of persons presently in relative poverty must have decreased significantly.

Madam Speaker, one of our main objectives is to eliminate extreme poverty by the end of this mandate. The Rt. hon. Prime Minister has more than once reiterated that commitment. The strategy to do so is being finalised through the Marshall Plan. But for the purpose of this present debate today, I shall not dwell further on this issue.

Madam Speaker, through this Bill our aim is to combat poverty from another perspective. When we talk about poverty we would refer generally either to the extreme poor or those who are in relative poverty, but there is also a segment which we very often failed to capture and about which we hear very little.

They are the moderate poor who, despite being in employment, remain impoverished and have very little chance of effectively moving out of the vicious circle of poverty. It is this category of workers, Madam Speaker, that we have first and foremost the intention to help through this Bill.

These workers who are usually active in the informal sector, executing a host of low-skilled and casual jobs such as labourers working in small vegetable plantations, lorry helpers engaged in employment with private owners, handy workers who are hired on a daily basis for different types of manual jobs.

Such workers, however willing they are to work hard, are unable to sell their labour for an income sufficient to maintain a decent standard of living. After feeding their family, paying for rent, utilities and other running expenses, they barely have anything left. They have no union to defend their cause. They have unpredictable schedules, work for long hours and are on holidays hardly a few days a year. These low-paid workers are in a precarious situation, barely surviving and any unfortunate or unexpected events such as illness or accident can be devastating and put them on dole.

This category of workers, Madam Speaker, deserves our respect and admiration because they never give up. They toil hard to provide for their loved ones and all of us should be forever grateful to them for the significant contribution they made and are still making to the economy.

For those workers who have no PRB, no Remuneration Order, we wish to create a benchmark below which their salary cannot go. By setting up a minimum wage, we are narrowing the income gap and indirectly ensuring a transfer from the wealthier to the poorer and thus promoting the development of an egalitarian society. We are also enhancing their bargaining power while providing a shield against exploitation.

Setting up a minimum wage policy will not only contribute in lifting workers out of poverty, but will also protect women's incomes and close the gender gap since women are disproportionately represented at the bottom of the occupational hierarchy and thus remain at the bottom of the income distribution.

We trust that the minimum wage will contribute in achieving Goal 5 of the SDGs which is: achieve gender equality and empower all women and girls.

In short, Madam Speaker, this Bill shall contribute in giving due recognition to the thousands of workers who have in one way or another contributed to the socio-economic development of our country. However, while proceeding on this route, we should thread cautiously. Despite the good intention of the Government, we should ensure that in trying to help the low wage earners we do not end up doing a disservice to them.

We should be alive to possible unintended consequences such as loss of employment, increases in cost of production which make us less competitive or which are ultimately shifted to the consumer, thus making goods inaccessible to the very poor we intend to help.

It is a very delicate balancing exercise to ensure on one side that the minimum wage is high enough to secure a socially accepted standard of living while ensuring that it is not too high in order not to cause unemployment. I, here also, wish to join in with the hon. Minister to appeal to the employers not to resort to downsizing and laying off of workers, but rather to assure their social responsibility.

The hon. Minister has given us examples of various countries where this policy has been successfully implemented and I am confident that here also we will be able to achieve the proper equilibrium.

Madam Speaker, this is a tall order, but we have the political will and shall leave no stone unturned to realise this objective whose overriding goal is to improve the quality of life of the working class of this country while ensuring equity, equality and social justice for all.

I, therefore, end up, Madam Speaker, by wishing the National Wage Consultative Council well in this endeavour and I thank all hon. Members for their attention.

Madam Speaker: Hon. Mrs Selvon!

(6.01 p.m.)

Mrs D. Selvon (Second Member for GRNW & Port Louis West): Madame la présidente, ma première remarque est qu'il est de notre devoir de créer le salaire minimal

pour tous les citoyens de ce pays sans discrimination aucune. Je suis donc pour le principe du salaire minimal et je voterai pour le projet de loi. Mais, je ne vais pas, pour autant, renoncer à mon devoir de dire des vérités qui s'imposent.

Un salaire minimal est tout à fait possible car nous sommes un pays où les ressources pour cela existent en dépit de ses difficultés économiques. Les riches continuent d'accumuler des fabuleuses richesses comme leur semblable à travers le monde avec ou sans crise économique ou financière. Donc, si le salaire minimal soulage quelque peu la misère qui, selon la banque mondiale et *Statistics Mauritius*, s'accroît à Maurice, il ne faut pas se limiter à l'égard des salaires seulement pour connaître l'ampleur de l'inégalité car il faut mesurer aussi l'inégalité dans la distribution des richesses. Revenus et richesses sont en effet deux notions différentes. Dans ce contexte d'ailleurs, je pense que Maurice a besoin d'une nouvelle génération de penseurs économiques et politiques pour ne pas rester figé dans la première moitié du XXe siècle comme c'est le cas en ce moment, en plein XXIe siècle où nous sommes, nous nous accrochons à des notions d'avant le déluge.

Madame la présidente, pour la première fois dans l'histoire du monde, on a eu une base de données phénoménale avec des chiffres sur deux siècles d'accumulation des richesses et des écarts de revenus pays par pays compilés par l'économiste français, Thomas Piketty, dans un ouvrage volumineux d'environ 700 pages.

Qui dit revenu dit salaires et salariés! Sur la base de cette étude, il est clair que salaire minimal ou pas, la pauvreté continuera de s'aggraver, les salaires ne pouvant pas suivre la courbe ascendante vertigineuse des richesses de la classe qui contrôle l'économie.

Piketty, comme d'autres, parmi les nouvelles générations de politiciens, d'économistes et de penseurs politiques, de gauche, à travers le monde, propose un impôt gradué et juste pour la richesse, pour un début de solution aux inégalités, comme je l'ai suggéré récemment, dans une interpellation parlementaire. Ce qui veut dire que les salariés sont toujours les perdants et les grands patrons, toujours les gagnants, car ils continueront à accumuler les richesses, salaire minimal ou pas. Pour le salaire minimal, le débat n'est plus sur son principe, car il est proposé à cette Chambre par l'honorable ministre du Travail, mais le problème qui se pose pour la classe ouvrière, c'est que le patronat, qui depuis l'indépendance, est choyé par tous les gouvernements pour son rôle, certes positif, dans le développement économique, n'en a pas moins été ouvertement hostile au cas où le salaire minimal est voté par cette Chambre aux autres avantages obtenus de haute lutte par la classe

ouvrière. Ainsi, je ne comprends pas pourquoi le patronat, depuis que le salaire minimal a été promis par l'Alliance Lepep, tente par tous les moyens d'abolir plusieurs gains des travailleurs obtenus en plusieurs décennies de lutte héroïque.

J'ai reçu dans ce contexte une lettre des dirigeants de la *General Workers Federation* et du *Joint Negotiating Panel* de l'industrie sucrière, signée par Messieurs Ashok Subron, Serge Jauffret et Devanand Ramjuttun. C'est bon si vous avez tous reçu la lettre. C'est très bien! Ils s'opposent avec raison à ce qu'ils considèrent une influence néfaste des patrons sur le projet de salaire minimal de l'actuel gouvernement. Cette lettre rappelle aussi la lutte des esclaves et des travailleurs engagés et de leurs descendants qu'ont de multiples agissements du patronat et ces trois syndicalistes considèrent que peu de choses ont changé et je les comprends parfaitement, étant née, moi-même, dans un camp sucrier, lieu d'une misère, que beaucoup dans cette Chambre trouveront difficile à comprendre.

La lettre cite des déclarations des patrons dans la presse demandant en échange du salaire minimal l'abolition de tous les *Remuneration Orders* de la compensation salariale annuelle et de la négociation collective. Il y a clairement des tentatives du patronat s'exprimant sur le salaire minimal d'amener le gouvernement à réduire la portée du même salaire minimal et casser les reins au mouvement syndical. Ce sont là des accusations très graves.

Madame la présidente, je propose, en conséquence, au gouvernement de tenir compte de ces critiques, faisant état d'une mesure, à première vue, progressiste et de se rendre compte que les critiques syndicales sont fondées, en fait, sur une réelle réduction des droits des travailleurs mauriciens depuis plus d'une dizaine d'années, notamment, sous l'ancien gouvernement.

Nous avons été élus sur une plateforme qui promettait, je cite –

« 12 mesures gouvernementales prioritaires dont celle-ci: introduire un salaire minimum pour les travailleurs au bas de l'échelle. »

La réplique des employeurs a été très brutale dans leur déclaration largement rapportée dans la presse. Les syndicats pensent qu'il y a aussi des mesures qui semblent incluses sous la pression des employeurs pour limiter carrément l'effet bénéfique de la loi proposée sur la classe ouvrière.

Madame la présidente, il est à noter que ce projet de loi est proposé dans une grande cacophonie concernant l'économie nationale. Il aurait dû s'accompagner d'une réduction du

chômage par une création substantielle d'emplois. Pour moindre création massive d'emplois comme promis et espérés, c'est cela un miracle économique ! Nous avons promis en 2014 à la fois une réduction du chômage et la création massive d'emplois grâce à un miracle économique. Pour l'instant, force est de constater que les choses se passent autrement et cela va pousser vers la baisse le montant final de l'éventuel salaire minimal.

Madame la présidente, je me prononce pour le projet de loi qui est devant nous, tout en invitant le gouvernement à revoir de fond en comble, son attitude envers tous les secteurs de l'économie formelle et aussi informelle, surtout que celle-ci est totalement négligée.

Merci, Madame la présidente.

Madam Speaker: Hon. Bholah!

(6.10 p.m.)

The Minister of Business, Enterprise and Cooperatives (Mr S. Bholah): Madam Speaker, I wish to commend the hon. Minister of Labour, Industrial Relations, Employment and Training for bringing this important piece of legislation in this House.

This Bill flows from the vision of this Government to adopt the philosophy of *développement à visage humain et chances égales pour tous* in all its endeavours.

Through the proposal to introduce a national minimum wage, we are indeed tackling an issue which concerns many Mauritian homes, that is, that of alleviation of poverty by increasing the standard of living of those at the low wage bracket.

