

PARLIAMENT OF THE REPUBLIC OF FIJI



PARLIAMENTARY DEBATES

DAILY HANSARD

MONDAY, 22ND MAY, 2017

[CORRECTED COPY]

CONTENTS

	<u>Pages</u>
Minutes	1359
Communications from the Chair	1360-1361
Presentation of Papers & Certain Documents	1361-1362
Questions	1362-1386

Oral Questions

1. \$10 Million Subsidy to Benefit Cane Farmers
(Question No. 139/2017)

2. Benefits of Fiji's Membership at Interpol
(Question No. 140/2017)

3. Wood Processing – Value Addition & Increasing Small Scale
Wood-Based Businesses *(Question No. 141/2017)*

4. Braille Eye Slate – Benefits to the Visually Impaired Students
(Question No. 142/2017)

5. Project Cost of the Four-Lane Highway – Nadi Airport to
Wailoaloa Junction *(Question No. 143/2017)*

6. Equipping the Fiji Police Force
(Question No. 144/2017)

7. Controlling Environmental Damages – *MV Southern Phoenix*
(Question No. 145/2017)

8. Progress of the Civil Service Reforms
(Question No. 146/2017)

Written Questions

1. Rural Electrification Programme *(Question No. 147/2017)*

Ministerial Statements	1387-1403
1. 50th Annual Meeting of the ADB Board of Governors	
2. Collaborative Approach to Education	
Adoption of Sitting Day - 2017 Budget Address	1404
Report of the Public Accounts Committee -	1405-1421
Consolidated Report on the OAG's Reports – 2007-2009	
Report of the Standing Committee on Economic Services -	1421-1434
RBF Insurance Annual Report 2013	

MONDAY, 22ND MAY, 2017

The Parliament met at 9.32 a.m., pursuant to adjournment.

HONOURABLE SPEAKER took the Chair and read the Prayer.

PRESENT

Hon. Aiyaz Sayed-Khaiyum, Acting Prime Minister and Attorney-General and Minister for Economy, Public Enterprises, Civil Service and Communications
Hon. Parveen Bala Kumar, Minister for Local Government, Housing and Environment, Infrastructure and Transport
Hon. Mereseini Rakuita Vuniwaqa, Minister for Women, Children and Poverty Alleviation
Hon. Ratu Inoke Kubuabola, Minister for Defence and National Security
Hon. Dr. Mahendra Reddy, Minister for Education, Heritage and Arts
Hon. Commander Semi Tuleca Koroilavesau, Minister for Fisheries
Hon. Osea Naiqamu, Minister for Forests
Hon. Lt. Col. Inia Batikoto Seruiratu, Minister for Agriculture, Rural and Maritime Development and National Disaster Management
Hon. Alexander David O'Connor, Assistant Minister for Health and Medical Services
Hon. Lorna Eden, Assistant Minister for Local Government, Housing and Environment
Hon. Commander Joeli Ratulevu Cawaki, Assistant Minister for Rural and Maritime Development and National Disaster Management
Hon. Veena Kumar Bhatnagar, Assistant Minister for Women, Children and Poverty Alleviation
Hon. Iliesa Delana, Assistant Minister for Youth and Sports
Hon. Vijay Nath, Assistant Minister for Infrastructure and Transport
Hon. Viam Pillay, Assistant Minister for Agriculture
Hon. Mosese Dreca Bulitavu
Hon. Parmod Chand
Hon. Mohammed Mursalinul Abe Dean
Hon. Jiosefa Dulakiverata
Hon. Viliame Rogoibulu Gavoka
Hon. Semesa Druavesi Karavaki
Hon. Ro Teimumu Vuikaba Kepa
Hon. Ratu Kiniviliame Kiliraki
Hon. Jilila Nalibu Kumar
Hon. Dr. Brij Lal
Hon. Ratu Naiqama Tawake Lalabalavu
Hon. Alvik Avhikrit Maharaj
Hon. Ratu Suliano Matanitobua
Hon. Alivereti Nabulivou
Hon. Ruveni Nadabe Nadalo
Hon. Ratu Sela Vuinakasa Nanovo
Hon. Niko Nawaikula
Hon. Mataiasi Akoula Niumataiwalu
Hon. Howard Robin Thomas Politini
Hon. Prof. Biman Chand Prasad
Hon. Aseri Masivou Radrodoro
Hon. Salote Vuibureta Radrodoro
Hon. Lt. Col. Netani Rika

Hon. Balmindar Singh
Hon. Prem Singh
Hon. Ashneel Sudhakar
Hon. Anare Tuidraki Vadei
Hon. Samuela Bainikalou Vunivalu
Hon. Mikaele Rokosova Leawere

Absent

Hon. Josaia Voreqe Bainimarama, Prime Minister and Minister for iTaukei Affairs,
Sugar Industry and Foreign Affairs
Hon. Faiyaz Siddiq Koya, Minister for Industry, Trade, Tourism and Lands and Mineral
Resources
Hon. Rosy Sofia Akbar, Minister for Health and Medical Services
Hon. Jone Usamate, Minister for Employment, Productivity and Industrial Relations
Hon. Lt. Col. Laisenia Bale Tuitubou, Minister for Youth and Sports

MINUTES

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Madam Speaker, I beg to move:

That the Minutes of the sitting of Parliament held on Friday, 28th April, 2017, as previously circulated, be taken as read and be confirmed.

HON. A. SUDHAKAR.- Madam Speaker, I beg to second the motion.

Question put.

Motion agreed to.

COMMUNICATIONS FROM THE CHAIR

Welcome

HON. SPEAKER.- I welcome all Honourable Members to the first day of the May sitting of Parliament. I also welcome members of the public joining us in the gallery and those who are watching the proceedings on television and the internet, and listening to the radio. Thank you for taking interest in your Parliament.

Welcome - Honourable Ratu Naiqama Lalabalavu

I would like to also take this time to welcome the Honourable Ratu Naiqama Lalabalavu back to Parliament; you are very welcome.

Official Launch - New Parliament Website and the Mobile Application (App.)

For the information of Honourable Members, over the lunch break today, we will have the official launch of the new Parliament website and the mobile app. Honourable Members, you are all kindly requested to be part of the launch of these products.

Drug Shortages - Point of Order from the Honourable Professor Biman Prasad

Moving on to the business of the House, Honourable Members, you will have noted that on Monday, 24th April, 2017, I ruled on a point of order from the Honourable Professor Biman Prasad on the issue of drug shortages.

There has been some publicity around this issue and confusion in the House and the media on the criteria for urgent oral questions. Therefore, at this juncture, for the benefit of Honourable Members and for those listening to proceedings, I wish to clarify further on the issue of urgent oral questions.

Standing Order 43(1) provides that a written copy of the question must be delivered to the Secretary-General one hour before the sitting in which the question will be asked and the question must be of an urgent character and relates to a matter of public importance.

