

VERBATIM REPORT

Committee: Finance and Public Accounts Committee
Meeting: Meeting with the **Department of Transport** to discuss the Auditor General's Report of 2009 and 2010
Room: Committee Room 3
Date/Time: Wednesday 22nd August, 2012 at 0930 hours

Present:Committee

Hon. David Pierre - *Chairperson*

Hon. Charles De Commarmond – *Vice-Chairperson*

Hon. Lenny Lebon

Hon. Marc Volcere

Hon. Bernard Arnephy

Hon. Sebastien Pillay

Hon. Nichole Barbe

Department of Transport

Mr. Terence Mondon – *Principal Secretary for the Ministry of Home Affairs and Transport*

Mr. Parinda Herath – *Ag. CEO of Seychelles Land Transport Agency*

Mrs. Linda Monthly – *Principal Accountant*

In Attendance:Office of the Auditor General

Mr. Marc Benstrong - *Auditor General*

The Secretariat

Ms. Sandra Hall - *Secretary to the Committee*

Ms. Saviona Isaac - *Secretary Assistant*

Ms. Angelic Appoo – *Committee Advisor*

HON DAVID PIERRE

Ok, let me say a very good morning to you all and I welcome Mr. Mondon and his delegation. Mr. Mondon is very much aware of what the FPAC is all about as he was Chairman of the FPAC for a long time so he knows everything. But as a matter of principle and procedure, I will just spell out that Article 104 of our Constitution gives the Assembly the power to form Standing Committees of which FPAC is one of them and 104 (3) and I quote: "For the purposes of effectively performing its functions, a standing or any other Committee may summon any person that the Committee believes may assist the Committee in the performance of its functions and the Committee shall have the powers, rights and privileges of the Supreme Court for: (a) enforcing the attendance of witnesses and examining them on oath, affirmation or otherwise; (b) compelling the production of documents; and (c) issuing a commission or request to examine a witness abroad".

Now, let me before I go further, I will introduce the Committee and I will give Mr. Mondon the opportunity to introduce his delegation. I myself is the Chairperson of the Committee, Honorable Pierre, the Vice Chairperson which is Honorable De Commarmond and other Members are Honorable Volcere, Honorable Barbe, Honorable Arnephy, Honorable Lebon and Honorable Pillay, those are the Members of the Committee and I shall gladly ask Sandra to introduce the Secretaries.

MS SANDRA HALL

Good morning. My name is Ms Sandra Hall, I am the Secretary of the Committee, on my left is Mr. Marc Benstrong the Auditor General. On my right I have Ms Angelic Appoo the advisor to the Committee and Ms

Saviona Isaac the Secretary Assistant to the Committee.

HON DAVID PIERRE

Thank you very much Sandra, Mr. Mondon can you please introduce your delegation to us.

MR TERRENCE MONDON

Thank you for the invitation, I said in my email I was looking forward to this meeting because now I am on the other side and it's more difficult in a way because before I was pointing fingers and now I have to answer questions. We have Mr. Parinda Herath, he is the acting CEO for SLTA and Mrs. Linda Monthy is the Principal Accountant. Before we had a list of people we wanted to bring along but then I understand the content of this meeting does not relate to audit issues so we streamlined our delegation. So, I am pleased to be here and I am here to answer all your questions. I understand the importance of this Committee and we will do our best to provide the information you need and whatever you need to do to improve the accounting, the management of public resources. We will do our best.

HON DAVID PIERRE

Thank you very much Mr. Mondon. As you are already aware, we are here today to ask questions so as to clarify issues with respect to the auditor's report for the years 2009 and 2010 and everything that is said here remains for the consumption of the Committee and we expect, you know very well, that we expect you to tell the truth and nothing but the truth. Ok, so, I think we should start. Basically, we have two questions for you and let me bring your attention to page 27 of the 2009 report. Do you have a copy of the report?

MR TERRENCE MONDON

No.