In fact, it is interesting to note that the first national minimum wage law was passed in New Zealand as far back as 1894 and, today, we are in 2016. So, Madam Speaker, as a responsible and human Government, we are taking a step forward to change the lives of the most vulnerable workers of our society. The minimum wage has always been a hot-button issue for Members of the political community and for economists, as well.

However, it is a fact that some 190 countries in the world, across all continents, have successfully adopted a national minimum wage. It is a common fallacy, Madam Speaker, that a country's good economic performance guarantees a trickle-down effect on citizens who are at the bottom of the earning scale. This, unfortunately, is the principle failure of most economic models prevailing in today's world and there are numerous examples that we can cite:

- China, in spite of its successive economic booms, still has human rights and environmental problems that have a direct bearing on its population.
- India, on the strength of its good economic performance, has space programmes and yet millions of families in India don't even have a toilet.
- Russia has enormous amount of minerals, resources, but it has acute social problems that it is unable to address at this moment.

As policy-makers, we nevertheless have the golden opportunity to go beyond this systemic failure by introducing adequate legislation, notably like the national minimum wage so that those at the bottom of the ladder may also reap the benefits of a country's economic prosperity.

Madam Speaker, the introduction of the National Wage Consultative Council Bill which caters for the introduction of a national minimum wage is a shield that will protect workers at the lowest rung of the socio-economic ladder. These workers, many of whom represent marginalised groups, simply don't have the bargaining power to fight for a minimum living wage without Government's intervention.

We are all conscious of the fact that there are too many people who are exploited by what we call 'labour market monopsonist' and who are being paid unfairly low wages which are often too low to support themselves or their families. It is our duty and responsibility to ensure that our fellow countrymen have enough to live on.

The introduction of this new legal framework is a clear indication that this Government is keeping its finger on the pulse of the world agenda as a question of irradiation of poverty and ensuring prosperity for all or among the top goals of the 2030 Agenda for the Sustainable Development of the United Nations. We have catered for our elderly citizens by increasing their pension in December 2014 and now, through the introduction of the national minimum wage, we are showing our will to bring justice to the less fortunate of our society.

I am convinced, Madam Speaker, that every modern society stands the greatest chance of survival in face of stubborn odds when no one is left behind.

Meaningful change starts with a strong focus on our vulnerable citizens. A key consideration of this Government during its mandate is to reduce the gap between the rich and the poor, promote social justice as well as economic empowerment. The proposed national wage will act as an increased incentive for the unemployed to join the labour market

as opposed to other methods of transferring income to the poor that are not tied to employment such as food subsidies for the poor or welfare payments for the unemployed.

All the highlighted benefits will have the positive *boule de neige* effect on the vitality of our economy, as it will stimulate consumption by putting more money in the hands of low-income people who usually spend their entire pay cheques.

However, Madam Speaker, being Minister responsible for Small and Medium Enterprises, I have been solicited by numerous entrepreneurs who have expressed their apprehension with regard to the introduction of a national minimum wage. I must say, Madam Speaker, that I fully understand their concerns, which are indeed legitimate.

It is obvious that if larger enterprises have the capacity of accommodating an imposed minimum wage, smaller businesses like restaurants, pharmacies, hardware stores, mini supermarkets, etc., operate in a more precarious economic context. As an example, let us take the case of low-cost supermarkets around the island. It is a fact, Madam Speaker, that they are extremely popular among consumers due to their *prix imbattables*, a configuration solely enabled by the fact that the owners of those supermarkets consent to a low market.

Furthermore, a minimum wage will affect the profit margin of pharmacies too, given the fact that they are subjected to an imposed mark-up rate under the Maximum Mark-up Regulations made under the Consumer Protection (Price and Supplies) Control Act. Entrepreneurs I have met argue that, with a minimum wage for workers, they will then be the only persons bearing the financial burden for fighting poverty. When we walk in the shoes of entrepreneurs, we realise that it is of utmost importance that we attend to the conundrum that they will face with the possible knock-on effects.

Madam Speaker, any major reform proposed has its pros and cons. I have paid due attention to the potential drawbacks of a national minimum wage as expressed by our entrepreneurs. For such businesses, a national minimum wage can be equivalent to a marginal cost that would have a negative impact on profit. How do they usually absorb those marginal costs? Madam Speaker, to do so, they go to the extent of decreasing allowances and fringe benefits that are payable to employees; others might lay off workers or cut down on training or overtime costs. I am of the opinion that, as a responsible Government, we should be alert when it comes to such potential consequences.

Indeed, while Government is committed to ensuring that low waged workers are adequately paid by the introduction of this policy, it will also have to ensure that the minimum wage does not have an adverse effect on the profitability margin of small firms.

There is a need, Madam Speaker, to find a middle ground and to reach a consensus. It is important that we learn from countries like New Zealand, Australia, the United Kingdom, China, Indonesia and Thailand to see how they have managed the transition to the introduction of a minimum wage and how they are addressing the adverse effects of such a policy on small enterprises especially.

However, I wish to reassure the House as well as our entrepreneurs about the consultative spirit in which the National Wage Council will operate. It is also clear that the proposed Council, whose functions are clearly outlined and which makes provision for several cases and situations, advocates adaptability and dynamism with a review of the national minimum wage every five years and the formulation of recommendations for transitional arrangements for the introduction of a minimum wage for specific sectors of employment.

Madam Speaker, I am among those who are deeply disturbed by the cruel realisation that some hardworking families still have very little and struggle to make ends meet. That is why I believe that the introduction of the national minimum wage is due, and I am confident that the mechanism that will be endowed with this responsibility will have the capacity to come up with efficient mitigating measures in case of need.

I hereby urge all parties to go beyond the traditional for and against arguments and adopt a realistic point of view. A national minimum wage will stimulate consumption and thus put more money into the economy by allowing low-paid workers to spend more.

Madam Speaker, I hereby wish to express my pride for being part of a Government that is not only coming up today with a morale boosting measure, but that also walks the talk when it comes to the introduction of innovative and pioneering measures for the benefit of the Mauritian society at large. I strongly believe that the discussion of both sides of the minimum wage argument is productive as long as we are able to cooperate and work together for the overall aim underlying the introduction of a minimum wage, that is, to reduce poverty, increase standard of living and lessen inequality in our country.

I thank you for your attention.

(6.20 p.m.)

Mr S. Mohamed (First Member for Port Louis Maritime & Port Louis East):

Madam Speaker, I must say that when I received this piece of legislation and when I came to this Assembly for this debate, initially I was trying to address my mind to what exactly was being proposed by the hon. Minister, what was being proposed by Government. I was wondering whether it was in line with our policy; the policies and the vision of the Labour Party, and whether it was something that went totally against what we had worked for, what we had prepared, and what we had tried to introduce when we were in Government.

At the outset, let me thank the hon. Minister for his kind words. I mean, it is quite embarrassing, I must admit. It is nice of him, but it is embarrassing at the same time because in some way it forces me into a situation where I have to concede that he is being nice and to start my intervention by saying that he is being nice. Can you imagine what type of feat I would have to accomplish by trying to be nasty to him! That would not sound good. So, let me basically say that I thank him for his kind words, and for those who don't understand what I am trying to get at, they just have to listen very carefully or maybe they would not understand still, but it is not their fault. They just can't.

Let me just share with the august Assembly what we did when we were in Government - the Mauritius Labour Party -, and it is necessary to address the truths. Having a piece of legislation on national minimum wage is not simply a point in time today, this Tuesday, that we are debating this. It would be very economical and very wrong on our part if we were to limit this whole debate to what is going on today. What people have to realise and what people have to look into is what is the history behind this movement that started as far back as the beginning of the 1900s or even before. But, as far as I recall, as far as I have read, as far as the 1937 events, the beginning of changes in the labour movement - those are very important landmarks that have to be recorded, that have to be mentioned because it is not simply that I, as Minister of Labour between 2010 and 2014, decided, 'well, we are going to come up with minimum wage. Let us just call on Guy Ryder.'

(Interruptions)

Yes, it is. Let us just call Guy Ryder who was the Director General of the ILO and let us send some experts to Mauritius because we need to have a document and a research, and a working document to set up a minimum wage in Mauritius. This is just part of the equation, but not the whole story. The fact that the hon. Minister has brought it today is another part, an

important part of the equation, but not the whole story and it is important for us to go back in history to look at all the landmarks.

If I am to go back to 1934, the Minimum Wage Ordinance of 1934 found a lot of objections to its implementation. It is not as it was never implemented in 1934, but it was only in 1940 that we saw its implementation. That was referred to by the hon. Minister of Labour in his address when he explained that this only fixed minimum wages for agricultural labourers in Moka District only, and when we go all along from 1941 the Minimum Wage Ordinance that fixed a minimum rate of wages for all agricultural labourers and not those only in Moka only and we end up all through the 40s and the 50s, where the 1950's saw the establishment of Minimum Wages Advisory Boards and Commission to constitute wages board to advise on wages. So, this issue has always been a live issue. What today symbolises is, in fact, the struggle of workers' representatives, the struggle of individuals that have to be remembered and have to be given a position of importance in our history, in our country. People who have struggled for the rights and benefit of workers, wages, conditions of employment, it all started a long time ago.

And we are only but just one of the speck of sand in this whole global picture. Then we are – and I am very happy and proud that I have managed to contribute somehow to this whole equation. But in the big picture we are just a speck of sand and nothing else because when we are to look into what those people in history have achieved, it is amazing. It is amazing to read about the 1937, 27 June meeting held by the Labour Party at Camp Rabaud, Rivière du Poste where the following decisions were taken in 1937.

One, the working class of Camp Rabaud, Rivière du Poste assembled at the public meeting. It was the demand that the enforcement of the ordinance on minimum wages and fixation of salaries at a minimum of Rs3 in those days. It is important for us to put aside political differences because this is an issue of national importance. That is why I right away started out by congratulating the hon. Minister, thanking him for his kind words because he has risen above the political issues and the political arena, and the everyday differences that really do not really help us at every moment.

There was also another issue which was raised at the 1937 meeting, which was to ask Government to order an enquiry to be held on the dealings of the middlemen who purchased the canes and the hope that Government will take all the necessary measures for their protection.