It is for me as Speaker to decide whether the question meets this criteria and in doing so, I consider two points: firstly, is the matter of public importance? Secondly, is the matter urgent, or putting it another way, did something happen in the last two to three days that meant that an Honourable Member would not have been able to submit the question within four days' notice as per normal processes for oral questions?

In the case of the question from Honourable Biman Prasad, I believe that the question was of national importance but did not relate to a specific issue or an event that had occurred in the past two or three days before the sitting. Therefore, the question could have been submitted within the normal days' notice period or could have been submitted for answer any day during the week.

For the benefit of Honourable Members, I want to provide an example, a question relating to the sewage system in Suva would not have been considered as an urgent oral question, however, if a sewage drain had burst in the last two or three days ago and the sewage was seeping into the river, thus threatening the health of citizens, I would likely to accept this as an urgent oral question. The matters of national importance and the question could not have been submitted within four days' notice. I trust this clarifies the matter for Honourable Members.

PRESENTATION OF PAPERS AND CERTAIN DOCUMENTS

HON. A. SAYED-KHAIYUM.- Madam Speaker, in accordance with Standing Order 38, I present the Fiji Ports Corporation Limited Annual Report 2015 to Parliament.

HON. SPEAKER.- Please, hand the Report to the Secretary-General.

(Report handed to the Secretary-General)

Under Standing Order 38(2), I refer the Fiji Ports Corporation Limited Annual Report 2015 to the Standing Committee on Social Affairs.

HON. SPEAKER.- I have been informed that there are no reports of Committees to be tabled.

Response from Minister for Defence and National Security with respect to the Report of the Standing Committee on Foreign Affairs and Defence on Fiji Police Force Annual Report 2013

HON. SPEAKER.- For the information of Honourable Members, the Secretariat had received the response from the Honourable Minister for Defence and National Security with respect to the

Report of the Standing Committee on Foreign Affairs and Defence on the Fiji Police Force Annual Report, 2013. This was pursuant to Standing Order 121(6)(b). I can confirm that the response was duly relayed to the Chairperson of the Standing Committee on Foreign Affairs and Defence. The Report and the response can be debated at a later sitting. Thank you.

HON. PROF. B.C. PRASAD.- Madam Speaker, I rise on a point of order, Standing Order 44(8), in relation to this question. I know we had agreed to this question in the Business Committee, and if you recall, I have also suggested that the Honourable Minister may want to make a Ministerial Statement on it. I think the nature of the question could be ruled out under Standing Order 44(8) because really it says:

“A question must not be asked for the purpose of obtaining an expression of opinion, the solution to an abstract case, or the answer to a hypothetical proposition.”

I was just wondering on reflection, the question, can the Honourable Minister explain why there is opposition from certain quarters? I thought the Honourable Minister could give a Ministerial Statement and that may be a better proposition to the question, Madam Speaker.

HON. SPEAKER.- For the information of Honourable Members, the Business Committee had considered and agreed on this question and had considered all the issues that you have mentioned this morning and the Opposition Parties, including yourself, did raise the issue at this meeting, and it was dealt with in detail. However, the Business Committee agreed that this question be tabled. Thank you.

We will move on to the next Item in the Order Paper. I call on the Honourable Mataiasi Niumataiwalu, to have the floor.

QUESTIONS

Oral Questions

\$10 Million Subsidy to Benefit Cane Farmers (Question No. 139/2017)

HON. M.A. NIUMATAIWALU asked the Government, upon notice:

The FijiFirst Government's \$10 million subsidy for cane farmers is expected to benefit farmers badly affected by *TC Winston*. Can the Honourable Attorney-General and Minister for Economy, Public Enterprises, Civil Service and Communications explain why there is opposition from certain quarters?

HON. A. SAYED-KHAIYUM (Honourable Attorney-General and Minister for Economy, Public Enterprises, Civil Service and Communications).- Madam Speaker, I rise to respond to the question asked by the Honourable Member.

Madam Speaker, as you know that Government made announcement last week in respect of an additional \$10 million pay-out in respect to the fourth cane payment, to assist those cane farmers who would have got their fourth cane payment.

Madam Speaker, after *TC Winston*, Government has been looking at a number of ways as how we can assist the different sectors within the Fijian economy. As we know that there are certain parts of Fiji, there are certain members in various sectors of the economy who were affected more

than others and Government has been over the past number of months, in fact over the past one year, looking at how we can make various interventions in the right point of time to be able to target that assistance.

So, in respect of the fourth cane payment, Madam Speaker, we had also been thinking about this for quite some time.

Madam Speaker, we had decided that we should assist those cane farmers who would have actually got nothing after their deductions from the fourth cane payment. The way it works, Madam Speaker, is that the farmers at every cane payment have various things that they need to pay for. So, they have an automatic deduction should they wish to have that automatic deductions. For example, for lease payments to iTLTB, Department of Lands, Cane Growers Fund, Fiji Development Bank, Crop Links, et cetera, and various other deductions.

Madam Speaker, what we discovered also were:

- 1) It would have been over 50 percent of the cane farmers, in fact 40 percent, 52 percent would have ended up with nothing or very little after those deductions, after the fourth cane payment; and
- 2) there was something like 3,942 cane farmers who actually withdrew up to \$1,000 from the Cane Growers Fund, specifically after *TC Winston*, to actually help them get up on their feet.

The reality is, Madam Speaker, we have very low cane production in particular after *TC Winston* and of course by having a low cane production because their cane crops were damaged would have meant lower income levels at the end of it all. So, we were specifically ranting, we intervened and so last Friday, all the farmers would have got their cane payments. So, those who had any deductions from the fourth cane payment had no deductions made and they would have got the full cane payment, this is about in excess of \$10 a tonne they would have received. So, this is the reason why this intervention was made.

Madam Speaker, everyone agrees with the access of nearly 8,000 farmers who benefited from this, agree with this and they believe it is a positive thing. Now, the reality is that, there are some people obviously who do not necessarily like this assistance and they are unfortunately mainly politicians. We hear that after the announcement was made that there were some group that were planning to have a march next Saturday in Vanua Levu, the permit of which has been issued to them. They will be marching through the streets of Labasa, we understand, objecting to this payment.

Now, if you go and talk to all those cane farmers who have received the benefit, if you say to them “you object to this.” None of them obviously objected, this has been politicised. Obviously, there are some cane farmers who have not benefitted from this \$10 million pay-out as yet, not benefitted from this \$10 million payment as yet because they do not have any deductions.

So, if you are a cane farmer, you do not have any deductions, you obviously do not have the deduction made for you and paid for by Government, but as we have also made announcement in that respect, Madam Speaker and I have the benefit last week on Thursday in the evening I was in Vanua Levu and met two groups of farmers and as we discussed with them, we have, through FSC, are planning to look at some other assistance for those farmers, for example, too many of them are very highly yielding farmers. Some of them actually do not have loans and some of them took the initiative to actually pay off their loans. So, we have actually ring-fenced those farmers and we are

looking at various assistance for them specifically. Unfortunately, the reality is that the so-called opposition from certain quarters, Madam Speaker, has been driven by political parties.

