

FREE TRANSPORT SCHEME – STUDENTS (11/04/17)

(No. B/180) 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 provision of free transport to the students under the Free Transport Scheme, he will state the measures that are being taken to monitor the optimum utilisation of public funds in relation thereto.

Mr Bodha: Madam Speaker, in 2016, the amount disbursed for the Free Travel Scheme is computed at Rs1.2 billion. It was Rs571 m. in 2006.

I wish to refer the hon. Member also, Madam Speaker, to the reply made to PQ B/134 last week, wherein I highlighted that the present system is fraught with flaws.

Indeed, the control mechanism put in place since 2005 discloses a lack of transparency in the allocation of funds to operators and a lack of accountability from operators on the services due from them. The weakness of this mechanism lies in the fact that operators are aware that whatever be the circumstances and quality of services, the payment due to them will have to be effected.

Madam Speaker, there is no denial that we need a more transparent, efficient and cost effective management of the free transport payment mechanism. This is, in fact, what prompted my Ministry to commission a study by Pricewaterhouse Coopers Private Limited (India) (PWC) in August last year on the re-engineering of the Public Transport Industry in Mauritius with a view, amongst others, to help Government rationalise and optimise the use of public funds in relation to the Free Travel Scheme and other support to the bus industry.

Madam Speaker, so far, the Consultants have submitted an Interim report. In relation to the Free Travel Scheme, the Consultants have, inter alia, observed that the budgetary allocation has increased over the years whilst the overall public transport ridership has decreased.

The Consultants have observed that the current formula used in computing disbursements under the Free Travel Scheme has encouraged and has led to overcapacity and inefficient operations in the bus transport industry.

They have further observed that the existing scheme administration mechanism is linked to the number of licences held by individual and private company operators rather than to the overall service provided to the customers and to the number of people actually travelling.

The Consultants are working on the new parameters for computing the free travel

subsidy in a more scientific and transparent manner to ensure that there is no inefficient use of public funds. The final report of the Pricewaterhouse Coopers is expected in the coming weeks.

And I would like to inform the House that we will lay a copy of the findings of the Pricewaterhouse Coopers Report for debate.

Mr Rughoobur: Based on the reply of the Minister and the Report from Pricewaterhouse Coopers, will the hon. Minister agree that there is definitely a need for better monitoring and control? Will he, first of all, agree that there is an acute shortage of transport Inspectors for the monitoring of this whole system of free transport to students?

And what is he contemplating to do in the weeks to come?

Mr Bodha: Madam Speaker, we are, in fact, allocating a number of buses for 150,000 students, and lastly, some time back, we came to the House to say to reduce the number of students travelling on buses further to an accident and then there was a PNQ by the former Leader of the Opposition. I totally agree also that the system has to be reengineered completely. As regards the inspectorate, we have about 60. Now, they do inspection in various areas and we have about 20 to 25 who are allocated the task of inspecting the buses. In fact, with the new recommendations of the report, we'll have to tighten all the system that we have today so that we have a better service.

Mr Rughoobur: Is the Minister confirming that the formula for payment will be reviewed in the months to come?

Mr Bodha: Today, what is happening is that we pay a quantum to the bus owner for the service whatever be the number of old age people who, in fact, board the bus or the number of students who, in fact, travel by the system. Pricewaterhouse Coopers is proposing that we have a smart card system. I am totally for this. We will have to see later how we can be able to have a smart card system which will provide the free travel to the elderly, to the students and to the others, but that card should also be able to be used on the public system, on the bus and, most probably, on the Metro.

Madam Speaker: Hon. Ramano!

Mr Ramano: Madame la présidente, avec l'avènement du Métro Express, est-ce que je peux savoir de l'honorable ministre si une étude a été faite pour connaître la répartition qui sera faite éventuellement en ce qui concerne le free transport?

Mr Bodha: I mentioned this in the House last time when there was the PNQ from the hon. Leader of the Opposition. I said that today the bus industry, in fact, has a subsidy of Rs2 billion and Rs1.2 billion are, in fact, allocated to the free travel to students and the elderly. I said we will re-engineer the Rs2 billion and it is natural that the students and the elderly will be able to travel free on the Metro. So, we will have, first of all, to see how to better use the Rs2 billion and then see what can be done for the Metro.

Madam Speaker: Hon. Adrien Duval!

Mr A. Duval: Thank you, Madam Speaker. The hon. Minister will remember at the beginning of 2015 there was this whole issue about buses deliberately not stopping at bus stops and the hon. Minister came with the system of inspectors at bus stops. He has just said that there were only 60 so it is physically impossible to control. Has the Minister in that time, from the complaints till now, implemented any measures to facilitate complaints from students perhaps a hotline or any other way to draw the attention of the Ministry that buses are frequently doing that practice?

(Interruptions)

Mr Bodha: Strangely, Madam Speaker, the number of complaints was 79 in 2015 and only 19 in 2016. So, the question is whether the service is getting better or whether the inspectors are not doing their job properly! But, I will have to look into the matter. What we have tried to do is to have a better control at the main stations and we have also a number of officers who are working in the fitness centres, now that this has been privatized, we have brought them back in the inspectorate. So, we are trying to see whether we can have some more...

(Interruptions)

a hotline, that's a very good idea from the hon. Member! And we can also see whether we can have some new posts in the new Budget.

Madam Speaker: Hon. Dr. Sorefan!

Dr. Sorefan: Thank you, Madam Speaker. In the last part of his answer, the hon. Minister mentioned PricewaterhouseCoopers study as consultant on this issue. Can the hon. Minister tell us what is the outcome and, if I heard him rightly in the past, that he was not too happy with this report, can he give us the reasons as to why he was not happy?

Mr Bodha: Well, I was not very happy for a very simple reason that the impression I had in the Executive Summary is that the Executive Summary just said what we already knew about the industry that there was this issue of disbursement of funds without accountability, without transparency. It was too general in terms. So, I said that we need a focused report to be able to answer the right questions to be able to have an action plan.

Madam Speaker: Hon. Ameer Meea! Non? Hon. Baloomoody, you had a question?

No, okay. So, I suspend the sitting for one and a half hours.

At 1.05 p.m., the sitting was suspended.

On resuming at 2.43 p.m. with Madam Speaker in the Chair