Thirdly, revision of the Constitution giving the right to vote. Things started to move, the ground started to shake and, in those days, we go with the strike of 1937. The struggle in those days of the strikes of 1937, when workers were claiming their rights to redress grievances, to get that the simple issue like their working conditions would get better, and it was the first time in those days that Government found a necessity to create a well-structured dispute resolution system and a commission of enquiry was appointed in 1937. And when we go on, we see that so many things changed along the years, starting with the struggle, starting with the creation of the Labour Party itself that started in the Labour Movement, the movement for the struggle of workers where we started as a Party. These things must be remembered. It is all good and well to say that it is an important day today, but it is important also not only an important day for what we are doing today, but to pay homage to the fact that most if not almost all institutions created for the protection of workers in Mauritius bear the stamp and the seal of the Mauritius Labour Party. This is a historical fact. You look at the National Remuneration Board, this bears itself the seal of the Mauritius Labour Party. Look at each and every institution that has been created ever since 1938 with the leaders of the Labour Party. *Curé, Anquetil*, all those people, the creation of the Labour Department back in 1938, the establishment in 1943 of the Labour Advisory Board! 1944, 1949!

(Interruptions)

Madam Speaker, I have the impression that historical truths hurt certain sensibilities. Let me go on! I am not concerned about the end. If I may be allowed to, at least, address this august Assembly...

Madam Speaker: But nobody is interrupting you. You have well started.

Mr Mohamed: Thank you, Madam. I bow.

(Interruptions)

It is clear that some people will try to bow to the historical truths because what is a nation if it does not know its past. I am not talking about the Rt. hon. Prime Minister who knows history. Unfortunately, not everything stops at the footstep or at the door of the Rt. hon. Prime Minister, otherwise I would not make that comment. This is not what I am saying. But some others whom historical facts hurt because they do not find themselves in that history, because they have not marked history and if they continue on the trend of wanting to make politics out of everything, they will not mark history. So, I come back to my good friend the hon. Minister of Labour, he has marked history, take that point. When hon. Gayan came up

and said also with kind words addressed that to me, I was taken aback. I was saying, with hon. Gayan sending kind words to me there must be a hidden agenda.

(Interruptions)

But then again, since I found the Rt. hon. Prime Minister acknowledged that it had to be said, then I said to myself if the Rt. hon. Prime Minister is saying so, hon. Gayan therefore obviously is trying to follow suit. Let us not make a *procés d'intention* of what he was doing, but what I am trying to get at here today is history is important. If one goes to all the institutions that were created, the Labour institutions in 1974, 1975, 1976, 1977 and the 80s and how we ended up with the new Employment Legislation, the amendments of 2013, the amendments of 2015 with the new Government, changes in work conditions, but then, again, it would be unfair for me not to recognise as well how much the hon. Leader of the Opposition, as he was a young man then, had not contributed also to this Labour Movement.

It is necessary at some stage in one's life to recognise the importance of history and, in that history it also consists of the movement in the 1970s.

(Interruptions)

Yes, certain people; I myself at some point in time may have said that the strikes in those days did a lot of harm to the country, but when you put that aside, and when I had the opportunity and the honour of being Minister of Labour and I looked at what were the results that came about, there were good, concrete and positive results somehow. Not everything can be rosy in life, but one has to try to put aside the wrong and look at the positive. So, yes, the hon. Leader of the Opposition has marked history, and his Party and the members of his Party in those days have marked history. Yes!

As far as the signals and the hand signals that the hon. Vice-Prime Minister and the eyes that he is twinkling in my direction wishing that I also say that he has contributed to history. Let me say he has also contributed to history!

(Interruptions)

Madam Speaker: He has also been Minister of Labour!

Mr Mohamed: It is not every day - as he, himself, puts it in his own particular style - that we see someone who has been in the workers movement, suffer at the hands of a regime and turned to this regime and worked for that regime. Now, this is someone who has marked history.

(Interruptions)

And how he likes reminding us, in the struggle for the workers of this country he has seen the light, if I am not mistaken, he also talked about the flees, he talked about the helicopters, he talked about his lawyer, hon. Baloomoody who is here, who helped get him out, and I am wondering whether I should blame hon. Baloomoody for getting him freed.

(Interruptions)

History would have been different.

So, let us get back to the history that we are concerned with. When I met with Mr François Eyraud, it is necessary that I pay homage to him as well because he is someone who has got no interest of his own to protect. He is a professional. He has got no axe to grind, he has not got political points to score, he is there to give an objective opinion, and when I look at the CV of Mr François Eyraud who was delegated by the Director-General of ILO as a consultant to work on this particular report, it is necessary for me to remind the House that he had worked as a Researcher and a Professor at the University of Aix-en Provence as a Labour Economist for 15 years. It is necessary for me to also talk about the various *ouvrages* that he has authored, one of them being the Fundamentals of Minimum Wage Fixing ILO 2005, le salaire minimum, une perspective internationale, une encyclopédie des ressources humaines édition Vuibert 2012, pour une politique salariale équitable dans l'administration publique du Burundi, novembre 2012, Globalisation, Flexibilisation and Working Conditions in Asia and the Pacific, Chandos Publishing, Oxford 2008. So, this is indeed a gentleman who is very well informed about the issues surrounding minimum wage. And when he sent me his report on 11 September 2014 through the ILO Office in Madagascar, he said something important, but before I get to that, I think that since I paid homage to him, I would like to take this opportunity, Madam Speaker, to thank every single officer, Senior Inspector, every single Head Director, Assistant Director, the Permanent Secretaries and the actual Permanent Secretary of the Ministry of Labour, Industrial Relations, Employment and Training for their work and their contribution in this Report, because without them this Report would not have been here and without their work, their contribution and the then now still Adviser Dev Luchmun, he was also the adviser of the Ministry, where we recognise quality and we do not make political issues out of quality and this, I thank the hon. Minister for. I would like to pay homage to this team and all those who have retired in the meantime, because through them they have come up with an excellent Report that Mr François Eyraud has produced. And also,

it is necessary that I pay homage also to Mr Dan Cunniah of the ILO - not Callikan - because I remember how this Mauritian national, who has retired now from the ILO, has been very helpful to our delegation each time we went over to Geneva to meet with the ILO and he also has been instrumental in us getting the experts for this Report.

But it is important to read the first page of the Report, because I heard hon. Roopun talk about poverty and it is unfortunate that, in my humble view and I hope he does not take any wrong in my observations, he has tried to politicise this whole debate. But then, again, I mean that is his choice and he stands or falls by that but when he says that poverty in Mauritius has increased and he bases himself on a Report of the World Bank to say so, maybe he should say that the Report that is being referred to is, in fact, the World Bank Report of 2015 and that Report that he refers to is called 'Mauritius - Inclusiveness of growth and shared prosperity'. That is the Report that he refers to and that Report clearly says that absolute poverty declined in Mauritius from 8.5% in 2007 to 6.9% in 2012 and he talks about the inequality issue and that is why he chose to only refer to the paragraph that says - relative poverty has increased by .02, of 6 points. So, the complete picture is important because we cannot simply choose to refer to relative poverty because it suits the Government of the day but we forget at the same time when we quote a document we refer to which document it is, we refer to which year it is and what is the title of that document and we also refer to a complete quote by referring to the other aspect which is 'absolute poverty has declined'. So, if you want to politicise this whole debate it does not take us anywhere but what is important, as I said, Mr François Eyraud in the first page of his Report says -

“Today, less than 1% of the population is classified as poor.”

And here, he is referring to Mauritius.

“Mauritius is now positioning itself for another important transition.”

Now, those are his words and those are not words that were pronounced sometime after the election. It was his analysis as from 2013, gave a Report dated September 2014 and he says, and he congratulates Mauritius in the process that -

“Today, less than 1% of the population is classified as poor.”

That is an expert, whom I have said and I repeat, had no axe to grind, had no political marks scoring to make, he simply was an independent expert and he goes on to say -

“The Mauritian economy has shown sound growth over the last decade (with the exception of the year 2005).”

And then, he goes on to talk about the global crisis and the effects that it has had and how we had managed to stabilise growth around 3% to 4%.

“However – he says - it remains at a reasonable level by international standards.”

Now, those are important remarks that one cannot simply ignore because it would not be intellectually honest to ignore such things. But I read the Report at page 29, second paragraph and I quote, he says -

“However, before fixing a minimum wage, Mauritius has another issue to address: the type of minimum wage machinery to be implemented. For the time being, we have seen that there are two parallel mechanisms which support low wage workers: the compensation system and the Remuneration order system. International experiences show that simpler mechanisms are more easily understood and consequently more effectively enforced.”

And he goes on to advise Government -

“Therefore it is strongly advised not to add a new system to the ones which already exist, (...)”.

This is, very rarely does he advise; he makes suggestions, he makes proposals, he gives options to Government but in this, he says -

“(...) it is strongly advised not to add a new system to the ones which already exist, but rather (...)”, he goes on,

“(...) to reform the machinery as a whole and elaborate a single coherent and efficient system.”

Is this what the hon. Minister is proposing? His intentions are noble, his intentions I should congratulate him for, but, unfortunately, I believe that slightly more work can still be brought to this piece of legislation, if it is not now maybe along the way, that we have to concentrate on the possibility of not adding, as he says, a new system to the ones which already exist but rather to reform the machinery as a whole, a single coherent, efficient system.

This is what he proposes, but, Madam Speaker, I was lucky enough to receive a covering note and that covering note was from the Director of the ILO Office in Madagascar dated 11 September 2014. In that covering note when he sent me the report as I was then Minister, he said to me: “we would like to point out that the next step is to hold a tripartite meeting to discuss the findings”. This is precisely what we did because we believe in tripartism. He said: “to have a view of the tripartite constituents on the document”. Workshops were organised and the experts came to Mauritius where we made the report public. It was posted on the website. We received comments in those days from the tripartite constituents as to what they believe this whole report was about and their views. But it is most important also for me to remind the House here that I was lucky because I had the chance of meeting with Mr Eyraud and I had the chance of discussing with him and I had the chance of coming to the self-conclusion that we shared as to how this minimum wage should be implemented and allow me here, on another part of my intervention, now to say what I believe should be done.