HON DAVID PIERRE

Can he be given a copy of the 2009 report please? Page 27, paragraphs 60, 61 and 62 ok. Paragraph 60, 'the Land Transport Agency was established as a body corporate under Seychelles Land Transport Agency Act 2009', 61 says 'section 13 of the act causes the agency to keep proper accounts and other relevant records and the Auditor General to audit such records' and 62, 'in view of the ongoing investigation' ok, this is not too relevant. So, based on those two paragraphs I have two questions that I would like to ask you and furthermore I would also refer to a press conference from State House we received on the 7th of March in which it clearly states that, 'The acting Principal Secretary for Land Use and Habitat, Yves Choppy the position is temporarily until the necessary ... of the Act, the creation of the project planning and implementation company of which he will be CEO, the PPIC will also absorb the Seychelles Land Transport Agency. So, based on what I have read, we have two questions for you. One, can you kindly tell us what is the current situation with financial management of the SLTA, and then secondly, does the Ministry have any intention of repealing the SLTA Act? Because it will be absorbed by the PPIC. So, can you kindly give us details.

MR TERRENCE MONDON

Thank you Mr. Chairman. As for the first question, the current situation of the financial management of SLTA, basically following the announcement by the President which you have referred to in your opening question, some work has been carried out basically by the Ministry responsible for Land Use and to form that company you referred to. And it was paper produced, how it is going to function and everything but this still is in the process and what I can say at this point

is that SLTA is still doing what it used to do in the sense that it is functioning as the agency, implementing agency for the Department of Transport and until such time a final decision is taken on the new company for the project implementation company. I think the situation is that, we cannot just trade it over basically because there are a lot of implications and when I joined the Department I had a few opportunities where we discussed this change over, and so there are different perspectives and I frankly believe that SLTA still has a role to play for the Land Transport basically when it comes to road repairs, maintenance and in Seychelles we have only one company producing tarmac. So, the importance of road repair for the community is important. So, when we have a new company, to what extent would that company be able to respond to those needs as compared to when we have a Government agency. So, all these issues we discussed at length and this is why the process took a bit longer and at this point we just need to probably at the end of the next year a final decision will be taken. But on our side we believe that the agency at least maybe for the project, I mean, I understand when the President made this announcement because we have scarce resources we stretch our resources in the sense where we don't have many engineers, technical people, so we try to group them together and implement those projects. But there are also important functions of the SLTA that we need to look at and that is why we try to make the best at the end of the day we want to deliver to the people of Seychelles and to make sure that whatever change we make is for the better. So, this is where we are at this stage. So, for the financial management basically, some changes took effect some time back following the incident with the previous CEO when we had the malpractice, fraudulent activities

etc and the Government, the Ministry of Finance took a decision to introduce an administrative arrangement to ensure that all finances of the SLTA is properly monitored. And so, before they had commercial accounts which were changed to treasury accounts basically to ensure that all revenues do go to Government so we have proper control. And so SLTA at this point is in our ear, it has the Act which says some things, some of the clauses say something else and the administration arrangement was put in place following the incident. So, there is some work to be done to fine tune but that also will depend on what is the final decision with regards to SLTA, what role it is going to play in the future.

HON DAVID PIERRE

Did you want to maybe talk to us in respect to the financial management of SLTA?

MR PARINDA HERATH

Not really because as the PS has informed you, it was changed from a commercial type of thing to now under the treasury, so basically all our requests are sent to the treasury and on the other side as well, revenues are collected under the consolidated funds. We are basically functioning as, before some time back we were a Ministry division, Land Transport Division, so now we are back to the same thing.

HON DAVID PIERRE

So, basically you are comfortable with the kinds of administrative arrangements that have been made and you believe that it will ensure that there is no more malpractice or mismanagement of funds with respect to the SLTA? Do you believe that the arrangements made are adequate to ensure that there is no fraudulent activities or there is no mismanagement of funds?