We have this wonderful article that appeared in today's *Fiji Times*, very timely, Madam Speaker, how sometimes these articles appear in the *Fiji Times* when we know there is a particular subject that is going to be debated in Parliament on that day, in a few days' time. That is why I keep calling this newspaper the Opposition Times.

(Chorus of interjections)

HON. A. SAYED-KHAIYUM.- Madam Speaker, the reality is here. If you read a line from this paper, it says:

“NFP says to growers - these payments are like the Prime Minister's “small enterprise grants” and “Help for Homes”. So, take the money government is throwing at you.”

You know, this is a huge disrespect for the farmers of this country. It is a huge disrespect to say that somehow or the other, we are just throwing money at them like that.

Madam Speaker, when we provide assistance, it really hurts them.

(Chorus of interjections)

HON. A. SAYED-KHAIYUM.- This is why you have these shenanigans, when we had in the Business Committee agreed to this question, the Honourable Leader of NFP stands up to object it again because he does not want this elucidated in the public space because he knows it is for the benefit of ordinary farmers.

Madam Speaker, this is the reality. These poor farmers, for decades, have been treated like political football because every one of them comes along, I understand Honourable Prasad has gone around saying, “Penang is his trump card”. Why? Are we building or maybe someone else from NFP may have said, “Are we building our political careers on the ill-fate of the farmers?”

It is precisely what has been happening in this country, Madam Speaker, and this is why they make lies like this as if we are throwing money at them that these are some people who are lonely down there, we are throwing money at them. Madam Speaker, we do not see them in that fashion. We see them as very, very big contributors to our economy.

Madam Speaker, we respect them, we will nurture them and you will see, Madam Speaker, with the new Chairman, Chief Executive Officer, Financial Controller and the Chief Operation Officer of the Fiji Sugar Corporation, you will see the strides in the announcements that we will be making, not just in the Budget but in the next year to come, Madam Speaker. Thank you.

HON. SPEAKER.- Thank you. I will restrict supplementary questions to only three. So, can we have the first supplementary question? Honourable Professor Biman Prasad?

HON. PROF. B.C. PRASAD.- Thank you, Madam Speaker. It is quite hilarious that the Honourable Minister of Economy keeps blaming the politicians but can he tell the people of this country that over the last 10 years, the number of active growers have declined by 5,764?

Can he tell the people of this country that there has been a massive decline of 1.84 million tonnes of cane? This why we are saying, Madam Speaker, that the rescue package or the \$10 million package is a band aid solution. I want the Honourable Minister to tell the people of this country, why under his Government and the previous government which he was part of, that we have seen such massive decline in the sugarcane production in this country?

HON. SPEAKER.- Thank you, Honourable Attorney-General.

HON. A. SAYED-KHAIYUM.- The Honourable Member is the one who has the joke on him.

Madam Speaker, let me read out some facts to him also. He knows very well. This is what we call the “obfuscation of facts”. We repeatedly use that terminology in this Parliament and he is an economist. He also knows that you can do selective pronouncement on various statistics. We can spill anything we want, in particular, if you do not have your heart in the right place. Let me give you some facts.

Madam Speaker, cane farmers have received an average of \$80.14 per tonne of cane from 2012 to 2016. This is the highest cane price by far for any five year period, picking at \$88.49 in 2013. Comparatively, Madam Speaker, from 1987 to 2005, the growers only got an average of \$52.76. They only received \$52.76 when in the past few years they have been receiving \$80.14 a tonne. That, Madam Speaker, is something that he is not highlighting.

HON. N. NAWAIKULA.- I am talking about collection.

HON. A. SAYED-KHAIYUM.- Madam Speaker, he has not highlighted that.

Madam Speaker, the issue of production is not only about the competency of a Government, it is also about other extraneous factors that exist in the cane fields.

Madam Speaker, the Honourable Member knows that there have been issues such as expiring cane leases. We are putting in place CBUL, the Committee for Better Utilisation of Land, where we pay landowners and additional 4 percent on top of the 6 percent UCV, to encourage landowners to renew their leases, and many of them are coming on board.

He should actually talk about the 50 percent of cane leases that were not renewed in Vanua Levu because of the policies specifically and directly of the previous governments, specifically on politicisation of the cane belt. That is what he is not talking about, Madam Speaker.

What he also needs to understand and talk about is what they do not talk about, he goes around and says, “we will give you \$100 a tonne”, but Madam Speaker, anyone who understands commerce, and I repeatedly say this, anyone who understands commerce or they make a statement like this because you need to look at your cost structure.

You can offer \$100 a tonne which they cannot, the reality is that they cannot do that, even if hypothetically they are offered \$100 a tonne and if your cost structure keeps on increasing, at the end of the day, out of the \$100 a tonne, your cost is about \$85 a tonne, you will have only \$15 a tonne.

What FSC has said, with the new CEO and Government has also said this, we have said we are looking at also the cost structure in the cane industry. For example, Madam Speaker, we have looked at the rail system in Fiji. There are various policies and measures in place we will be making announcements on that. Anyone who knows about the sugarcane industry will know that the cost of

carting your cane from your farm to the mill is far more expensive if you do it by truck, as opposed to doing it on the rail.

In Fiji, at one point in time, Madam Speaker, nearly 80 percent of the cane that went to sugar mills went by rail. Today, only 20 percent goes by rail, Madam Speaker, that is the fact. If we are able to look at the cost of cane harvesting, we have had the industry for decades, even his lawyer who talked to the Fiji Institute of Accountants said that the cane industry has been suffering for decades. It has been an issue that has not been addressed by many governments.

So, Madam Speaker, the reality is this; we are looking at some fundamental changes within the cost structure, within the entire regime of the sugarcane industry. It is not an issue, they are doing band aid solution saying, "We will give you \$100 a tonne".

(Honourable Member interjects)

HON. A. SAYED-KHAIYUM.- That is what you call a "fiction of tonnage" for cane pricing. It is a fiction; it is trying to lure these poor cane farmers. They do not talk about cost structure, they do not talk about cost structure at all, and we will build the mill.

HON. OPPOSITION MEMBER.- We do.

HON. A. SAYED-KHAIYUM.- What is the cost structure? They do not talk about cost structure, Madam Speaker.

HON. OPPOSITION MEMBER.- We will.

HON. A. SAYED-KHAIYUM.- We will. Yes, yes, now you will, because you have said it, we do not. That is the problem.

(Honourable Members interject)

HON. A. SAYED-KHAIYUM.- We now give you the prompts, we have now given you the prompts. You see, Madam Speaker, in this House, the intellectual depth is provided by this side of the House, not by that side, Madam Speaker.

