

PNQ

16

4

CA/D03/P01/1

Debate No. 03 of 23.02.07

ORAL ANSWER TO QUESTION

SC & HSC EXAMINATION FEES – SUBSIDISATION – GOVERNMENT POLICY

The Leader of the Opposition (Mr N. Bodha) (*By Private Notice*) asked the Minister of Education & Human Resources whether, in regard to the School Certificate and Higher School Certificate Examinations to be held in November and December 2007, he will, in each case, state –

- (a) the fees payable, and
- (b) whether Government has revised the initial measures and schemes envisaged to help students taking these examinations and, if so, the number of beneficiaries.

Mr Gokhool: Mr Speaker, Sir, this issue of subsidisation of SC & HSC examination fees has been amply dealt with in the previous replies I gave to two PNQs at our sittings of 20 June 2006 and 24 January 2007.

Since the hon. Leader of the Opposition has come back on this issue, I would like to inform the House, once again, that this issue of subsidisation of SC & HSC examination fees has to be placed in the context of the new policy of this Government which takes into account -

- (a) the present difficult economic situation;
- (b) the challenges on the international front, including the triple shock, and
- (c) the need to offer better protection to the most needy of our citizens.

Mr Speaker, Sir, it must be clear to the House and the public at large that Government is adhering to a pro-poor policy by offering better protection to the most needy of the society. The House will recollect that, before the reforms, two-thirds of the wealthiest Mauritians received three quarters of the subsidy on SC and HSC examination fees, as mentioned at paragraph 157 of the Budget Speech 2006/2007. In other words, the majority

CA/D03/P01/2

of our citizens who could afford to pay were benefiting from that subsidy to the detriment of those who were more in need. The new policy ensures that Government assistance will be focused on those who need Government support the most.

Coming to part (a) of the question, according to the latest information obtained from Cambridge, the total examination fees for a student taking part in the SC examinations will be in the range of MUR 6,388 to MUR 9,403 depending on whether the student takes six, seven or eight subjects while for HSC, it will cost MUR 10,831. I am tabling a copy of an MES document setting out the details regarding initial fee and subject fee at SC and HSC levels both for school going and private candidates. I would like to inform the House that, for last year, there were 19,927 students for SC and 9,461 at HSC level, making a total of 29,388. The number of beneficiaries will be known only when entries from all schools will have been received at MES. According to the schedule prepared by MES, heads of schools will collect documents at MES on 07 March and will submit entries in the last week of March together with details of the number of subjects entered for, and the fees payable. In any case, the projected figures of beneficiaries of 100% subsidy, that is, those from the vulnerable group, will be higher.

As regards part (b) of the question, where the hon. Leader of Opposition is referring to "initial measures", it is presumed that he is in fact referring to the measures announced by the Minister of Finance in his Budget Speech of 2006/2007, which reads as follows at paragraph 157 thereof -

"In addition, the scheme to pay half the SC and HSC exam fees will be discontinued except for needy students. Government will continue to pay the other half of the fees for these needy students. Henceforth, the fees of these students will be paid in full by the Ministry of Social Security."

I wish to make it clear that, as a caring and sensitive Government, we have taken note of the representations made by the public and we have improved these initial measures to the maximum we could in the present economic situation.

CA/D03/P01/3

It is, therefore, clear that Government remains inkeeping with its declared policy of reorienting its resources towards the most needy segment of the population and pursuing its pro-poor policy.

The details of the new schemes of Government subsidy in respect of SC & HSC examination fees are as follows -

- (a) Government will meet the full cost of the examination fees of students whose parents' monthly income is up to MUR 7,500, including repeaters. This measure means that 15% of households are covered, whereas previously only 6% of households were covered, and
- (b) in the case where two or more students in a household will be sitting for SC or HSC examinations, including repeaters, Government would meet 50% of the cost of examination fees for school going students, provided that the monthly income of the household is between MUR 7,500 and MUR 10,000.

Government has also negotiated with banking institutions, and they have agreed to offer loans with preferential rates of interests with a repayment period of 18 to 24 months for the payment of SC and HSC examination fees to households whose monthly income is between MUR 7,500 and MUR 10,000. Public sector companies, parastatal bodies, as well as SICOM, MEPZA, EWF and the Mauritius Civil Service Mutual Aid Association, are putting similar loan schemes to assist their employees in the payment of examination fees of their wards at preferential rates. SICOM, Mutual Aid and EWF have also agreed to provide similar loan schemes to their clients.