Firstly, I believe that there should be two Committees. The Committee that is being created by virtue of this legislation is only one Council, but I am of the view that there should have been two. Not that the National Wage Consultative Council has the right to create a technical committee, but I believe that no committee should be subservient to a main committee. I believe that there should be two committees; one would be an executive committee and one would be a technical committee.

Secondly, the Executive Committee, in my humble view, could be organised in four groups; three independent members chosen among civil society. It should be mentioned in the piece of legislation, ‘civil society’ and that includes academics. It should not be left to the discretion and the choice any members of the executive because world trend has shown that the right of Ministers to decide on certain issues is being gradually eroded away and we are doing anyway with it. It has shown that. So, here we should talk about academics recognised in the country and accepted by all parties; at least, four trade union representatives or if you want to accommodate everyone, all the *central syndical*, they could be present. I mean the confederations, the representatives of employees, but two representatives of the Ministry of Labour, Industrial Relations, Employment and Training, and two representatives of the Ministry of Finance and Economic Development to be present on the Executive Committee. And the Chair of that Executive Committee should be chosen among the independent members.

Now, what about the technical committee which should also be created by legislation independently of the Executive Committee because they have two different tasks and the role of the technical committee is of utmost importance and they cannot be under the orders or the directives of any other person or any other committee. It has its own right to be there and it is an important role.

Therefore, that Committee should be constituted, Madam Speaker, of experts to provide the Executive Committee with relevant data and it should be staffed with people from the National Remuneration Board. It should be staffed by people from the Statistics Mauritius, from the PRB, Economists, Statisticians, Sociologists and now the experts to be recruited as Consultants depending on the needs of the Executive Committee. And what should have been the mandate over and above what I see here? It should be set up for a period of one year and not more. This Committee, the Council should be set up for a period of one year and not more. At the end of the period this Council should be able to recommend to Government the establishment of a national minimum wage level together with a mechanism of periodical adjustments.

So, the whole point of the work of Mr Eyraud is precisely this: to create the council, have an Executive Committee and at the same time have also a technical committee work for one year, get all the experts on-board and ensure that he can now advise Government on the establishment of this national minimum wage level and what mechanism is to be chosen. Because Mr Eyraud has references to possibilities; how do you calculate it; what would be good to Mauritius. He did say in his report that it should be left to the members of the Council to decide what would be the best option going forward; what would be in the national interest. Unfortunately, this choice is not being left to the constituents. As part of its mandate, it would not be sound policy to just add a minimum wage fixing system to the existing system and this is basically what has to be looked into.

Now, I am of the view that, as I said - I would not because I have said it does not in any way mean that we should not encourage the hon. Minister for the good work he has done - it is still time and I also believe that a certain stage we should look at other countries. For example, when we are considering to establish a minimum wage in Mauritius, look at other countries! The process of establishing minimum wage in the UK is well documented and I humbly advise, suggest and propose that this council should invite, at beginning of its work, one or several members of the UK Commission, the Low Pay Commission to expose the details to the Executive Committee of that Council, to explain the UK experience. And one

should look into the possibility of ensuring that we do not end up with a situation where we have a National Remuneration Board, where we have the salary compensation, where we have the PRB, where we have now the National Minimum Wage. This, for me, is something which I believe should be looked into and we should have a simpler system easier for everyone to understand and to foresee.

A last issue as a recommendation which I would like to make is, for the revision of the Remuneration Order and Compensation Systems. It is important for us to review the mandate of the Remuneration Order Board. The new role should be modified and it should be focused. Maybe what we could do is give a role to the NRB which is then to organise, on a periodic basis, a collective bargaining process by sector to review the wage rates and other working conditions in each sector because very often we don't have those collective-bargaining in various sectors, and then it could, therefore, be a reviewed method of work under the National Remuneration Board where the Remuneration Order Board would then become a facilitator for sectorial bipartite discussions by organising them and providing technical support. The name of the Remuneration Board could then be changed into the Sectorial Bargaining Committee and the National Remuneration Board into the Collective-Bargaining board. We have to review, but we cannot keep a *status quo* on the system.

So, having said that, I would like to, once again, say that the Labour Party has, each and every moment in history, each decade, whenever there have been changes brought to labour legislations, whenever there have been institutions created for labour, for workers...

(Interruptions)

the Labour Party has been present. The fact is...

(Interruptions)

Madam Speaker: Order! Order please!

Mr Mohamed: It's a truth!

(Interruptions)

Madam Speaker: Order!

Mr Mohamed: And, therefore, since it is the truth that is why I understand why it hurts! But what is most important again is, we have managed, in spite of certain people trying to disrupt what we are trying to do, which is being above party politics, on a very national issue.

Certain people will always have to add their voices to create disruption because without disruption they themselves do not exist. Without disruption they have no role. So, that is why...

(Interruptions)

Madam Speaker: Now, come back to the Bill!

Mr Mohamed: I am coming to the Bill, but I am being disturbed. What I am trying to get at here is that we have to be above party politics and this is precisely what we have tried to do.

I have made those suggestions in the name of the Mauritius Labour Party. I have made this necessary reference to history because somewhere, some place, certain people want to change history by obliterating truths. That is something we should all avoid in order for the future of this country, when our children turn back and see what has happened, how the struggle started from the moment of the abolition of slavery to today, but there has to be *une reconnaissance* that not only has one party contributed - the Labour Party in almost all of it, the oldest party - but all parties somehow, some place, have contributed to the advancement of the cause of workers. Today is the day of the hon. Minister of Labour, Industrial Relations, Employment and Training and I give it to him.

Madam Speaker: Hon. Rutnah!

(6.56 p.m.)

Mr S. Rutnah (Third Member for Piton & Rivière du Rempart): Madam Speaker, this cannot be today a greater day than ever existed in the struggle that workers have led in this country since time immemorial.

I heard very intently everything said by hon. Mohamed and I assure him that I will not add speck of salt to solve the equation, but I will solve the equation with a drop of honey so that it be sweet.

(Interruptions)

Madam Speaker, to set the scene right, we have heard a lot about history during his discourse. But, let me remind everybody in this House that history did not start insofar as Labour struggle is concerned from 1936 onwards, but it started when the vessel called 'Atlas' bordered the shore of Mauritius in 1860 with 36 indentured labourers who were then called

‘Coolies’. They used to be called ‘Hill Coolies’. Why ‘Hill Coolies’? Because they came from India, from that part of Bihar where there were hills.

(Interruptions)

Madam Speaker: Don’t interrupt, please!

(Interruptions)

Don’t interrupt!

Mr Rutnah: It’s Okay! My grandma used to say: “*Kutta bhonké hazaar, hathi chalé bazaar.*”

(Interruptions)

Madam Speaker, I was talking about those Hill Coolies who arrived on board of ‘Atlas’ from the hilly region of India. Since 1834, the struggle really started and we should never forget those who colonised our country and enslaved our people. Those struggles as well we should never forget. But, unfortunately, when the colonisers enslaved our people, they were not paid, they were beaten and there were no remunerations.

But, in 1834, a coolie was earning Rs5 a month if he is male and a female was earning Rs4 a month. The coolies have to work from 6 o’clock in the morning to 6 o’clock at night, Monday to Saturday and on Sundays, they had to do extra work and the struggle started there. Then, they signed a document in Calcutta, under the order of a stipendiary Magistrate called Mr MacFarlane in the District Court of Calcutta that they would be paid Rs5 and Rs4 respectively.

When they came to Mauritius, it was hard, they were struggling and then, until 1860, one eminent person, whom we always forget in the House when we talk about history, is Mr Adolphe de Plevitz. He was the spokesperson of all those who were struggling, all those who were looking for a better life and a better wage. Adolphe de Plevitz wrote himself the petition called ‘The Adolphe Petition’ to the Government of England and asked that matters be remedied in Mauritius. He was also a sugar planter from Nouvelle Découverte, but he was a French man. Thanks to his intervention, there was a Royal Commission set up and the workers, the coolies started to get some degree of dignity in their fight and struggle against oppression.

Madam Speaker, then, after a long time, in 1936, the Labour Party came. And I agree with what my very able friend, hon. Mohamed, said about the Labour Party of 1936, 1937

and onwards. The leadership of Maurice Curé, together with others like Jean Prosper, Assenje, Jeetoo, Samuel Barbe, Emmanuel Anquetil, Moutia and Pandit Sahadeo. That was the Labour Party. Thereafter, the Labour Party of Rozemont, three leaders at the time started by Curé, then Anquetil, then Rozemont. That was the Labour Party that was fighting for the people of this country.

Tactically, you may have heard hon. Mohamed never mentioned Sir Seewoosagur Ramgoolam and Navinchandra Ramgoolam. Tactically! Because he knows what happened in 1973 when the Labour Party brought the Industrial Relations Act in this House and what happened to the rights of many workers. That's why, tactically, no mention was made of the Labour Party of Sir Seewoosagur Ramgoolam. Never in the history of the struggle of workers, those who have been involved in those struggles, will ever forget the enactment of the Industrial Relations Act and the Public Order Act. Never!

Then, we also had the glorious days in 1969 when from the *Mouvement Etudiants Mauricien* took birth the *Mouvement Militant Mauricien*. Again, we should never forget the struggle that the Leader of the Opposition then brought for the betterment of the workers, introduction of the cost of living allowance, etc. These are history. We cannot erase history because we are not born with erasers. But, at the same time, we should never forget those words when the women went on strike *ki la police ek Riot Unit pas marche avec biberon*. We should never forget this, as well, in history.

So, Madam Speaker, it is a struggle of the people of Mauritius that started a while back and we have talked a lot about the Ordinance of 1934. Let me tell you how this Ordinance of 1934 came about.

It came about following the first struggle that Adolphe de Plevitz started and thereafter it continued until such time that the then rulers were forced to consider and to enact and to come with the Ordinance in 1934 to introduce the minimum wage and that was called the Minimum Wage Ordinance.

In 1939, introduction of the minimum wage only for agricultural workers and later - why 1939? Why from 1934 then came 1939? Because that is the reality that the Labour Party of M. Curé,...