MR PARINDA HERATH

For the most part, yes. Of course being an agency and the pressure that we have to deliver, the administrative part of course was a bit of, how can I say, the processes are long and all that but knowing the history and the various issues in the past I think for the time being we should continue in the same path.

MR TERRENCE MONDON

If I may add Mr. Chairman, before the SLTA was engaged in the commercial activities in the sense that they provided the service to private individuals and they collected the money and this is still being done to some extent. But the problem was before, the focus was to go private and do commercial and generate the revenue and the main purpose of providing the service to Government agencies, to the people of Seychelles was in a way, how do we say, was not the main focus. So, with the new arrangement the main focus is to provide the service as Government and when there is a need which SLTA can accommodate then it becomes secondary, so that is the main difference.

HON DAVID PIERRE

Earlier you were telling us with respect to the prospect of SLTA being absorbed by the PPIC, do you believe that you will not be able under PPIC to deliver the kind of services that you may be required to do compared to if you remain as an agency on itself?

MR TERRENCE MONDON

My personal opinion, I believe when you look at it, even if we have this company looking at this project, maybe the focus will be the big projects so you make use of all the expertise that you have and focus on the big project, but SLTA has this function to respond to community

needs. You know when you have pot holes, when you have emergency incidents. Being a company, you may not necessarily be oriented towards this emergency work and so. Still we need to look at SLTA as this body who can provide a service to communities and maybe the idea was to remove those big projects from SLTA and allow it to function with the minor repairs, road maintenance etc. Probably that is what we will eventually do.

HON DAVID PIERRE

Honorable Arnephy.

HON BERNARD ARNEPHY

Thank you Mr. Chair. Good morning everyone. So, Mr. Mondon, when you talk about big projects can you specify, what do you consider as big projects?

MR TERRENCE MONDON

From the road transport perspective, a big project would be the construction of a dual carriage way, we have a big bridge, we have bypass for Victoria planned and we are considering building a bridge as one of the options. So, these are big projects which require some technical expertise, and heavy capital investment and that is what I consider big projects.

MR PARINDA HERATH

Well I think that probably he is saying that could be big in terms that if we consider Seychelles, but Land Transport currently now we are doing all sorts of projects. We do projects from small road maintenance projects to projects that comes up to R7 million in the districts, new roads, things like that. And it is in our capability to continue to do these projects, but when we think about projects like the bypass now those would be on the international level.

HON BERNARD ARNEPHY

And are some of those projects already on your master plan, and maybe share with us how soon you are going to implement some of those big projects as you are calling them?

MR PARINDA HERATH

Which ones are you talking about the Victoria traffic management?

HON BERNARD ARNEPHY

No you tell us.

MR PARINDA HERATH

Well, we have a lot of projects and it depends on the availability of funds, I think funds is the main issue here and we have projects that have been classified as short term medium term and long term, and the ones in the short term we will be including them in our budget for next year and hopefully they will be funded and then we can move on from there with the proper procedure, tender etc. I am not including the community projects in that.

HON DAVID PIERRE

You have spoken about the budget, basically you prepare the budget for the Land Transport, right?

MR PARINDA HERATH

Yes.

HON DAVID PIERRE

And how do you compare the budget that you ask per year on an annual basis with the amount of money that is collected through road tax? Are there comparisons between the two and the secondly, do you feel that there are any areas with the new administrative arrangements, do you feel that there are areas where there could be loop holes or areas of weaknesses? If yes have you proposed alternatives, have you proposed alternatives to ensure

that those weaknesses are replaced by areas of strengths?

MR PARINDA HERATH

For the first question, to compare the road tax with the budget that we ask is quite difficult because I think the road tax per year is something like 30 million if I am not mistaken, I cannot be sure about this.

MRS LINDA MONTHY

It is not part of SLTA's budget.

MR PARINDA HERATH

No, we do not get that directly into SLTA it goes to the consolidated funds and shared. Our budget that is approved depends on the Ministry of Finance how much they see but we ask for a lot of course.

HON DAVID PIERRE

What would you ask for a year for example? What would you think is proper for a year based on your experience?