(Laughter)

HON. A. SAYED-KHAIYUM.- The intellectual debt created by this side of the House, not that side of the House. The reality is, Madam Speaker, is that the issues that he has spoken about, we are addressing that in a substantive matter, in a substantive form. We will continue to do that, but I have one plea, Madam Speaker, please, do not try and take the farmers for a ride, do not try and take advantage of their goodwill.

HON. OPPOSITION MEMBERS.- (Inaudible)

HON. A. SAYED-KHAIYUM.- Do not try and take advantage of their humble being, Madam Speaker. They are in fact a lot smarter.

Unfortunately, Madam Speaker, I also heard in Vanua Levu from the farmers themselves that some of the political parties are going around and now using religion and ethnicity as a means of trying to win their support.

HON. OPPOSITION MEMBERS.- (Inaudible)

HON. A. SAYED-KHAIYUM.- Madam Speaker, you see how they react? You see how they react?

(Chorus of interjections from Opposition Members)

HON. A. SAYED-KHAIYUM.- It is touching a raw nerve. It is touching a raw nerve. Madam Speaker, those farmers ...

HON. OPPOSITION MEMBER.- Creating a new ...

(Laughter)

HON. A. SAYED-KHAIYUM.- Madam Speaker, you see, do not blame Honourable Praveen Bala for that.

HON. OPPOSITION MEMBER.- (Inaudible)

HON. A. SAYED-KHAIYUM.- You see, Madam Speaker, how they react?

HON. OPPOSITION MEMBER.- I know

HON. A. SAYED-KHAIYUM.- You see they are yelling! Listen to their yelling! This is the drama. I want them focussed, Madam Speaker, on how we can truly help farmers in a long-term and sustainable basis. We need to help these farmers on a long-term and sustainable basis. We need to be genuine, we need to be genuine about helping these farmers, not because the Elections is around the corner.

(Laughter)

That is what is happening. You see these guys have started campaigning already. They are on their horse, they are on their horse!

(Chorus of interjections from Opposition Members)

HON. A. SAYED-KHAIYUM.- Madam Speaker, but they have to be mindful. Do not start the race too early my friend, do not start the race too early, you will run out of steam, and in fact I can tell you, you are about to run out of steam very soon.

(Laughter)

HON. A. SAYED-KHAIYUM.- You are about to run out of steam very soon because all your ammunition will be running out.

Madam Speaker, please, Madam Speaker, again the message to the sugarcane farmers of Fiji in this particular instance, related to this question, is that we do not want other people to come around and take advantage of them. A lot of them are a lot smarter, unfortunately as has been the case in the sugarcane industry, right from the colonial days, this is why many political parties actually have the genesis in the sugarcane industry because it was highly politicised since then, and it has been. Madam Speaker, we need to break away from this, the Honourable Prime Minister keeps on saying ...

HON. OPPOSITION MEMBER.- (Inaudible)

HON. A. SAYED-KHAIYUM.- ... we need to de-politicise the sugar industry, Madam Speaker, and the way to de-politicise the sugar industry is sometimes you need to make decisions that is not going to give you a reward just now. They need to have a long-term impact and sometimes we need to actually go down the road that may not be necessarily that sweet, but it will be extremely sweet down the trail, Madam Speaker.

So, the reality is this; the sugarcane industry is on a good footing now we have some very, very good people on board.

HON. OPPOSITION MEMBERS.- (Inaudible)

HON. A. SAYED-KHAIYUM.- We have a very good Chairperson now, a very good CEO, I know Government is not a strong point, but the fact of the matter is, Madam Speaker, the reality is that we have got in train a number of policies we have recognised. You have prisoners cutting cane, they do not talk about the fact that many people in Fiji do not want to cut cane anymore. People have moved along, they saw it as a form of livelihood, they no longer want to cut cane.

HON. OPPOSITION MEMBER.- (Inaudible)

HON. A. SAYED-KHAIYUM.- Madam Speaker, the fact of the matter is, they do not understand because they do not actually go and talk to the farmers, they simply want the farmers to listen to them. We know about their meetings in Rakiraki...

HON. OPPOSITION MEMBER.- (Inaudible)

HON. A. SAYED-KHAIYUM.- ... they called on these farmers, only four people spoke and the poor farmers went away.

HON. OPPOSITION MEMBER.- (Inaudible)

HON. A. SAYED-KHAIYUM.- Madam Speaker, the reality is this; the Government provided the prisoners to cut the cane. The prisoners actually get paid for it but if you talk to the sugarcane farmers, they will tell you that the cutters came, they actually fed them, gave them a roof, agree to a price and maybe a day or two before they are supposed to cut the cane, they left because some other farmers offered them a higher rate because everyone was desperate to cut their cane.

Government, Madam Speaker, also found a solution to this. We asked the farmers, "please form a cooperative, we will give you cane cultivators, cane harvesters." Today, Madam Speaker, 21 cooperatives had been formed under this scheme; 21 cane harvesters will go out to all these farmers, they are getting organised. It is a means, Madam Speaker, to also provide further mechanisation, it solves and addresses the issue of labour shortage for cane cutters. It also gives them better pricing for cane harvesting, Madam Speaker, and what it means that through these cooperatives, the 21 cooperatives that had been formed, and we understand more will be formed. Government is providing one-third of the cost of the harvester, the two thirds is by a way of a loan to FDB.

These cooperatives are very encouraged by this and they are also have skin in the game, where they will also be doing the repayments. Madam Speaker, what it also does, it provides these cooperatives as a means to be able to roll out other technology that we intend to bring in a very short to medium-term, Madam Speaker. Thank you.

HON. SPEAKER.- I now give the floor to the Honourable Viliame Gavoka.

HON. V.R. GAVOKA.- Thank you, Madam Speaker. Madam Speaker, simply, the farmers are saying, “do not give us all these kinds of support but give us a good price” and they have said something, like “\$100 or \$125”. Now, the farmers are saying that they were promised \$85 a tonne by FijiFirst when they were campaigning in 2014. Can we get a reply in this House, an answer, just simply say, “yes” or “no”. Did you promise the farmers?

HON. A. SAYED-KHAIYUM.- Madam Speaker, I will give some form of credibility to that question by answering it.

Madam Speaker, it is not just the question of how much, but like I had explained, anyone who understands....

(Honourable Member interjects)

HON. A. SAYED-KHAIYUM.- Did you say \$85? Did you say \$100? Can they not understand, it is not just about the price to pay, it is about the cost incurred.

Madam Speaker, I do not know where the Honourable Member had his figures from, who he spoke to and what his sources are. If he can tell me his source, if he can tell us again the time and date, then he will be able to be relied upon. But again, Madam Speaker, the fact of the matter is that, we need to look at the cost structure of not just the pricing of the tonnage per cane but we need to look at what it costs you to produce that tonne of cane. If you are able to bring down the production cost of that cane, obviously you get a bigger margin, and that is how businesses works.