(Interruptions)

Anquetil and others were putting pressure that there should be law in order to set up the legislative framework to respect people's right to a decent pay. Then came 1941 when the

situation was a bit harmonised. All the workers in this country were entitled to a decent pay. The 1934 Ordinance eventually was replaced by Regulation of Workers Ordinance of Wages and Conditions of Employment in 1961.

Madam Speaker, we have come a long way. The Minister who has presented this Bill was a good friend of mine at the Bar. He was then at the Bar fighting for the rights of workers at Industrial Court. Then he became a Magistrate, a man of justice. And the day when he said he was going to be a candidate for the general elections, I called him. I said: "What are you doing? Why did you resign?" He said: "My country needs me and I need to do justice for my country and I can't sit down in the District Court to do justice." And, today, he is doing justice to the workers of this country by bringing this legislation!

(Interruptions)

Madam Speaker...

(Interruptions)

My friend hon. Mohamed is not here because he has an important call to take...

(Interruptions)

But, let me deal with a few things more that he said. Because he said all the Members of this august Assembly have been doing politics and I am not doing politics.

(Interruptions)

And, I am not going to do politics and I am also not going to do sound bite politics like he did. Because when we do politics we have to be honest to ourselves and not try to erase the real fact of history.

(Interruptions)

Madam Speaker: Hon. Member, I reminded Members last time that there should be no phone in this august Assembly!

(Interruptions)

Mr Rutnah: Madam Speaker, what hon. Mohamed said at the very start he rhetorically asked these questions: first, what exactly is being proposed by the Minister and the Government? Secondly, whether this legislation is in line with the Labour Party policy? And then he said what Labour did when they were in Government. Then he started with

history. But, let me tell everybody something hon. Mohamed did not deal with the questions that he asked! And, let me tell you what he did when he was Minister of Labour.

Earlier on he tried to solve the puzzle for us, so to say. He tried to solve the puzzle and he said that we are part of the equation early. That is why I said I am going to solve this equation.

(Interruptions)

He really gave the impression that there should be two committees!

(Interruptions)

... one Executive Committee and one Technical Committee. That is what he said! He made it sound so simple that those who have not followed debates in the past would think that hon. Mohamed is really a genius who has been able to solve the puzzle that this Government is not able to solve and the hon. Minister is in a conundrum. But, look at what he said...

(Interruptions)

This was the question by hon. Ms S. Anquetil. I think she is related to Emmanuel Anquetil, if I am not mistaken. She asked a very nice question about minimum wage and I will not read everything, I will read only the operative part of it. And this is the reply...

(Interruptions)

It is quite long. She asked –

“(...) the Minister of Labour, Industrial Relations and Employment whether he will state if consideration will be given for the introduction of an across-the-board national minimum wage and, if so, give details thereof and, if not, why not.”

(Interruptions)

Addressed to hon. Shakeel Mohamed. Now, part of the answer was –

“For instance, there are some documents and experts that say that a national minimum wage is good because it sorts out and brings a solution to poverty alleviation. There are certain other experts that say that a national minimum wage would be very bad since it really destroys job creation.”

(Interruptions)

“So, it is a complex issue (...).”

So, when he is Minister of Labour this was a complex issue. When he sits on the other side; “there should be two committees, one Executive and the other one Technical.” So easy!

But, Madam Speaker, the reality is, like I said earlier on, we, especially I am not going to engage myself into sound bite politics. Let us look further...

(Interruptions)

To another supplementary question: ‘whether it would be good for job creation, must it live side by side with the National Remuneration Board or must we do away with the National Remuneration Board? Is it good for the country? Then, furthermore about the National Remuneration Board and this time a question – I see hon. Ganoo smiling and he knows what I am coming with.

(Interruptions)

Hon. Ganoo.

Madam Speaker: Don’t engage in conversation with the orator, please!

Let him talk!

(Interruptions)

Mr Rutnah: I think the hon. Member is enjoying the show!

(Interruptions)

Madam Speaker: Yes, but he should not disrupt you!

(Interruptions)

Mr Rutnah: Madam Speaker, this is a question from hon. Ganoo. Following a question from my very good friend, hon. Obeegadoo, who earlier on asked a question, thereafter it was hon. Ganoo saying –

“Did I understand the hon. Minister to be saying that the introduction of the National Minimum Wage tantamounts to the doing away of the National Remuneration Board?”

And, part of the answer was –

“(...) if we do come ahead, if we are advised to do it, what form will it take? We want to listen from the experts as to whether it can live or stand side by side with the

National Remuneration Board, or maybe we have to do away with it and come up with a new system altogether in the interest of the country and the workers.”

Yes, he was desiring about it when he was in Government; he was desiring! He was not saying then, ‘look, if the national minimum wage will come, either it will be a boy or a girl, either we do away with the NRB or it will have to run side by side.’ Questions after questions put to him, answers after answers, he was simply desiring. But now that he is in the Opposition, he cannot expect us, within 16 months of Government, to come and clean all the mess that has been left since ages in this country.

When we campaigned during the 2014 election, what did we campaign for? We campaigned for alleviation of poverty, and how to do it is to bring what we use to call and what the Prime Minister uses to call *la paix sociale* and *l’harmonie sociale* in the country. Once we achieve *la paix sociale* and *l’harmonie sociale*, then we can have peace in the country and we can then progress as a nation, socially and economically. Without stability, we cannot do that, and that is why one of the themes of our campaign was to bring a national minimum wage. We have been criticised by hon. Baloomoody, for example, that this was in our manifesto and that we were going to accomplish it in the first three months of Government. But, yes, it takes time! We have to live in the real world!

The Minister concerned already set up, just after election, a study. He started to look into matters. It took time because there was the report of Mr François Eyraud and then he had to carry out his own research, he had to engage the officers who are involved with him at the Ministry of Labour, Industrial Relations, Employment and Training. Then, after having carefully studied all the aspects and the economic impact of the national minimum wage, now he has come, quite rightly - quite rightly - with this law, with this Bill called the National Wage Consultative Council.

Now, it is not the function of this Council to say what will be the national minimum wage just by simply dreaming one day and coming up with something. No, it is not like that. What this Bill is doing is simply creating a council and the council is going to have its own framework, where workers’ representatives will be involved, employers will be involved, there will be representatives of the NRB and the PRB, there will also be other professionals, representatives of various departments who will be there to make a reasoned decision to recommend. They are not going to decide; they are going to recommend what would be the

acceptable quantum of the minimum wage, and it is then onward that decision will be taken as to the quantum.

The hon. Minister has also been criticised that he did not hold sufficient consultations. Although hon. Baloomoody made certain criticisms about consultations, that trade unions' representatives were not contacted, no consultations were held with them, when my very good friend, hon. Ramful, was on his feet, he conceded that the hon. Minister did, in fact, consult the trade unions and, across the board, the trade unions have in principle agreed with the present Bill as it is, subject to the amendments that have been proposed by the Minister on the other day, namely clause 5, clause 10 and clause 18.

(Interruptions)

Now that I have been interrupted, let me say one more thing about what he said about remuneration. This is about the struggle that bus workers were into, and this is in August 2014 *s'il vous plaît! Lexpress.mu* - a nice picture of Mr Ashock Subron and Reaz Chuttoo, Madam Speaker. And the dispute was partly about what?

« (...) le gouvernement ne promulgue pas la nouvelle grille salariale du National Remuneration Board (NRB). »

« Ce dernier a, entre autres, recommandé une hausse salariale variant entre 7 % et 34 %, selon les différentes catégories d'emploi. »

And look at this ! -

« Le ministre Shakeel Mohamed a soutenu, dans un premier temps, que les compagnies d'autobus seront incapables d'en absorber le coût estimé à R 440 millions pour l'ensemble de l'industrie. »

He was technically the *porte-parole de l'industrie du bus*.

« Il a, cependant, changé son fusil d'épaule en affirmant qu'il serait illégal d'accorder une nouvelle augmentation aux employés de ce secteur. Ce qui a contribué à attiser la colère des travailleurs. »

« Les contraintes légales auxquelles fait référence Shakeel Mohamed ne sont que de faux prétextes pour ne pas donner aux travailleurs leur dû. La vérité est que le ministre est en train d'utiliser son pouvoir discrétionnaire en faveur du patronat. »

This is not from me.

Madam Speaker, I see notes are coming to me, but before I end, let me say this. This Government, with the current leadership - some people criticise that there is no leadership in Government as if when they were in Government, they were big leaders!

(Interruptions)

Yes, part-time Prime Minister! And thanks to the prime ministership of Sir Anerood Jugnauth today, we are in this House, through the Minister of Labour, making history. Why making history? Because we are technically endorsing what has been said in the United Nations Declaration of Human Rights, in particular at Articles 23 and 25. For the sake of completeness, I propose to read what is said in Articles 23 and 25.

Article 23 –

“Everyone has the right to work, to just condition of work, to protect against unemployment, to sufficient pay to ensure a dignified existence for oneself and one’s family.”

Article 25 –

“Everyone has the right to a decent standard of living, adequate for health and well-being, including enough food, clothing, housing, medical care and necessary social services.”

Madam Speaker, I am sure, by the end of our mandate, this Government will be able to drive this country to be fully compliant with these two Articles of the United Nations Declaration of Human Rights, and on this note, I thank everybody.

(7.24 p.m)

Mrs R. Jadoo-Jaunbocus (Second Member for Port Louis South & Port Louis Central): Madam Speaker, on this high note, I have to say that I am very honoured to be able to intervene, to add my voice to this really important and very marking piece of legislation.

The Government of Mauritius is now positioning itself for a very important transition. It has embarked upon a challenge, that is, to bring a second economic miracle to the country and this will be done through transforming Mauritius into a high-income country by 2030.

Now, this Government in order to achieve what has come up with the National Wage Consultative Council Bill, as it is styled with all the amendments that have been proposed, and circulated, all that have been heard through in this House, and I have to say from the last

Sitting to today, appear to be a distortion of what the reality is and what this Bill represents. The Government brings a piece of legislation, a Bill to this House with the intent to change the life and better the life of our Mauritian workers, to put into reality an electoral promise, and what we hear in this House is that we are too late, it is not good enough. But never what is done by any Government will be perfect. There is no such thing as perfection. We strive to bring change and through this Bill, Madam Speaker, this Government, the hon. Minister, whom I highly commend for coming up with this piece of legislation at this point in time, I really feel that this is the meaningful change that this Government is talking about. Everybody is talking about we are too late with it, the environment is not right, the economic situation is not right, yet in the teeth of all that, hon. Minister Callichurn comes with this piece of law talking to all the representatives of the syndicates.