MR PARINDA HERATH

Maybe I will start from the beginning a little bit, how we go about making the budget. First, we get in contact with the district administrations and we ask for their projects that they want to include into the capital project and SLTA also works on a list of projects that we feel on the transport side are the most important. Let us say for the coming year, after that of course we cannot put everything that the districts give, we choose maybe two from each district and we include that into the budget and request funds from the Ministry of Finance. For example, last year we got only a very small percentage of what we asked for, so unfortunately we have to work with the budget that we are given and I am not sure how much we got, we got R22 million for capital.

MRS LINDA MONTHY

Our request was about R122 million but we wouldn't have been able to do everything in that year because it is long, short and medium term.

MR PARINDA HERATH

Because sometimes projects go into phases.

HON DAVID PIERRE

So you were asking for R100 million and you got R22 million.

MR PARINDA HERATH

Yes.

MRS LINDA MONTHY

No, because we sort of construct the budget for a 5 year period, not a short term period. So, whatever is left for the budget because the budget is prepared on a three year basis, so we look at what we got this year and then when we prepare the next year we see what has not been given and also into consideration the national requirement, what the country and the district requirements are vis a vis what we have prepared. If the situation is still the same, the district their priorities are still the same all this has not changed, we have also to take that into consideration. And it also depends on the Ministry of Finance requirements for capital projects.

MR PARINDA HERATH

That is the capital projects and we have also the recurrent budgets.

MRS LINDA MONTHY

Yes, we got R64.8 to be revised for recurrent budget and when we do the recurrent budget exercise it is all based on historical data, that means the previous year's budget is taken into consideration so that any actual increase will be foreseen if we have any like tax increases, things like this, that

will be foreseen or we also take up inflation things like that, so we incorporate it in the budget to get an estimate for the current year. And that also is Ministry of Finance who will decide whether it is ok to give us that budget or more. We do with whatever we have and if there are situations that come after the budget has been prepared we always ask for supplementation if the need arises.

HON DAVID PIERRE

Before I move on to other Members, what about the loop holes and the weaknesses in the administrative arrangements?

MR PARINDA HERATH

We do for example, the Auditor General's office conducts an audit every 2 years, every year basically and we get the report, a detailed report, more detailed than this one and we work on these points and since the new management I can say of last year we have put in place many control mechanisms where we felt that there was possibility for fraudulent activities etc, control in the stores, fuel management things like that basically. So, we have quite a list of stuff that we have put in place recently.

HON DAVID PIERRE

Are you going there next year?

MR MARC BENSTRONG

This year, early this year we carried out an audit and this was for the 2011 accounting period.

MRS LINDA MONTHY

I joined SLTA in February 2011 which is last year and the audit report had just come out for 2010 and 2009 and there was a lack of internal control and that was pointed out in the audit report, and my first priority was to look at the audit report, identify the

weaknesses and sort of address them and talked with the CEO that was there at the time to sort of address this issue, which was not easy because staff at that time had been molded in a way that the situation for them was normal. And then I came in to sort of address internal control I became unpopular.

HON DAVID PIERRE

But you kept at it?

MRS LINDA MONTHY

Yes, I had to put my feet on the ground. So, the situation now internal audit has come in and improve some of it, like stores there was a lack of internal control, with the budget. I introduced a computerized system for the stock inventory to control what goes in, everything has to go through the system, goods received notes, what has been purchased and whatever comes out has to be through a request and goods issued note. Nothing goes beyond that, it has to be approved for you to get anything. And the value of the stock you would be surprised, is R5 million, stock of spares at Petit Paris which which we now have to do an insurance sort of to cover for it. It is now that we know what is the sum value of the store that we have under our possession, and also I with my accounts staff had to go down to Petit Paris for one and a half months to sort of take over the control of the store and do the physical stock taking, label everything, have the system in place, sort of put somebody as the stock keeper, give her the key. And she is the only one that is control of the store and the fuel tank, there was a lack of internal control regarding the issue of fuel also at Petit Paris. With Mr. Hoareau's help we had a tank.