Honourable Nawaikula was at iTLTB, did he ever find out what the farmers went through when he went around with the former CEO of iTLTB in Vanua Levu, telling people not to renew their leases? You need to talk to him. That is the reality.

(Chorus of interjections)

HON. A. SAYED-KHAIYUM.- These are the people now who are suddenly the saviours of the sugarcane industry because it politically suits them, and this goes to show the hypocrisy from the other side.

HON. S.V. RADRODRO.- Point of order!

HON. SPEAKER.- Point of order!

HON. S.V. RADRODRO.- I rise on a Point of order, Standing Order 60, on the relevance of the response. The question asked was for him to state, ‘yes’ or ‘no’.

HON. SPEAKER.- Thank you. The answer provided was very relevant to the question. There is more to just a ‘yes’ or a ‘no’ in answering these questions.

Lastly, I give the floor to the Honourable Dulakiverata.

HON. J. DULAKIVERATA.- Madam Speaker, a supplementary question. Every time we have a natural disaster, it is likely that the farms are damaged and the cane farmers will be compensated or they have some sort of subsidy. Do you have a specific budget reallocation for this, and if not, where is the source of this fund?

HON. SPEAKER.- Honourable Attorney-General?

HON. A. SAYED-KHAIYUM.- Madam Speaker, like any good government that runs prudent financial management systems, we would be able to source money from within the allocated budget for that year.

HON. SPEAKER.- Thank you. I now give the floor to the Honourable Howard Politini to ask his question.

Benefits of Fiji's Membership at Interpol
(Question No. 140/2017)

HON. H.R.T. POLITINI asked the Government, upon notice:

Can the Honourable Minister for Defence and National Security explain to the House how Fiji's membership at Interpol benefits Fiji and the region in the area of transnational crimes?

HON. RATU I. KUBUABOLA (Minister for Defence and National Security).- Madam Speaker, I rise to respond to the question asked by the Honourable Member and first of all, I would like to thank him for his question this morning.

Madam Speaker, for the information of the House, the Interpol is the international criminal police organisation and has a membership of 190 members. Fiji has been a member of the Interpol since 1971.

Madam Speaker, the benefits for Fiji is mostly felt by the Fiji Police Force and other local law agencies in the following ways.

The Fiji Police Force is able to share information and intel with other law enforcement organisations in the 189 other countries on the movements of persons of interest, crime groups and even the use of stolen, lost or forged travel documents.

The Fiji Police Force in particular, benefits from having direct access to Interpol's 24/7 Interpol System Network which allows the Police to trace the international movement of stolen or lost travel documents, stolen vehicle parts, illicit weapons and, of course, the movement of criminals, wanted in one or more foreign jurisdictions.

Further because Fiji is the most active member of Interpol in the Pacific Region, Madam Speaker, many of our neighbouring countries, even though they are members and non-members, seek the assistance of Fiji in conducting their investigations, especially Papua New Guinea, Vanuatu, Tonga, Samoa and the Marshall Islands, and often this is related to communication infrastructure. For example, early this year, the Republic of the Marshall Islands requested the Fiji Police Force to provide general assistance under the Interpol Framework, even though Marshall Islands is a member of Interpol.

In terms of our daily request from overseas countries, Madam Speaker, Australia and New Zealand submit to Fiji the most requests for information and intel.

Madam Speaker, Fiji benefits through officers from the Fiji Police Force, Immigration, Customs, Fisheries and the Ministry of Environment, accessing many training opportunities provided by Interpol in a wide range of areas, such as transnational crime, illicit trafficking of fake goods,

cybercrime, counter-terrorism and human trafficking. Fiji has also been recognised in this regard by being able to host various Interpol meetings here in Fiji. Furthermore, many of our police officers attend Interpol training in other countries every year.

Also the Fiji Police Force encourages its officers to access the online training provided by Interpol. Madam Speaker, the online training allows for officers to dedicate themselves at their own leisure on pertinent matters such as illicit arms trafficking, searching of vehicles, searching of illicit drugs and cybercrime. Officers are given certificates at the end of this training to show that officers are qualified in investigating such matters.

Madam Speaker, the Fiji Police Force benefits by being exposed to international standards and concepts for information sharing, management of investigations and the analysis of crime trends and threats, among others. By being exposed to Interpol standards, our officers can improve their own professionalism and standards, thereby contributing to better detection of crime in Fiji and internationally, in co-operation with other countries.

Madam Speaker, the Fiji Police Force also benefits by being able to access Interpol support services, such as emergency support on such treats, such as terrorism, illicit drug trafficking, human trafficking financial and high-tech crime and corruption, among others. Thank you, Madam Speaker.

HON. SPEAKER.- Thank you. Supplementary question, Honourable Parmod Chand?

HON. P. CHAND.- Can the Honourable Minister confirm if Interpol is providing support to our joint border security initiatives, such as those undertaken by FRCA and the Police on the crackdown of hard drugs?

HON. SPEAKER.- Thank you. Honourable Minister?

HON. RATU I. KUBUABOLA.- As I had mentioned before, Madam Speaker, the information sharing and exchanges are between member countries of Interpol where they do also share information on border controls.

HON. SPEAKER.- Honourable Salote Radrodro?

HON. S.V. RADRODRO.- Thank you, Madam Speaker, and I thank the Honourable Minister for his explanation. The question is; what are the challenges that Fiji is faced with in working with transnational crimes with other countries to be able to fully realise the potentials or the benefits that he has highlighted?

HON. SPEAKER.- Thank you. Honourable Minister?

HON. RATU I. KUBUABOLA.- Madam Speaker, I think one area is capacity training for our officers to be trained. As I had mentioned in my answer earlier on that our police officers are being exposed to international standards and they have been attending some training, not only locally but also overseas.

HON. SPEAKER.- Honourable Nabulivou?

HON. A. NABULIVOU.- How much is the annual membership fee for Interpol?

HON. SPEAKER.- Thank you. Honourable Minister?

HON. RATU I. KUBUABOLA.- The annual fees is FJ\$30,000 every year.

HON. SPEAKER.- Thank you. I now give the floor to the Honourable Netani Rika to ask his question.

Wood Processing – Value Addition & Increasing Small Scale Wood-Based Businesses
(Question No. 141/2017)

HON. LT. COL. N. RIKA asked the Government, upon notice:

Building capacity for local communities and other relevant stakeholders in wood processing and value adding can significantly provide an enabling environment to actively participate in economic business ventures. Can the Honourable Minister for Forests explain what the ministry is doing to enhance value addition and to increase small scale wood based businesses?

HON. O. NAIQAMU (Minister for Forests).– Madam Speaker, I rise to answer the question raised by the Honourable Member.