It has also been decided that public sector employees, including employees of parastatal and local authorities, will be able to use their passage benefit entitlements to meet the payment of SC and HSC examination fees for their ward. Government has also requested...

(Interruptions)

/...

CA/D03/P01/4

This is an example of national solidarity. The hon. Member has to learn about it!

Mr Speaker, Sir, Government has also requested private sector companies to consider extending such facilities to their employees.

I have also been informed that a number of EPZ companies already operate educational schemes to assist children of their employees. Some of these companies like CMT have even gone to the extent of paying the full examination fees of the children of their employees. Those which do not have such schemes, have set up loan schemes to support their employees in the payment of SC and HSC examination fees for their children. These enterprises, *inter alia*, are Beldiam Co. Ltd, Star Knitwear Ltd, Aquarelle Ltd, Tara Knitwear Ltd, Rossana Textiles Ltd, Chancery Shirts Co. Ltd, St Anne Clothing, RS Fashion Ltd, Mklen Fashion, Tee Sun Ltd, Consolidated Fabrics Ltd, Esquel Mtius Ltd, Prosimex Ind. Co. Ltd, R. T. Knits, World Knits and Floreal Knitwear Ltd.

With the previous scheme, where 50% of the subsidy was granted to every student, 75% of the subsidies went to 2/3 of the wealthiest households. The total expenditure under that item for financial year 2005/2006 was MUR 72.2 m., out of which some MUR 54 m. went to the wealthiest household and only MUR 18 m. went to the poorest.

Under the new scheme, the policy aims at providing more assistance to those in need by redirecting resources to them, with the result that 15% of that group would benefit from the payment of the full cost of SC and HSC exam fees, instead of just 5.5%, as was the case under the previous policy. The Government grant to those earning up to MUR 7,500, together with the loan scheme provided to those earning between MUR 7,500 and MUR 10,000, would cover 25% of the school population taking part in SC and HSC examinations. Assistance to the vulnerable group is increasing by almost 60% from MUR 26 m. in the previous year scheme to MUR 41 m. now. This policy would relieve those who are most in need. Government is now able to spend 60 % more on the most needy, including deserving repeaters. This policy is in line with Government's philosophy of empowering the weakest section of the population.

/...

JG/D03/P02/1
(PNQ cont'd)

As stated before, the policy should not be seen in isolation from other reforms that Government is implementing, for example, lowering income tax rate to 15%, removal of more than 40,000 persons at the bottom of the income groups out of the tax net, provision of free transport to all students and the elderly.

(Interruptions)

The hon. Member should come with a question and I'll give the answer.

In addition, the money saved from this policy is being re-oriented partly to improve transfers to the vulnerable groups and mostly to finance the Empowerment Programme with the ultimate objective of achieving full employment and eradicating poverty. I am tabling examples of those measures taken for better social protection.

Government has done the maximum in the present critical economic situation, I wish to reiterate that, in no uncertain term, that Government has not suppressed the subsidy. This has been a campaign in the media and I would like to strongly denounce that campaign...

(Interruptions)

...and also by the Opposition, because the subsidy is not being suppressed. The subsidy is being redirected towards the most needy.

The successive huge budget deficits over the years have led to a huge debt stock with the large interest payment. Public debt servicing currently amounts to MUR 13 billion, of which interest payment of MUR 9.5 billion accounts for about 21% of recurrent expenditure and 22% of recurrent revenue. Total debt servicing eats up 30% of the recurrent revenue. If efforts are not made to curb the budget deficit, the interest repayments will further aggravate and leave less room for expenditure on development projects and social programmes.

JG/D03/P02/2
(PNQ cont'd)

UNREVISED

It should be noted that external support is conditional on a reduction of budget deficit and in budget spending. External donors support a policy of assisting those who really need help. Thanks to the credibility of our reform programmes, external donors are willing to provide support to the tune of MUR 3.9 billion for the current financial year, of which grants will constitute MUR 1 billion and loans will total MUR 2.9 million. Without external support, recurrent spending would have to be reduced by more than 9%. We cannot afford to jeopardise assistance from our external partners.