I salute the hon. Minister and I think it is highly commendable of him to come up with such a piece of legislation. Indeed, he has the mettle of someone to turn away from practice, to turn away from his profession to come and save the workers of this country and we should indeed encourage such endeavours. We should say thank you for putting into legislation form what our Government has talked about in the course of our electoral campaign and putting it into life.

What we also have heard is that this Bill has been really criticised in that the Minister has retained a lot of power and trying to control the Council through the Board members. But that, I believe, has been said without actually taking into account the amendment that has been circulated, Clause 10 (4) of the Bill, which says that the Chairperson shall not be actively engaged in politics. So, it is very much clearly stipulated in the Bill and it is the Minister who is responsible - I shall talk about consultation if I have the time later on - that is, the Minister who responds to such consultation, who comes up with such amendments. The point which I wanted to say is that the hon. Minister has been criticised for trying to retain powers and that he will have leverage over the Council, but we forget to read Clause 17 (1) in its context, that is -

“The Minister may give such written directions of a general character to the Council, not inconsistent with this Act, (...).”

So, in no way is the hon. Minister retaining any kind of leverage, any kind of power that this House fears as has been done in the past. This is not a hire and fire Government. This is a Government *pour le peuple*, this is a Government for people who are working hard out there and are awaiting for meaningful change to happen, for the wages to be looked at and coming up with changes in just like that with minimum wages is not in consonance with the ILO Report that has been cited so much in this House. I have been so surprised when I heard different hon. Members on the other side of the House citing this ILO Report of Mr François Eyraud. What is said in the Report and what has been cited a lot is, yes, indeed, we need to come up with a system, but what we forget is that what has not been cited in this House is what is said in that Report, that -

“The aim of this technical report is to assess its efficiency both in term of supporting low wage earners and governance. Alternative minimum wage fixing systems will be then presented.”

It never talks about setting out the minimum wage; it talks about the system, and it is said that -

“This report does not aim to recommend the implementation of a newly ready-made minimum wage fixing system but at providing the stakeholders with the relevant information helping them to figure out the changes they think should be made to the current systems. There is no ideal minimum wage system.”

And I repeat, it is said clearly in bold that -

“There is no ideal minimum wage system. The best system is the one elaborated through social dialogue leading to a compromise.”

This is what it is all about and this is what the National Consultative Council Bill is all about. It is about dialogue, and we see through the various amendments that have come to the Bill, it is all about talking to different parties, the spirit of what ILO recommends, tripartite.

The House has heard about the two systems, that is, the annual salary compensation system and the remuneration order system. This has been lengthily addressed and embroiled upon in this House, so I will not go into this, but what I will say, and what the Report says

about those two systems is that the mechanism which tends to focus mostly on low earners is that it looks at increasing the higher rate for low wage earners and lower for higher wage earners. In fact, the other system, that is, the remuneration order system tends to actually go and look at only 50% of workers. That is, it tends to be partial in its approach. This is why this Government and the Minister of Labour, Industrial Relations, Employment and Training has come up with this Bill which sort of fills in the gap. It sort of comes and adds to what it is all about, we have the remuneration order system through the NRB, then we have the tripartite which is already there and it furthermore anchored into sub clause 10, if I may, that is when it talks about the Board and it gives the chance, and this again, has been highly criticised; but when we look at clause 10, we have a representative of the PMO, a representative of the Ministry, representatives for all the relevant sectors, business, agriculture, industry, tourism and, most importantly, we have a representative from the NRB, that is, the Remuneration Analyst, the Director of the PRB, a representative of Statistics Mauritius, seven members of the organisations of employers together with four members of workers organisation and this has been again brought by amendment after extensive consultation. In the conclusive paragraph of the ILO Report, which again is, *comme on dit, le favori* of this House on the other side citing it, it says -

“To be sustainable, such a system should be the result of a large debate and social dialogue.”

This is what has been going on since the First Reading of the Bill.

There has been dialogue, there has been exchange, there has been consultation, but I also read, Madam Speaker, when I look at, I had to go and Google what ‘consultation’ means, because when I listened to the other side of the House, ‘consultation’ means: I am telling to do this and you must do this.

This is not what ‘consultation’ means. ‘Consultation’ means a dialogue, a discussion, a discourse, a debate, a negotiation, deliberation. It does not mean what is being thrust upon this House, that is, what we say is what you should put in the legislation.

In its concluding paragraph, this report says—

“All these facts and data should be used to start an examination of the best options to reform the current system of minimum wage fixing (...).”

Of course, the Council will be making recommendations for a national minimum wage, both in the private and public sector together with payment of additional remuneration as set

out to offset - I am sure, there is a piece of paper, which is going around this side of the House. So, I will slow down, but I will take one minute to wrap-up, if I may – any increase in the cost of living every year. What is being engaged upon is, a balancing exercise will be carried out. We cannot look at a utopic world. On one side we have what everybody wants the best in terms of wages for employees. Of course, we are a caring Government and this is what we want, but in so doing we have to look at the reality of what we are doing. We have to look at the context in which it is being done. We have to look at what SMEs are saying because this is the reality not only in Mauritius, but if you go to Ireland, you go to the States, everywhere you go to, the first reaction that you get with increase in minimum wages, increase in wages is, how will SMEs survive? How will businesses survive? And I had heard the appeal of hon. Bholah earlier on when he talked about Small and Medium Enterprises and this is actually true. So, in looking at all this and in coming up with this Bill as it is styled, the hon. Minister has taken the impact upon economy, upon employment or unemployment as will be affected, has taken the impact upon inflation and also upon poverty level. So, intrinsically it is a balanced exercise of all these elements before we can come up with the Bill and that is why Mr Eyraud, in his report, said: “There is no simple system. There is no one perfect system”. And when will this House understand that this Government is coming with change for the people, but in so doing it has to balance, it has to take into account all these factors and it has to ensure at the same time a minimum comfort and eradication of poverty for those at the lower rung, but at the same time ensure the survival of those who will be paying those lower rung because if we *anéanti* all those, if we kill all these enterprises that are budding and that we want them for this economic development, then at the end of the day, one can hear already what the other side of the House will be saying on political platforms that, “this Government has killed all development.” So, we have to balance. We are not saying: “No, we cannot do it” as has been cited by hon. Rutnah earlier on. What we are saying is, we are doing a balancing exercise. We are being realistic, but we are not shying away from our responsibility and this is important. This is very important. We have said something and however it is, we are going to put it into reality. This is the Government, with our Rt. hon. Prime Minister who always says: “we have been given a mandate, like it or not, we will do it to the best of our ability”.

I thank you, Madam Speaker. I have a lot more to say, but I thank you, Madam Speaker, because time is up I understand.

(7.38 p.m.)

Mr S. Fowdar (Third Member for Grand’Baie & Poudre D’Or): Thank you, Madam Speaker. Madam Speaker, this is a very popular Bill. It is a Bill going in the right direction and we have 25 orators. Everybody wants to speak about the Bill because it is really a landmark in the history of Mauritius.

Madam Speaker, this is a long-awaited Bill. I am not going to be long because I have been told to speak only for 8 or 10 minutes. So, I will be very short, but I want to raise a few points which I didn’t hear the other orators raising them.

This long-awaited Bill, Madam Speaker, is definitely a positive move to fight against human injustice. It is also a positive move towards social justice. Now, the whole idea here, Madam Speaker, is to reduce the level of Gini coefficient, that is, the gap between the high-end workers earning high-end salaries and the low paid workers. And this is not an easy thing because reducing the Gini coefficient is not without any loss of job, loss in employment. If we are introducing a Minimum Wage Policy, it is definitely we will have to have some economic disturbance and this is proved by past experiences in other countries. So, we need to measure the opportunity costs of introducing a Minimum Wage Policy. There needs to be a trade-off between the level of decrease in the Gini coefficient and the decrease in employment, if any. Hopefully, there won’t be any loss in employment.

Madam Speaker, Minimum Wage Policies have always been followed by some job losses everywhere around the world. Now, quite recently, in 2010, President Obama had to suspend a law in the American Samoa because it was predicted that two third of the labour force from the private sector, people will be going to lose their job. Two third of them! And he had to suspend the law and give it some time before they brought it back in a couple of years’ time.

In the past also we have seen, in 1973, because of the oil price shock, many countries suspended the Minimum Wage Policy because there were definitely major economic disturbances. Therefore, Madam Speaker, this is a very delicate matter. And I need to congratulate the hon. Minister. It is a very bold decision because this can make or break. It is something very delicate if it is not taken seriously, it can create havoc. So, the hon. Minister has taken this decision to bring the Bill and I was talking to him earlier, he is targeting to bring a minimum wage within a year of this Bill. Positive move!

The minimum wage, Madam Speaker, we have seen in other countries, the economics of it has created three things: job losses, inflation and a middle income trap. Past experiences

appear to show that a Minimum Wage Policy may provoke temporary job losses. They are not permanent job losses because people who are highly paid, they consume more and in turn production increases and in turn there are new jobs created. With a little bit of training and re-training, that is what you need to prepare before the minimum wage comes in force, we need to train and re-train; those people who will fall in the trap of job losses they can get out of it quite quickly and easily.

The minimum wage everywhere has caused inflationary effect. It is very simple. Firms have got three choices when they are faced with increase in salaries. They can either spare themselves of their profits, that is, they make less profit or they cut down cost, they reduce employment or they can raise prices of the product. Now, we know that there is no entrepreneur who would like to decrease their profit. Just on the contrary, they would like to increase their profit and they would do two things: either they would decrease the jobs, cut down cost or they would raise prices. And we know there will be social pressure, Government pressure, they would very unlikely reduce job, but they would raise prices. Now, this will have a spiral effect and this would create inflation.