Madam Speaker, my Ministry is putting a lot of emphasis on capacity building for the various types of wood processing and value adding, targeting a wide range of stakeholders, including forest owners and small scale wood-based entrepreneurs.

Currently, the Training and Education Division of the Ministry has been delivering skilled-based training programmes in primary and secondary wood processing within the forestry industry and to resource owners. My ministry is delivering a one-year Certificate in Woodcraft Technology where trainees are recruited due to their interest to utilise their forest resources. This is competency-based training, where trainees go through hands-on skills on all aspects of wood processing and value adding.

At the end of the training programme, graduates have to choose whether to further their studies at the Fiji National University (FNU) or look for employment or even start their own businesses. Out of the 80 graduates so far, 60 have found employment, 18 have continued their studies at FNU, while two are in the process of starting their own business.

Madam Speaker, another programme that the Ministry is delivering is the short-term skills-based training offered, not only to the industry but also to the rural communities and resource owners. These types of trainings are normally tailor-made according to their request or requirements and the duration is from one to three weeks. Examples of these are:

1. Chainsaw Training;
2. Portable Sawmilling Training;
3. Timber Grading Training; and
4. Treatment Plant Operator and other Value-Adding Machine Training.

From this financial year, apart from the cyclone affected areas, we have delivered 18 trainings to different areas of Fiji. Out of such short-term skills trainings, my ministry has also moved further in developing wood-based cottage industries and incubation centre to nurture potential business entrepreneurs. In this activity, small entrepreneurs are given a one year opportunity to make use of our value adding facilities in order to start up their businesses.

The facility acts as incubation centre, where they are exposed to various skills training, including the use of specialised machines for value adding. From when it started, my Ministry has established five cottage industries, while 12 are still being engaged in skills development. This year, the ministry is planning to establish another five new cottage industries. Thank you, Madam Speaker.

HON. SPEAKER. – Thank you. Honourable Ratu Kiliraki?

HON. RATU K. KILIRAKI. – Thank you, Madam Speaker. My question to the Honorable Minister is; whether there is any effort made to address the 40 percent wastage that is left in the mahogany plantations to help the landowners participate in the processing of all these wastages? There are about 40 percent, apart from the logs that are taken to the sawmills.

HON. SPEAKER – Honourable Minister?

HON. O. NAIQAMU.–Madam Speaker, the ministry, along with the Ministry of Public Enterprises are working with the Mahogany Trust, on behalf of the landowners to utilise the logs that have been left un-utilised in the forest.

HON. SPEAKER.–Honourable Prem Singh?

HON. P. SINGH.– A supplementary question, Madam Speaker; can the Honourable Minister advise whether these wood processing and value adding initiatives for SMEs is part of a wider national land use plan, and if so, can the National Landuse Plan be tabled in this House?

HON. SPEAKER.– Honourable Minister?

HON. O. NAIQAMU.– Madam Speaker, I think that is a new question altogether.

HON. SPEAKER.– Thank you. Honourable Ratu Nanovo?

HON. RATU S.V. NANOVO.– A supplementary question, Madam Speaker. I do thank the Honourable Minister for the explanation given regarding value adding that are being carried out in all centres, as he mentioned.

My question to the Honourable Minister this morning is; who monitors all these set-ups out there in the rural areas or whichever centres that they have set up, to ensure that the planned work comes out as a reality rather than just a dream all the time?

HON. SPEAKER.–Honourable Minister?

HON. O. NAIQAMU.– Madam Speaker, in my ministry, there is a department that monitors all the activities, especially where we have assisted all the communities throughout Fiji.

HON. SPEAKER. – Thank you. I now give the floor to the Honourable Alvick Maharaj.

Braille Eye Slate – Benefits to the Visually Impaired Students
(Question No. 142/2017)

HON. A.A. MAHARAJ asked the Government, upon notice:

Braille Eye Slate which supports learning for visually impaired students were donated to few Special Schools in Fiji. Can the Honourable Minister for Education,

Heritage and Arts provide details of this and how it will benefit the visually impaired students in the Special Schools?

HON. DR. M. REDDY (Minister for Education, Heritage and Arts). – Madam Speaker, I rise to respond to the question asked by the Honourable Member and I wish to thank him for asking this question.

Madam Speaker, Braille is a language that is used to represent letters, numbers and punctuation marks in the entire words. It is a system of raised dots that can be read with the fingers with a touch of a button on the device by people who are visually impaired or who have low vision.

Our students with visual impairment are capable of mainstream curriculum, Madam Speaker. We want to normalise them, we want to give them a little bit of leverage that will make them feel normal or that will get them to normal schools, Madam Speaker.

Madam Speaker, the Braille Eye Slate that we have donated to the three Special Schools last week, that is the Nadi Special School, the Fiji School Of the Blind in Suva and the Labasa Special School were designed by two Undergraduate Engineering students at USP, Nikhil Singh and Vinod Prakash, under the supervision of their senior lecturer, Dr. Utkal Mehta.

Madam Speaker, the main vision of these two students was to provide technological solution to the visually-impaired people so that they can adapt to Braille quickly at an early age. Thus, the two students carried out a path-making research amongst its students in the Pacific island countries and investigated systematically the level of Braille literacy in children in the Pacific.

So, Madam Speaker, this research originated first by looking at what is the level of Braille usage, availability accessibility and Braille literacy amongst visually-impaired children in the entire Pacific.

Madam Speaker, this project was awarded top ranking at the IEE, which is a top forum of top engineering academics, amongst the IEE Young Engineers Award in 2016.

Madam Speaker, the device is easy to use and has various modes to teach letters, numbers and others as per visually-impaired students' level. It is reprogrammable and it is battery-operated, Madam Speaker.

Madam Speaker, the Braille Eye Slate will assist in the early Braille learning of the visually-impaired children from a young age, which is the foundation for the later years. Children will be able to feel or touch the Braille notes and use Braille as a medium, learn the letters of alphabets, numbers, sounds and symbols.

It will assist them to write the text that they can read, Madam Speaker. It is a pre-reading tool for the visually-impaired and learning the alphabets is the basis for reading. Thus, Madam Speaker, this whole Braille learning device will lead to these children being able to read materials, whether it is lecture, novel, today's reading storybooks, et cetera.

Madam Speaker, complete or nearly complete vision loss; those young children who have complete or nearly complete vision loss tend to slow down as their vision deteriorates over the years. Thus, the eye slate is essential, as they continue their learning using Braille language that I had described earlier on. Madam Speaker, this device, is not only for little children, it can be also used by adults who have a visual problem or has developed a visual problem at a later stage of their life.

Madam Speaker, there are three educational barriers for teaching Braille, not only for the children in the Pacific but also visually-impaired adults. They are proud of being part of an inclusive government where we have strategically worked closely with our universities.

I want to thank the University of the South Pacific (USP) and their Researchers, the Dean of the College of Engineering, Science and Technology, Dr. Jokhan; Researcher, Dr. Mehta, and the two students, for getting into developing this device.