MR PARINDA HERATH

Well, it is a tank with a pump basically, similar to what we have at Seypec.

MRS LINDA MONTHY

We contacted Seypec, we worked with Seypec, we had it calculated, we had a pump and everything has to go in the pump and out because everything is controlled. So, now we don't have all this fuel going missing, we all know what goes in and what goes out and these are the controls that we have sort of put in, and also for the transport there was no mileage log book, a log book has been introduced but every month the accounts section we take, somebody especially to take the fuel to count what has been issued for all the transports, do a monthly analysis, see how much has been given to the transport and what is the mileage and this is given to management because accounts does its bit and then management will now decide. We highlight where there is too much fuel being used and they will sort of deal with it. This is being dealt with by management. And these are the controls that we have sort of put in place to control and we also abide to procurement regulations there is a lot of paper work. When the procurement regulation was put in place by the President, it had been approved by the Parliament as civil servants we have to abide to procurement regulations so that is what has been done. And also PSO and financial instructions that has come to place from time to time. This is our bible and this is what we are doing actually at SLTA right now. And also I will put emphasize on the PAC, be a little bit more proactive. Don't just wait for the report to come and tell us what to do. You can also come over at SLTA at Petit Paris or the office also check how it is being done and you tell us also if you notice things.

HON DAVID PIERRE

We will not be in trouble with Mr. Mondon no?

MRS LINDA MONTHY

I don't think so, you're always welcomed.

MR TERRENCE MONDON

I was actually thinking along the same line. The thing is, even in the next report that will come out, will give the picture of SLTA still at that time when there was the lack of control and everything and maybe it would be good based on what has been said that there are control mechanisms in place it would be good for a new audit, interim audit to verify whatever has been said and that is actually in place and is working because we will get the new report that will come out and I am sure it will come out because we are talking about 2010 still in the report that will come out this year Mr. Benstrong. So maybe it will be good to ...

HON DAVID PIERRE

Do you have a lot of local suppliers for spares?

MR PARINDA HERATH

No, not really, we have suppliers for the vehicles but when you talk about plants which we have imported, there is no local supplier.

HON DAVID PIERRE

So, as far as spares are concerned, you don't have any local suppliers?

MR PARINDA HERATH

The thing is we have spares for vehicles, normal vehicles, pickups, cars and things like that.

HON DAVID PIERRE

Those you buy locally?

MR PARINDA HERATH

Yes but for the paver, the rollers and the asphalt plant itself you have to get it from the parent factory.

HON DAVID PIERRE

If I may ask, who is the local supplier for your spares for vehicles?

MRS LINDA MONTHY

Normally what we do, we sort of go according to the procurement act, we ask for quotations when we have our spares. So, we look at the quality, also in terms of the price and then we choose from the best.

HON DAVID PIERRE

So, you don't have one specific local supplier?

MRS LINDA MONTHY

No unless like we have one company which is specialized on one type of spares like for, we will go directly to that company.

HON SEBASTIEN PILLAY

Thank you very much Mr. Chairman, thank you Mrs. Monthy. Thank you very much for your very elaborate presentation. In relation to value for money, I would like to ask a question because it is not a question as to budget to say what budget you get, in relation to value for money there is also a component of your budget that goes into the traffic warden, highway patrol I suppose no? The traffic warden they fall under SLTA?

MR PARINDA HERATH

Yes, HPU.

HON SEBASTIEN PILLAY

Do you think that now the kind of service being given through the highway patrol unit is giving us value for money in relation to the amount of complaints that we have had in the past and problems that have arisen over there, especially from the staff of the highway patrol. We have heard a lot of things about them threatening to quit and So, can you tell us a

little bit of what component, how do you manage and what component of the budget goes to the highway patrol unit in terms of for example, uniforms for the officers who does the highway patrol because sometimes you see the ladies walking around in slippers, it is a bit of a mismatch. So could you tell us a little bit about that?