Madam Speaker, therefore, it is inevitable that there would be price rises and that would create inflationary effect in the economy. Therefore, it is very important that the Minimum Wage Policy must be properly planned, properly implemented and properly controlled to reduce the negative effects it brings.

Madam Speaker, there is also a key role which the Bank of Mauritius will have to play when we come to this inflationary effect. They will have to fine-tune it with the Monetary Policy with the help of Government so that it has less effect on the economy.

Now, taking all this into account, Madam Speaker, this is why we understand that all previous Governments have been very reluctant to bring a minimum wage policy. I heard the Member, on the other side, saying that the Labour Government has always been on the side of workers, but this is a very, very bold decision which no Government would venture to do, to bring in, unless it is sure what it is doing.

Therefore, again, I would congratulate the hon. Prime Minister, the Government and the Minister of Labour to come up with this Bill which I am all for it.

Madam Speaker, therefore, in order to make a success of this venture, all precautions must be taken so that we don't need to backpedal just like President Obama did in the American Samoa.

I think the minimum wage must be a tolerable one so that it does not discourage the entrepreneurs to do business, to keep jobs and to create jobs, but, at the same time, it must also not leave the workers unhappy.

As such, Madam Speaker, I will, once again, humbly request the Ministry of Labour to carefully and seriously prepare for this new event so that it can reduce the level of temporary job losses, if any, by organising re-skilling, multi-skilling programmes to enable the workers to transition to other jobs.

I thank you, Madam Speaker.

Madam Speaker: Hon. Ganoo!

(7.46 p.m.)

Mr A. Ganoo (First Member for Savanne & Black River): Madam Speaker, there is no doubt that, with the adoption of this Bill by the House today, this will constitute *une avancée* in the fight, struggle of the trade unionists in this country and also *une avancée* for the working class of this country.

I see this Bill in the context of the fight against poverty. I see this Bill, Madam Speaker, as one of the battery of measures to reduce poverty in this country. I have a few reservations about the Bill. I will come to these reservations in a few minutes, but, by way of introduction, I must say, Madam Speaker, that - my friend, hon. Shakeel Mohamed, a few minutes ago, talked about this World Bank Report and the situation in the country from 2007 to 2012 with regard to the state of poverty in our country - this Bill is an answer, perhaps a modest contribution to be able to redress the situation in our country.

I will not come to talk about poverty here and try to involve the House in a debate about what is poverty, absolute poverty, relative poverty, moderate poverty and so on, Madam Speaker, but, in a nutshell, what this report told us was that there has been in Mauritius *une mauvaise redistribution de la prospérité et des fruits de la croissance*. This is how the report elaborates on the erosion of the middle-class in this country, of the young face of poverty, how 30% of the poorest households in this country are headed by women and so on and so forth.

Therefore, there is no doubt that the setting-up of a minimum wage in any country is a redistributive tool. I am using the word of Mr Eyraud, I think. He said it at one time in his

report. I am sure all of us who have read this report will remember this expression when he said the setting-up of a minimum wage system in a country is, in fact, a redistributive tool.

Therefore, Madam Speaker, this is why when this Bill was first made public in the country some two weeks ago, just one week before the celebration of the Labour Day or 10 days, my party, the *Mouvement Patriotique*, we were the first political party, as far as I remember, to comment on the proposals in this Bill. We supported the various trade unions at that time who had expressed their dissatisfaction, their reservations on the initial proposals made by the Government in the Bill. We expressed our disapproval also with regard to the clauses which had been criticised by the unions and time passed by, the outcry became consistent and more intense.

Fortunately, I must say that the Minister showed a lot of openness. He started to consult the unions. I know he met them, different confederations, discussions took place and the hon. Minister rightly agreed to the proposals for amendments to make the Bill more acceptable to one and all. The amendments which have been circulated last week and which will be moved by the hon. Minister at Committee Stage go in the right direction. They have taken care of most of the grievances expressed by the unions, but there still remain a few issues on which some of the confederations still do not agree with the proposals in the Bill. We would have wished that there is a consensus on this Bill, Madam Speaker, that all the confederations approve, support the Bill so that this Council can start to sit *en toute sérénité*. The work starts and we move on with the possibility of setting up a minimum wage in this country.

At the start, Madam Speaker, when we have listened to all that has been said in this House since last Tuesday, when we look at the amendments brought by the Minister which will be proposed during Committee Stage, I wonder whether the title of this Bill is correct: The National Wage Consultative Council Bill. This is an argument, a proposal, a suggestion that has been made by one of the confederations. Shouldn't this Bill had been named - I think the proper title should have been - 'The National Minimum Wage Consultative Council Bill'. This Council will not reflect or will not deliberate on the wage policy of this country. This Council will not be another wage setting mechanism in our country. It will deliberate, it will reflect, it will propose a minimum wage, not the wage.

This is why I think this Bill should have been entitled the National Minimum Wage Consultative Council Bill. Because, I repeat, it will reflect, deliberate, discuss and propose

what should be the national minimum wage in this country, the more so, as the Minister now has removed from the Bill the question concerning the tripartite negotiations and the salary compensation. This salary compensation relates to the wages of all the workers in this country. At that time perhaps when this was in the Bill, possibly, the Bill could have had the title National Wage Consultative Council Bill. Now that the question of the salary compensation, the tripartite negotiations have been eliminated from this Bill, this Bill has nothing to do with wage setting mechanism and wage proposals. What this Bill will do, it will propose a national minimum wage to the poorest workers of this country.

That is why, Madam Speaker, without any doubt, if things work as they have to work - and I will elaborate on what I am saying - there is no doubt, as I said, that this Bill will constitute a progress for the working class and the trade unions of this country. This Bill, if it comes with the proper minimum wage, will reduce the working poor, will reduce the gender pay gap, will reduce overall inequality and will certainly limit the increase of *l'inégalité sociale* in our country. The poorest workers are the targets of this Bill. The poorest segment of our population is the target of this minimum wage legislation, Madam Speaker.

I come back to this question of the tripartite negotiations which has been removed from this Bill. The hon. Minister has taken the right decision. Contrary to what hon. Rughoobur was saying earlier on when he took the floor, to my mind, Madam Speaker, by removing the issue of the payment of additional remuneration which takes place every year from the purview of this Bill, again the hon. Minister has gone in the right direction. This is indeed a commendable decision because time and again in this House when the issue of tripartite negotiations cropped up, especially under the mandate of the last Labour Government, many of us systematically and consistently opposed the idea of doing away with this practice which had for decades now become part and parcel of a wage setting framework in our country. This tripartite negotiation has got the virtue of providing the so much needed social stability in our country.

As we all know, although at the end of the day the unions are not always satisfied with the percentage increase in the wages proposed after the tripartite exercise, we know for the years that had passed that this exercise has helped enormously in the social stability in our country. That is why, Madam Speaker, in December last year when the Additional Remuneration Bill was being debated in this very House, I reiterated that the tripartite has been enshrined in our economic system and has become a centrepiece of our economic life and the present Government - I said that in December when we were discussing the

Additional Remuneration Bill - should not repeat the dreadful experience of the previous regime which had at one time set up the National Wage Council thus giving the death blow to tripartite negotiations. I even remember in December last having warned Government that Government should be very careful about trying to prop up a new institution which might kill, sign the death warrant of the spirit of tripartite negotiations. And, I am very happy that the Minister came back on his decision.

Madam Speaker, as the previous orator before me has said, in fact there is no ideal minimum wage system and, to quote from Mr Eyraud, I think hon. Mrs Jadoo-Jaunbocus just said it –

“The best system is the one elaborated through social dialogue leading to consensus.”

This is the key issue, Madam Speaker, how much dialogue has been achieved, on what basis has the body, the institution, the council, been set up and has there been sufficient consensus through the social dialogue.

Madam Speaker, this is why to me the independence of this Council is at the heart of the issue that we are debating today. I must say it is very unfortunate that, to me, not sufficient independence and autonomy has been given to this National Minimum Wage Consultative Council and I will elaborate in a few minutes, Madam Speaker, why do I say that.

(Interruptions)

Madam Speaker, I must say I listened very attentively to hon. Uteem and he said the right things. I will not repeat what he has said. There are a few issues which have to be highlighted when we are talking about such a Bill. Firstly, what mechanism should be adopted for the introduction of the minimum wage? The first key question: should it be a tripartite body? Should it be a multi-sectoral body set up by Government or should the national minimum wage be proposed by Government itself? There are different formulae. Government alone, Government upon consultation of social partners, Government following the recommendation of a specialised body, Government after consultation of a specialised body or the specialised body on its own or by way of collective bargaining between the social partners.

There is an incredible variety of ways in terms of procedures for fixing the national minimum wage. In some countries, Madam Speaker, there are statutory minimum wage systems and in others, as I just said, the trade unions are stronger in terms of maturity and

experience, have a lot in terms of track record. They are the result of a well-established collective bargaining process. In others, as I said, it is a public authority which has been set up to propose the minimum wage.

Therefore, Madam Speaker, with regard to the question of procedure there are more or less two systems; one is the determination by Government following a period of negotiation with the Tripartite Committee and the second one is that of a Tripartite Committee itself fixing the minimum wage rates and the Government afterwards confirming the decision. But, be that as it may, Madam Speaker, even when we read the report of Mr Eyraud, the report that we are all quoting or another report which my friend, hon. Shakeel Mohamed, alluded to: Fundamentals of Minimum Wage. If my memory serves me right, in fact, in the report of Mr Eyraud that is before us, to me Mr Eyraud seems to be suggesting different things, during different times, at different pages in his report, Madam Speaker. In the other report which I have just mentioned Mr Eyraud went to say that -

“It is clear that the most popular system is minimum wage determination by Government followed by tripartite or bipartite system”.

This is why I think at the beginning the unions in the country were claiming that it was not for Government to have taken the responsibility of setting the minimum wage as they were claiming right when the Bill was first made public because this proposal is in line with what takes place in many other countries. But whatever be it, Madam Speaker, I think whether it is Government alone itself or whether after consultation with the tripartite organisation/bodies or whether it is the formula that we are suggesting in this Bill, what is more important to me is the independence, the autonomy of this body, of this institution.