Madam Speaker, often you will see technological innovation taking place for the needs of the private sector to increase their bottom line. In this case, the technological innovation that was done by the USP researchers was to assist a social cause. So, Madam Speaker, it is a remarkable achievement that, normally in technology, you would see that the business sector to at least increase profit and become wealthier, but in this case, it is to assist the society in this particular area of improving their ability to read.

I want to again thank the USP for developing a technology for a social cause, and the researchers for developing this device and taking this particular area of research just by examining the braille literacy in the entire Pacific, then finding out what the gap was, and then developing this device, Madam Speaker. Thank you.

HON. SPEAKER.- Honourable Mikaele Leawere?

HON. M.R. LEAWARE.- Madam Speaker, I would like to thank the Honourable Minister for the assistance that he had mentioned which is related to the question that had been asked. Is there any backup system for these devices, if they run into problems?

HON. SPEAKER.- Thank you. Honourable Minister?

HON. DR. M. REDDY.- Madam Speaker, this device has been locally produced by the College of Engineering of USP, that is the best part. They are now looking at outsourcing this to a particular company in Fiji, who would do it and, therefore, will have their shops in town and in different parts of Fiji where they could provide any troubleshooting aspect that they would require.

HON. SPEAKER.- Thank you. Honourable Balmindar Singh?

HON. B. SINGH.- A supplementary question; can the Honourable Minister explain as to how would visually-impaired students, who are admitted at Special Schools away from the Suva Blind School, be assisted?

HON. SPEAKER.- Honourable Minister?

HON. DR. M. REDDY.- Madam Speaker, I want to thank Honourable Singh for asking this question.

Madam Speaker, all along, the Fiji School Of the Blind is there whereby if any visually-impaired student wants to study and learn Braille language and use Braille, he/she will have to come all the way to Suva to be there and get access to storybooks and other materials. What we have done, through the researchers, is to give out this device to Special Schools around Fiji so that children do not have to travel all the way from Labasa, Vanua Levu or from Rakiraki, Lautoka or Ba, to Suva to study because that is the only place where the device was available all along.

There are two things, Madam Speaker, one is that at the moment, we have given a limited number of devices to Special Schools outside the Suva Blind School. The USP researchers have promised that they will provide more devices to Special Schools outside Suva. Secondly, the teachers have been trained on how to use that device to teach the students so that students who will have a device each will then use it to learn Braille.

HON. SPEAKER.- Honourable Nabulivou?

HON. A. NABULIVOU.- Madam Speaker, a supplementary question; can the Honourable Minister explain the cost aspect of the Braille device?

HON. SPEAKER.- Honourable Minister?

HON. DR. M. REDDY.- Madam Speaker, I want to thank the Honourable Member for asking this question because normally when a technology is developed and if the technology is superior to the existing technology, then it is more costly. Remarkably in this case, the major achievement of these researchers is that, not only have they developed a more superior technology from the existing one, it is also substantially cheaper than the existing one, Madam Speaker.

Madam Speaker, at the moment, the existing device which is called the Perkins Braille is only available at the Fiji School Of the Blind, and the cost of getting one to Fiji is around an approximate FJ\$2000 to FJ\$2500 for only one device. The new one that has been developed is at the accessible cost, one device at the cost of FJ\$200. The existing one costs about FJ\$2000 and the new one which is more superior than the existing one will cost each person FJ\$200 to get the whole device, Madam Speaker.

Madam Speaker, what we are now planning is, USP has volunteered that they will provide a device each to each student. We have around 48 students altogether, and then we have some adults as well. So, 48 students throughout Fiji, which is the existing number of students in the Fiji School for the Blind, as well as some visually-impaired students at the different Special Schools throughout Fiji; all of them will get a device each which is very cheap, FJ\$200. In fact, we did thank the USP, but we are thinking that later on, we will take over. We will provide a device each to every child who is visually impaired.

Again, Madam Speaker, it is very cost effective at a fraction of the cost of the existing device. This technology is superior and is accessible because it is available locally. There is enormous interests worldwide to obtain this device.

This is the second item done and patented by USP, it is our Fijian product, Madam Speaker.

HON. SPEAKER.- Thank you. I now give the floor to the Honourable Prem Singh to ask his question.

Projected Cost of the Four Lane Highway - Nadi Airport to Wailoaloa Junction
(Question No. 143/2017)

HON. P. SINGH.- asked the Government upon notice :

Can the Honourable Minister for Local Government, Housing and Environment, Infrastructure and Transport inform Parliament what is the projected cost for the completion of the four-lane highway from Nadi Airport to Wailoaloa Junction?

HON. P.B. KUMAR (Minister for Local Government, Housing and Environment, Infrastructure and Transport).- Madam Speaker, I rise to respond to the question asked by the Honourable Member and I also thank him for the question.

Madam Speaker, in 2013, the Fiji Roads Authority (FRA) as per the request of Government, commenced one of the most successful infrastructural update programme ever undertaken in Fiji. The purpose of the programme is to improve visitor, tourist and citizen experience when arriving in Fiji, as well as improve the traffic flow and congestion.

Madam Speaker, tourists and all Fijians can now use the bypass to go to Denarau. More importantly, this will also complement the refurbishment of Nadi Airport.

The project runs from the Naisoso Junction to Nadi Airport, through the commercial centres of Namaka and Martintar, to the Wailoa Junction. The FRA is on track to have these works completed by 28th April, 2017, despite the many challenges due to the relocation.

Madam Speaker, I am able to advise the House that the cost of the completion will be around \$165 million. This has been due to the relocation of water pipes, electricity cables and telecommunication cables. The intention is to avoid further unnecessary cost with the relocation. Thank you.

HON. SPEAKER.- Thank you. Honourable Vunivalu?

HON. S.B. VUNIVALU.- A supplementary question, Madam Speaker. The Nadi Airport Road to Wailoaloa Junction, we have seen that there are no more electricity poles, which means that all the lines are going underground and I should also mention that all the water pipes are underground. My question is; is that the reason why more money was needed for that purpose?

HON. SPEAKER.- Thank you. Honourable Minister?

HON. P.B. KUMAR.- Madam Speaker, exactly that is what I said in my response, that all these relocations have taken into the side of the road and the reason why this has taken place is because once we have seen that the road has been done, the next day you will see the old PWD or FEA will start digging.

HON. N. NAWAIKULA.- No more PWD.

HON. P.B. KUMAR.- Can you listen and you should have some patience?

(Laughter)

HON. P.B. KUMAR.-You have not heard the word “old” just like you as an old

So, Madam Speaker, that was the whole intention and I fully agree with what the Honourable Member has asked and that was one of the reasons.

HON. SPEAKER.- Honourable Prem Singh?

HON. P. SINGH.- Supplementary question, Madam Speaker.

HON. SPEAKER.- Supplementary question.