MR PARINDA HERATH

The highway patrol I must say is not the most satisfactory unit for the time being in Land Transport in terms of service delivery and we are working on it. We have a few officers that we are having problems in terms of discipline. The ones that you see for example wearing slippers is not because we haven't given them the uniform or the shoes that is necessary, it is because either they have problems wearing shoes, they say they cannot wear it or they have diabetes or something, always some kind of problem. Basically, it is a unit that we are continuously working with to see how we can improve their service delivery. It is not an easy task, the new management was not there when they were recruited basically and we have seen that we need to train them a little bit more and some of them are not compatible with the job that they are doing. So, we are working with them, and the uniforms and everything has been given basically, of course the procedure is a little bit long I might say. When we are following the Procurement Act and everything, we cannot go and just buy a uniform anywhere and give it to all of them. We need to, like Mrs. Monthy has said before, we need to get 3 quotations at least from 3 people who can make the uniforms and sometimes it has taken a little bit of time. But finally, we have managed since last year to provide them with all the necessary equipment but training is a little bit lacking again but we are

working with that for this coming year, hopefully next year.

HON SEBASTIEN PILLAY

One more question Mr. Chairman, do you think that putting the highway patrol unit under the Land Transport Agency is the best move, should that be the case? Perhaps PS do you consider that this could be a division or part of the Department of Transport given the type of role that SLTA plays in repairing of roads and their more project oriented targets as opposed to the sort of duties done by the highway patrol?

MR TERRENCE MONDON

I think it is a relevant question in the sense that at the same time we were talking about SLTA, the move and HPU, the highway patrol unit was one unit that was considered to move to traffic police. But having said that, we still believe there is some need for traffic warden, there are some kinds of work to control traffic, for example when we have road works, there are areas where we will still need, we don't expect traffic police to probably be doing these kinds of work. So, yes some of them would probably go to traffic police but for the Department or SLTA we will still need to have some kind of traffic warden for certain category of work, of course for controlling traffic that is something that the traffic police would be doing I suppose. But there are other areas where we need traffic warden. So, this is also being considered at the same time with the restructuring.

MRS LINDA MONTHY

In terms of value for money, I conducted an analysis on HPU, regarding they go out and fine people, I have done for 2010 and 2011 halfway through when I came. There is no value for money because it is not being enforced by law. We fine somebody, I fine you today, you don't pay, there is

no law sort of to tell you, to enforce that you pay. Half of the revenue that is expected to be collected is collected, not all. You only collect half of what the HPU fines the people, half of it is never collected and there is no law that enforces that.

HON DAVID PIERRE

And believe me drivers know that, they know that this is not enforced by law, so they just don't pay.

HON SEBASTIEN PILLAY

It cannot be enforced by law?

MRS LINDA MONTHY

We don't have a legal office.

HON DAVID PIERRE

When a traffic warden issues you with a penalty, then they are not supposed to be issuing you with it and drivers know that if you are issued with a ticket...

HON CHARLES DE COMMARMOND

And then they get a summon.

MRS LINDA MONTHY

We don't have that section in

HON DAVID PIERRE

But what does the law say? If a police, if a police officer issues you with one of those tickets then you will get a summon, but if it is a traffic warden you will not.

MR PARINDA HERATH

Mr. Chair, if I may add, the law is there and the follow up mechanism is a bit lacking because one, we do not have a prosecutor and second...

HON DAVID PIERRE

But under the law, ok, under the law if a traffic warden...

MR PARINDA HERATH

No, they have the same powers.

HON SEBASTIEN PILLAY

I think the problem here, this is an important issue, is the revenue collection, the important issue is that because you have to make payment through the legal system. Now because you have to make payment through the legal system therefore that docket which when you have been given your ticket has to go there. So, then there must be somebody there that goes through these tickets in liaison with....

HON DAVID PIERRE

There must be a link.