Mr Speaker, Sir, I would like to reassure most solemnly the House and the public at large, we hold at heart the interest of the poorest section of the population.

(Interruptions)

Mr Speaker: Order! Order!

Mr Gokhool: And this is the testimony of this Government for our solidarity towards the poorest section of the population.

(Interruptions)

Mr Speaker: Order! Order!

Mr Bodha: Mr Speaker, Sir, my first question is: the hon. Minister raised the issue of re-orientation and he said, at the same time, that savings will be made. I want to know which is which? Is the Government spending, at least, the same amount that we spent in the former Budget?

Mr Gokhool: Mr Speaker, Sir, I have already explained that there is a policy of re-orienting subsidies towards people who are most in need and that we are increasing that sum by 60%.

(Interruptions)

JG/D03/P02/3
(PNQ cont'd)

UNREVISED

Mr Speaker: Order!

Mr Gokhool: I think the hon. Leader of the Opposition should note that, in the previous scheme, as I explained, two third of the wealthiest were benefiting from three quarter of the subsidies. We consider that this is unfair in the present economic situation. And that's why we have decided to put more money for the benefit of the poorest and we have increased that by 60%, from Rs26 m. to Rs41 m.

Mr Bodha: My question is simple, Mr Speaker, Sir. Can I know from the hon. Minister whether Government is spending less this year than what was spent last year?

(Interruptions)

Mr Speaker: Order!

Mr Gokhool: Mr Speaker, Sir, the hon. Leader of the Opposition should have listened to my reply very carefully. We cannot look at the measure in isolation. We have to look at the measure in the context of a Budget and the philosophy of the Budget, which is to bring about economic development, deal with problems of debt, employment creation, Empowerment Programme. All these have to be taken into account. That's why I am saying that we are giving more support to the poorest section; and I need to say that I am happy that the majority of the population have understood the situation.

Mr Bodha: There was a cyclone warning class I on the street yesterday.

(Interruptions)

Mr Speaker: Hon. Bhagwan, I am asking you to keep quiet.

JG/D03/P02/4
(PNQ cont'd)

UNREVISED

Mr Bodha: Mr Speaker, Sir, it is clear that Government is spending less this year. Let me take the figures of the Minister of Education from the figures which have been given by the MES. He said that a student, sitting for the SC examinations, would pay between Rs6,000 and that figure is incorrect, Mr Speaker, Sir. May I ask him, if we take the figures given by the MES, whether for somebody sitting at SC for seven subjects, it is not going to be Rs11,305? The MES did not say whether there is a local fee; we have the initial entry fee of Rs1,215 and the fee per subject is Rs1,457 for SC, but we don't have the local fee. If we add the local fee, can the hon. Minister confirm that for somebody sitting for seven subjects, it will be above Rs12,000 for SC and above Rs14,000 for HSC?

Mr Gokhool: Mr Speaker, Sir, I have the figures. The figures given by the hon. Leader of the Opposition are not correct; I am going to say why.

Mr Speaker: Address the chair, please!

Mr Gokhool: Mr Speaker, Sir, the difference for SC is Rs2,010 and for HSC it is Rs2,699. The initial fee for SC is Rs1,363 and the subject fee is Rs1,005. These are the figures which have been provided by MES. I don't know what figures the hon. Leader of the Opposition is quoting.

(Interruptions)

But these are figures from the MES.

Mr Bodha: Mr Speaker, Sir, the hon. Minister said, in a *communiqué* which was issued on 12 February that 25% of the school population taking part in the SC and HSC exams will benefit from some sort of subsidy. 25,000 out of 30,000 sitting for the exams mean 25%, it means that 7,500 students will benefit from some sort of subsidy. Can the hon. Minister confirm that this Government is doing nothing for 22,500 students sitting for SC and HSC exams this year?