Unfortunately, when we look at our Bill, when we look at the three sections in fact, in a nutshell, what are the proposals in this Bill, that in terms of composition 29 members and the majority are appointed by the Minister. The Minister has the right at the end of the day to reject the report although he has to come to the National Assembly and give the reasons for that. After all this work would have been done, he has the final say. In another section, he can give directives to this Council which must comply with whatever directives he gives. So, these are the three main sections which, according to me, go at the root of what is important in such a Bill, in such an issue, Madam Speaker, the autonomy, the independence of this Council.

So, I would have thought, Madam Speaker, that we have to review one or two clauses. The hon. Minister would be well advised to have a fresh look at one or two clauses of this Bill, especially the one which is still hurting the union, that it is the Minister who will appoint the representatives of the trade union of the Confederations, Madam Speaker. I think this is an insult to the Trade Union Confederations and I have talked to the hon. Minister pleading to him, imploring him to have a fresh look at this question of the appointment of the trade unionist. The seven trade unionists will be appointed by the hon. Minister in consultation as it is spelt out in the Bill, but according to me, the unions are right to claim that it should have been left to the trade unions to designate their own representatives in this Council.

So, when we look at this Bill from this perspective, I will not say the *mainmise*, but there is, Madam Speaker, a suspicion that the hon. Minister might have a hidden agenda in terms of the composition of the Council, in terms of the appointment of the seven members representing the union. This is why, I think, the refusal by the hon. Minister to take on board this reasonable and justified proposal of the union give credence to the criticism made by the trade unions and the Opposition that the hon. Minister might have a hidden agenda and wants to control the Council. I think the hon. Minister should reconsider amending this particular clause at Committee Stage.

Madam Speaker, regarding this Clause 17 of the Bill where it is stipulated that –

“The Minister may give such written directions of a general character to the Council, (...), and the Council shall comply to, with his directions”.

I have this to say to the hon. Minister and to the Government - this Clause is a very classical and a very common provision in our laws. This prerogative, true I agree, I concede, is a prerogative offered to any Minister when Government set up a statutory body or a parastatal organisation. We have seen it in many Bills or in many Acts that we have in our statute book. In the present case, Madam Speaker, the situation is different. Today, we are not setting up a classical parastatal organisation or a classical statutory body. We are setting up a body and institution which is tripartite in its nature and whose jurisdiction and purview is so wide that its independence and autonomy cannot be curtailed or limited by the prerogative of a Minister.

I am not talking about the present Minister who is introducing the Bill. I am talking of any Minister in the future who might step in the shoes of the incumbent today, Madam Speaker. I say that because I can give an example to this House, of a body set up by law, of

course, by the MSM/MMM Government in 2004 wherein in view of the function of that body, the then Government decided not to come up, not to impose, if I may say, any such provision in our law. Madam Speaker, I am talking of the Utility Regulatory Authority. In this Bill, powers of the Minister, because a regulatory authority is not a classical parastatal body. Utility Regulatory Authority is an authority, is a regulator. So, in this Act, Section 29, provides –

“Powers of Minister

The Minister may issue general policy recommendations to the authority, on matters concerning utility services, to the extent that such recommendation is not inconsistent with the act and the relevant utility legislation”.

So, this is why I think in our Bill, Madam Speaker, when you look at Section 17, the Powers of the Minister, I would have thought that we could have amended Section 17 (1), so that the Clause should read –

“The Minister may give such written directions of a general character to the Council, not inconsistent with this Act, as may be necessary in the public interest”.

We should do away with –

“(…) and the Council shall comply with those directions”.

Because as I said, Madam Speaker, this body has a different function and it is completely different to what obtains in other legislation, in other laws where Government has set up a classical statutory body. The composition of the Council also is, in fact, flooded with members appointed by the Minister. I will not go into the details we know, Madam Speaker, it is in the Bill and we all know the social partners will disagree finally, as they always do, on the one side the unions and on the other side the employers. They will disagree on the proportion or on the percentage of the median wage, and so on and so forth, there is no doubt about that.

So, the other members should be independent members. When they are appointed by the Minister, unfortunately, Madam Speaker, will they be able to play their role of arbiter, of referees between the two blocks, on the one side the union, on the other side the employers or their representatives? So, this is why, unfortunately, in the legislation, Madam Speaker, this question of the independence, the autonomy of the Council *reste à désirer*. I think the hon. Minister should review it, especially in terms of the appointment of the trade unionists and

also with regard to the prerogative that he has to give directives to the Council and the Council is bound to comply with his directives.

I say it again; I am not targeting the present Minister. The Minister is not eternal; one day, another Minister will come. So, as a matter of principle, we should emulate what has been proposed in the Utility Regulatory Authority, because the nature of the function of the Utility Regulatory Authority, the function of this Council today is different, I say it again, from a classical statutory or parastatal body, where in those cases, I agree, the Minister has the right to give directions and the Board should comply with these directives. In this case, it is completely different.

Madam Speaker, I will come to my last point. When we have discussed about who fixes the minimum wage, whether it is a council, a tripartite body or the Minister or Government or by collective bargaining, whatever case, whatever scenario it is, the other question is about fixing the minimum wage. Hon. Uteem also elaborated on this, and I will not repeat what he has said.

In fact, Madam Speaker, historically, it is difficult to know how the minimum wage was initially set. Most probably, it was often the outcome of negotiation between unions and employers' organisations and the government. The cost of living is usually the first method and is the most logical and clear-cut method. The wage statistics can also be taken into consideration. Professor Eyraud suggested, I think, three possibilities, not only the one which is in the Bill today. But I agree with hon. Uteem when he said we should not have fettered, *nous n'aurions pas dû attacher, lier les mains du Council*. When the Bill makes mention in section 5 of -

“(...) the introduction of a minimum national wage calculated on an hourly rate equivalent to the proportion of the domestic median wage of the preceding year for the lowest paid workers;”

this is fettering the Council.

I think we should have left it open to the Council, especially as the Bill has elaborated what are the criteria, and this clause has even been amended to enlarge, to add more criteria. So, I think we should have left it upon the Council itself to decide about the quantum of the minimum wage, Madam Speaker, especially when we have a look at clause 6 (2) of the Bill, mention is made that -

“The Council shall, before making a recommendation, on the national minimum wage to the Minister -

- (b) have regard to the need to improve the living conditions of the lowest paid workers and promote decent work and living conditions;”

So, the Bill itself insists, Madam Speaker, that the Council, before making the recommendation to the Minister, must have regard to the need to improve the living conditions of the lowest paid workers and promote decent work and living conditions. Therefore, by restricting the Council, by delimiting *le champ d’action* of the Council, Madam Speaker, I think the Bill has fettered the hands of the Council by restricting the Council’s recommendation to this issue of an equivalent to the proportion of the domestic living wage.

Therefore, Madam Speaker, the Bill, according to me, should not have specified this particular formula and imposed this formula upon the Council for the determination of the national minimum wage.

Madam Speaker, this is a sensitive issue. There is no doubt about that, and this is why I think, in the law, one year has been given to the Council. I think hon. Fowdar mentioned that the Minister told him it will take one year after the setting up of the Council. Of course, it will take one year, because it is in the law. The law says that, within 12 months of the date of its constitution, the Council will recommend a national minimum wage that may be introduced for the lowest paid workers in relation to the median wage. So, 12 months after the constitution, the Council will have to work and come up with a proposal.

Madam Speaker, this is a sensitive and complex issue. In the British case, when the Low Pay Commission was set up, it took two years for it to adjust the minimum wage. This Low Pay Commission, which I think is composed of nine members, did a lot of studies, enquiries, with the help of Technical Committees, which also supported them, and it took two years for it, at that time, to come up with a proposal for minimum wage.

Therefore, Madam Speaker, there is no doubt that in view precisely of the complexity, of the sensitive nature, of the enormous task on which this Council is called upon to embark, I think we should have had a consensus. The hon. Minister should have gone all the way to listen to the trade unionists - not half or three-quarter - and should have listened sympathetically to this proposal of the unions, because it is when the Council is set up in a consensus, with social dialogue, and supported by the trade unions in the country, that finally

we will most probably come with a rate, with a quantum that will be agreeable to all the social partners.

But there is another point which has not been looked into by the Bill, Madam Speaker, namely the adjustment process. When we finish determining the quantum of the minimum wage, with time, the question of the adjustment procedure will have to be answered, that is, in one year, in two years. I see that in our law, in the Bill, it is provided that in another period of five years, the Council will re-adjust, will come with new proposals. But I think, most probably because of the imperatives of life, anything can happen within the five years. I think we should have provided the possibility of adjustment by the Council in certain unexpected circumstances in our legislation. This should have been taken care of. In France, for example, Madam Speaker, adjustment is triggered by a 2% rise in inflation. In the UK also, there are periodic adjustments to the minimum wage. But in the Bill which is before this House, I see that no such mention has been made with regard to the adjustment procedure.

Madam Speaker, I will sit down, but in the hope that the hon. Minister will listen to the trade unions with regard especially to the appointment of the trade union representatives, and I appeal to him again to see to it that at Committee Stage, besides the amendments that have been circulated, a new amendment is brought so that, as I said, the possibility of a consensus is reached and the Council sets up to work and comes within an year with this proposal of a national minimum wage.

Madam Speaker, I will sit down, but in the hope that the hon. Minister will listen to the trade unions with regard especially to the appointment of the trade union representatives, and I appeal to him again to see to it that at Committee Stage, besides the amendments that have been circulated, a new amendment is brought so that, as I said, the possibility of a consensus is reached and the Council sets up to work and comes within an year with this proposal of a national minimum wage.

I have done and I thank you, Madam Speaker.

Madam Speaker: Hon. Mrs Perraud!

Mrs Perraud: Madam Speaker, I move that the debate be now adjourned.

Question put and agreed to.

ADJOURNMENT

The Prime Minister: Madam Speaker, I beg to move that this Assembly do now adjourn to Thursday 26 May 2016 at 11.30 a.m.

The Deputy Prime Minister rose and seconded.

Question put and agreed to.

Madam Speaker: The House stands adjourned.

Mr Bholah rose and seconded.

At 8.27 p.m., the Assembly was, on its rising, adjourned to Thursday 26 May 2016 at 11.30 a.m.