MR PARINDA HERATH

No, that is there.

HON SEBASTIEN PILLAY

There is the link?

MR PARINDA HERATH

Every week we go and collect all the ones that have been given.

HON SEBASTIEN PILLAY

But then it is up to them to make the next move, you cannot as an Agency enter into legal framework and call Mr. De Commarmond, Mr. Volcere in and say you have a ticket. It has to be the, in this case it is an offence against the State, it has to be the Attorney General's office I think through some.

MR PARINDA HERATH

Because what we do is, after 3 days we send them a reminder but after that because we do not have the legal sort of background if you want to follow up legally and pursue them, we cannot do more than that, that is why it has been proposed for several years, and the traffic tribunal is supposed to take up all these issues and expedite the processes.

MRS LINDA MONTHY

But we have lots of revenue going to the Government.....

HON DAVID PIERRE

Ok, Honorable De Commarmond we have 5 more minutes.

HON CHARLES DE COMMARMOND

Yes ok I will try to be quick. But one question I would like an explanation from the AG about commercial accounts. Are there any other statutory bodies with commercial accounts apart from Land Transport? And now they have cancelled it.

MR MARC BENSTRONG

When you make reference to commercial accounts you mean the need to prepare a financial sequence?

HON CHARLES DE COMMARMOND

No, before SLTA they had also a commercial account, I was wondering whether other statutory bodies have also.

MR MARC BENSTRONG

Yes Mr. Chair, but what is this commercial accounts? Commercial bank accounts perhaps?

HON DAVID PIERRE

Yes.

MR MARC BENSTRONG

Well most of the statutory bodies under the economic reform, they were required to record their financial transactions through the Treasury, including SLTA.

HON CHARLES DE COMMARMOND

But now SLTA doesn't have one?

HON DAVID PIERRE

Everything is done through the Treasury.

HON CHARLES DE COMMARMOND

I am saying that because of the problem that SLTA had, so just to alert you in the next audit you do for the other statutory bodies to be careful on that to check and make sure that what happened to SLTA is not repeated in the other.

MR MARC BENSTRONG

Mr. Chair I will say about 99% of statutory bodies are required to do their commercial transactions through the treasury, with the exception of SPTC or Seypec because of the nature of their business.

MRS LINDA MONTHY

Before the status of SLTA due to the commercial account was within the act sort of but when the situation of SLTA was revised, we were fully funded by Government budget which is the actual situation of SLTA, we are fully funded by Government. Before SLTA was being subsidized by Government, so this was different. At that time we were able to have commercial accounts but when Government gave the full budget this was cancelled. It was no longer the situation, we became budget dependant.

HON CHARLES DE COMMARMOND

Secondly Mr. Chair, we see that there is no necessity of repealing the act of SLTA for the moment.

HON DAVID PIERRE

We don't know that because we don't know if the SLTA will get absorbed by PPIC. If it is absorbed by PPIC...

HON CHARLES DE COMMARMOND

But according to what we have heard, I am saying that because maybe it will come before the House.

HON DAVID PIERRE

Yes, but we don't know that. If it is going to be absorbed by PPIC now it is going to have to be repealed.

HON CHARLES DE COMMARMOND

The feeling is that.

MR TERRENCE MONDON

Well I gave you my personal opinion, what I think is best for SLTA.

HON DAVID PIERRE

It doesn't mean that it will be like that.

HON SEBASTIEN PILLAY

But the PPIC can still be created without revealing the SLTA Act.

HON CHARLES DE COMMARMOND

Next point, about those big projects for foreign capital, that needs foreign capital or sponsors by other organizations, international organizations, can you specify one or two for the next year that we will be having if possible, and lastly on the last point we spoke, on the traffic warden there, the penalties and so on. We had a Motion in parliament only this year, a few weeks ago about point deduction and point system there, if that was applied, it might solve a bit of this problem of collecting revenue and fines and people not paying. If they do not pay points are deducted.