(Interruptions)

JG/D03/P02/5
(PNQ cont'd)

UNREVISED

Mr Gokhool: On one count the hon. Leader of the Opposition is right, we are doing more in terms of those who are below 7,500, we are giving 100%. Previously the ceiling was Rs3,000 to Rs4,000 for, it was those who were receiving social aid. We have increased the ceiling to Rs7,500, which means that more people, who are in that range, will receive the subsidies. I can't understand the logic of the hon. Leader of the Opposition. Is the hon. Leader of the Opposition saying that those people who can afford - and they are two third of the wealthiest - should continue receiving the subsidies? Is it what the hon. Leader of the Opposition is arguing for?

(Interruptions)

Mr Speaker: Order, please!

Mr Bodha: The hon. Minister has confirmed that 22,500 students sitting this year will obtain nothing from this Government. The second thing, Mr Speaker, Sir, and my question is: all the schemes that have been announced in the Assembly, now and in the past, cater only for people getting at least or at most Rs10,000. Can the hon. Minister confirm that this Government is doing nothing this year for all the parents who earn more than Rs10,000 per month?

(Interruptions)

Two parents! Can the hon. Minister confirm that, Mr Speaker, Sir? He is talking about...

(Interruptions)

D03/IF/P03/1

Pnq (contd.)

Mr Gokhool: Mr Speaker, Sir, the Opposition should not forget that they have left a catastrophic economic situation....

(Interruptions)

Mr Speaker: Order! Order!

(Interruptions)

I said order. Hon. Guinness and hon. Mrs Labelle, order! A question has been put, let the Minister answer.

Mr Gokhool: Mr Speaker, these people have been responsible for gross economic mismanagement...

(Interruptions)

Mr Speaker: Order! Order! It is the last time that I am calling the House to order, otherwise I am going to suspend the sitting.

Mr Gokhool: Mr Speaker, Sir, as I said, we should not make abstraction of this measure. I am saying that over and over again because this is a measure which was part of a Budget and it has got a pro-poor philosophy. We want to support the poor.

(Interruptions)

Mr Speaker: Order, please! Next question.

Mrs Hanoomanjee: Mr Speaker, Sir, the Minister is saying that we should not see things in isolation and that it is part of the philosophy of Government. How can the Minister reconcile then the fact that with regard to free transport, all students are benefiting, irrespective of the fact that they are rich or poor whereas for examination fees which we consider primordial *et une priorité*, the policy of targeting is applied?

D03/IF/P03/2

Mr Gokhool: Sir, I would like to inform the hon. lady that this Government has its priorities right. We have our priorities right...

(Interruptions)

Mr Speaker: Order please! Order!

Mr Gokhool: Mr Speaker, Sir, it is absolutely important for a child to have access to education and free transport...

(Interruptions)

Mr Speaker: I said order. We won't be able to continue with the sitting. The Minister has not finished with his answer yet. Let him reply.

Mr Gokhool: I think those who understand educational philosophy should recognise that the child has to go to school first, then he can sit for examinations....

(Interruptions)

Mr Cuttaree: Mr Speaker, Sir, the hon. Minister ...

(Interruptions)

Mr Speaker: Hon. Jhugroo, do you have a question to put? Please keep quiet. This is the last time I am calling you to order.

Mr Cuttaree: Mr Speaker, Sir, the hon. Minister has, in recent weeks, behind the safety of the MBC camera, been accusing the Opposition of playing politics with this issue. Can I ask the hon. Minister whether he remembers that when he was campaigning in the general election, one of the ten priority measures canvassed by the Opposition was that they were going to pay 100% exam fees of the students. This again is *une trahison* of their promises.....

(Interruptions)

In fact, they have swindled the people at the elections.

D03/IF/P03/3

Mr Speaker: Order, I said! Hon. Bhagwan, I am calling you to order for the last time. Order!

Mr Gokhool: Sir, hon. Cuttaree and his colleagues, the Leader of the Opposition and his party, they have been taking a lift on the back of innocent students....

(Interruptions)

Mr Speaker: Order!

Mr Cuttaree: You have no courage to answer because you know you are swindling the people...

Mr Speaker: Order! Hon. Cuttaree! This is not a political...

(Interruptions)

Mr Bundhoo: Mr Speaker, Sir, may I ask the hon. Minister whether he can inform the House when was the subsidy to SC/HSC examinations introduced and whether there was any statement made in this House in 2004 with regard to targeting and, if yes, by who and when?

Mr Gokhool: Mr Speaker, Sir, in fact, in a spirit of supporting the students, it was the Labour Party which introduced it in 1998. In 2004/2005, the MSM/MMM Government wanted to target subsidies.

Mrs Dookun-Luchoomun: It seems to be a very sad day today because on the day on the anniversary of the Labour Party, Government decides to withdraw this facility. My question is: will the Minister confirm whether he considers anyone whose family income is above Rs10,000 to be well-off, not needy and not requiring any sort of support from Government for the payment of examination fees?

Mr Gokhool: Mr Speaker, Sir, the Labour Party is a great party and the Labour Party does not have to learn lessons...

D03/IF/P03/4

(Interruptions)

Mr Speaker: Order! Order, please!

Mr Gokhool: As regards the figure of Rs7,500, let me inform the hon. lady...

(Interruptions)

Mr Speaker: Order, please! Can I just tell the hon. Members that the hon. Minister has the right to change his opinion after....

(Interruptions)

Order, order, please!

Mr Gokhool: Mr Speaker, Sir, poverty level can be determined as one or two dollars per day, but we have taken what is statistically acceptable, that is, Rs7,500 which is generally accepted as representing the poorer section and this is around 12% to 15% of the population.

Mrs Labelle: Mr Speaker, Sir, the hon. Minister has mentioned several times that two-third of the subsidy went to the wealthiest people. Will the Minister confirm that household earning Rs10,000 are among those wealthiest people he is talking about?

UNREVISED

mrl/d03p04
(PNQ ctd/....)

Mr Gokhool: Mr Speaker, Sir, in fact those, who are between Rs7,500 and Rs10,000, are going to benefit 50% of the subsidy. This is where the 50% of the subsidy comes in. I have not considered them as rich people.

Mr Dayal: Mr Speaker, Sir, can the hon. Minister confirm to the House that the previous Government was coming to the point of targeting the subsidies of SC and HSC fees and to what effect? Why?

Mr Gokhool: This is true.....

(Interruptions)

Mr Cuttaree: On a point of order, Mr Speaker, Sir.

Mr Speaker: Let me hear the point of order.

Mr Cuttaree: The hon. Member is misleading the House with his question because he comes to say that the previous Government was "about to come". This is wrong. He should not impute matters which are false.

Mr Speaker: What was the question?

Mr Dayal: My question is, Mr Speaker, Sir, whether the Minister can confirm to the House that the previous Government was contemplating....

Mr Speaker: This is hypothetical.

Mr Dayal: I'll put my question differently.

(Interruptions)

UNREVISED

mrl/d03p04.02
(PNQ ctd/...)

Mr Speaker: Order! The hon. Member should rephrase his question.

(Interruptions)

Order! Order!

Mr Dayal: Can the hon. Minister confirm to the House whether there is documentary evidence to the effect that the previous Government was reorienting the subsidies of 50% of SC and HSC exam fees?

Mr Gokhool: Mr Speaker, Sir, it is very simple, in the previous system there was hundred per cent subsidy – 50% by the Ministry of Education and 50% by social aid. Now, the measure they were going to introduce...

(Interruptions)

It is there.

(Interruptions)

It is an extract of the Budget Speech. I am quoting from the extract of the Budget Speech 2004/2005.

'all students benefit from a 50 percent grant in respect of examination fees, irrespective of the income level of their parents. This grant will henceforth be limited to those with family income (...)'

mrl/d05p04.03
(PNQ ctd/....)

Mr Speaker: Order! Last question!

Mr Bodha: I have two questions, Mr Speaker, Sir. The first one is: is the Minister aware of the huge outcry outside? My second question is: *il a déclaré, M. le président:*

'nous avons fait le maximum. C'est pourquoi nous demandons à la population de comprendre la situation'.

He said so in the papers. *Est-ce que moi, je peux demander à ce gouvernement de comprendre le malheur et le fardeau de la population? Ce n'est pas, M. le président, une question d'amour propre, c'est une question d'amour pour les étudiants et pour leur avenir.*

Mr Speaker: This is a statement.

Mr Gokhool: Mr Speaker, Sir, the Leader of the Opposition has given a concrete example of political opportunism and they have been trying to take a lift on the back of innocent children.