HON DAVID PIERRE

I think there are a lot of areas whereby

HON CHARLES DE COMMARMOND

Are you moving towards this area in the near future? Thank you, that is all.

MR TERRENCE MONDON

Mr. Chairman I will start with the last point, what we call the demerit point system and for the information of the Committee we have just received a final draft of the regulations and now we

have to go back because the procedure it goes to Cabinet for approval, it goes to the AG to finalize and then it goes back to Cabinet for the final preview and it will hopefully go back to cabinet because we got the final draft from the AG's office, go back to Cabinet and then the Minister will sign. So, all in place, then we will come back back implementation, that is a different story.

HON CHARLES DE COMMARMOND

On the big projects.

MR TERRENCE MONDON

The big project you mean for?

HON CHARLES DE COMMARMOND

For next year do you have any specific ones sponsored by foreign capital?

MR TERRENCE MONDON

We have a lot of projects.

HON DAVID PIERRE

Then send us a list.

MRS LINDA MONTHY

It is Government funded.

HON CHARLES DE COMMARMOND

Government funded? No foreign capital?

MR PARINDA HERATH

We have however, submitted some projects to the SADC for example, for them to consider.

HON DAVID PIERRE

But kindly send us a list of the projects for next year.

HON CHARLES DE COMMARMOND

And where you are looking for the funds, I am saying that because you know maybe at times let us say, we go for the workshop, we meet with SADEC people or COMESA whatever, if there is

something for Seychelles we can push also, we can help to push.

MR TERRENCE MONDON

I think if you allow me Mr. Chairman, I think it is important for Members of the National Assembly as well, today we have approved a set of projects for, we call it the Victoria Traffic management master plan which comprises of a list of projects to improve traffic in Victoria, and then we have this dual carriage way from airport coming from Providence up to La Retraite. And for that we have bypass bridge and everything, so, the big projects like Mr. Herath mentioned, we try to get funding from SADC, we are considering EIB as well, Abu Dhabi fund and this is in the process. So, we try to ... as much as possible. But there are a lot of projects in line and we will probably need the support of the Assembly, we will send you the list.

HON BERNARD ARNEPHY

I just wanted to know whether or not you venture into private projects whereby you generate revenue, and if so on which frequency do you act and how much do you generate as revenue?

MR TERRENCE MONDON

The only private projects that we get revenue from in the significant amount is the surfacing work. For example, if a private individual wants to surface a drive way or a road we do. We go and we give them a quotation and after they pay us we do it. Of course keeping in mind that the National road network is the priority, we try to fit them in into wherever is possible. That is the only revenue that we collect basically from civil bodies.

HON DAVID PIERRE

And very quickly what amount did you collect last year? If you can quickly tell us that.

MR PARINDA HERATH

Maybe we can tell him for this year.

MRS LINDA MONTHY

Half way through the year it is R2.2 million.

MR PARINDA HERATH

It is quite low, compared to last year though.

HON DAVID PIERRE

And that money goes back to Government?

MRS LINDA MONTHY

Yes.

HON CHARLES DE COMMARMOND

Consolidated funds.

MRS LINDA MONTHY

We are not concentrating private work as such, it is more Government.

HON DAVID PIERRE

Secondary to Government work, ok. Ok, so we have run out of time.

HON CHARLES DE COMMARMOND

May I suggest something Mr. Chair?

HON DAVID PIERRE

Quickly.

HON CHARLES DE COMMARMOND

The lady here, Mrs. Monthy is also from Cascade, yesterday we had one, today we have another one, may we invite them for tea with us.

HON DAVID PIERRE

And to note the request for us to visit the SLTA, so, please note that as well. Ok, it remains for me to thank all of you so very much, you have answered our questions, I thought you would have been here for 15 minutes but it has been an hour gone now but I am

happy with the answers that you have given us. If there are any other queries we will just contact you and please don't forget to send us the list that we have requested and like Honorable De Commarmond has said, you are invited for tea.

MR TERRENCE MONDON

Thank you very much.