HON. P. SINGH.- This project started off as a 6 kilometre road to be refurbished and new roads built. The recent contract price was around \$66 million for 6 kilometres of road, then the variations came; why is there a substantial variation? Can the Honourable Minister tell this House whether there was a cost benefit analysis done?

HON. SPEAKER.- Thank you, Honourable Minister?

(Honourable Members interject)

HON. SPEAKER.- Honourable Minister, you have the floor.

(Honourable Members interject)

HON. P.B. KUMAR.- Thank you Madam Speaker. Madam Speaker, the initial cost that has been mentioned by the Honourable Member is incorrect.

HON. OPPOSITION MEMBER.- So, what is it?

HON. P.B. KUMAR.- You go and search for it if you really want to, because

(Chorus of interjections)

HON. P.B. KUMAR.- ... the Honourable Member has indicated a figure and I am saying that it is incorrect, he has to accept that.

(Honourable Member interjects)

HON. P.B. KUMAR.- Madam Speaker!

HON. SPEAKER.- Honourable Ratu Nanovo?

HON. RATU S.V. NANOVO.- Supplementary question, Honourable Madam Speaker.

HON. SPEAKER.- Supplementary question.

HON. RATU S.V. NANOVO.- Due to the high cost of this road that had been mentioned in the House this morning, can we be advised as to how many contractors were involved in this work - one or several of them?

(Chorus of interjections)

HON. SPEAKER.- Order! We would like to hear the question, please. Would you like to repeat your question?

HON. RATU S.V. NANOVO.- Based on the cost that has been announced in the House this morning, Madam Speaker, we would be interested to know how many contractors are engaged in the work, only one or several contractors? Thank you Madam Speaker.

HON. SPEAKER.- This is statistical in nature.

HON. P.B. KUMAR.- Yes.

HON. SPEAKER.- Thank you. Therefore, I will now give the floor to the Honourable Gavoka.

HON. V.R. GAVOKA.- Thank you Madam Speaker. Madam Speaker I have always stated many times in the House that the biggest danger to tourism is to build tourism at a level that is not the same as what we build for our people. My concern here is that the road is a four-lane highway, all the way to Denarau. What about the road for the people from Saunaka Village, Kennedy Avenue, Navoci, Namotomoto? They are also citizens of this country who deserve quality road, similar to what you are building to Denarau. Thank you.

HON. P.B. KUMAR.- Thank you Madam Speaker, some time ago, I had mentioned in this honourable House the stages of the programme; Stage 1, Stage 2, Stage 3. What we are talking about now are Stages 2 and 3, from Sutara, where that restaurant is, up to the roundabout where the Nadi Muslim College is, that goes through the villages as mentioned by the Honourable Member and Madam Speaker that will happen under this Government, the FijiFirst Government. This Government will upgrade that road into a proper road, that is not available right now. Thank you.

(Honourable Members interject)

HON. SPEAKER.- Thank you, I now give the floor to Honourable Mosese Bulitavu.

Equipping the Fiji Police Force
(Question No. 144/2017)

HON. M.D. BULITAVU asked the Government, upon notice:

Can the Honourable Minister for Defence and National Security inform the House if the Fiji Police Force is well equipped to combat any riot?

HON. RATU I. KUBUABOLA (Minister for Defence and National Security).- Madam Speaker, I rise to respond to the question asked by the Honourable Member and I would like to thank him for his question this morning.

Madam Speaker, the Honourable Member is familiar with the Police Special Response Unit. He had visited the Police Special Response Unit (Mobile) in Nasinu in 2016. The Police Special Response Unit was established in 1973 and it is based at Nasinu, 8 miles.

Within the Police Special Response Unit, there are 3 units, specifically dealing with civil disturbances and these units are the:

1. Light Strike Force or LSF – which is a unit of 7 men and trained to deal with civil disturbances of less than 50 persons;
2. Anti-riot – consisting of 44 men platoon to deal with civil disturbances of over 50 persons armed with light weapons; and
3. Formed Police Unit – This is the full squad with the intention of providing the unit with the equipment to operate when needed.

The Police Special Response Unit or the PSRU was established within the Fiji Police Force to respond to domestic crisis and also to provide humanitarian assistance whenever and wherever required.

The existing manpower establishment has the ability to make available 4 platoons of 30 men at the Police Special Response Unit and these 4 platoons readiness status is intact and that allows the activation of deployment to any part of Fiji within 24 hours.

Deployment depends on the gravity of the situation on the ground, for instance, one platoon, two platoons or maybe three platoons can be deployed at any time to any part of Fiji to support the divisional riot team.

The PSRU is trained on the tactical operations through the Light Strike Force or the LSF and also, Madam Speaker, the Anti-riot Unit and the Formed Police Unit. Each of this unit is composed of officers who possess several skills sets in handling civil disturbances, medical, communications, negotiations to confront and contain riot situations.

On the equipment, Madam Speaker, the existing light equipment that is in stock at the Police Special Response Unit based in Nasinu is sufficient for the Light Strike Force and the Anti-riot Unit formations to combat any riot in Fiji today.

The first line of defence equipment such as the protective shield and batons are available at all divisions. Thank you Madam Speaker.

HON. SPEAKER.- Thank you. Supplementary question, Honourable Ratu Kiliraki.

HON. RATU K. KILIRAKI.- Thank you, Madam Speaker. As highlighted by the Honourable Minister that there is a special unit that is equipped with light firearms, can the Honourable Minister explain whether the Royal Fiji Military Forces are also in the system of riot, or whether it is all taken by the Fiji Police Force? Thank Madam Speaker.

HON. SPEAKER.- Thank you. Honourable Minister?

HON. RATU I. KUBUABOLA.- Madam Speaker, I do not think I mentioned anything about the light firearms. I mentioned batons and shields, Madam Speaker.

On the Military, Madam Speaker, I am sure that all Honourable Members of this House are familiar with Section 131(2) in the *Constitution of the Republic of Fiji*, the responsibility of the RFMF. *Vinaka*.

HON. SPEAKER.- Thank you. Honourable Viliame Gavoka?

HON. V.R. GAVOKA.- Thank you Madam Speaker. Madam Speaker, as we know, we now have some tanks in this country or we call them APC Bushmaster, can we be assured by the Honourable Minister they are not deployed in Nadi?

Nadi is a gateway for tourism, it is a tourism belt, we do not want tourists to be beaming back photographs of tanks in Nadi when we are trying to project a peaceful friendly Fiji.

Can you please assure the House that they will not deploy those, I believe they call them APCs, but to me they are tanks, they cannot be deployed in Nadi, please? Thank you.

HON. SPEAKER.- Thank you, Honourable Minister?

HON. RATU I. KUBUABOLA.- Madam Speaker, this is a new question but I will answer the Honourable Member. The Bushmaster APC is going to be based in Nadi,

HON. V.R. GAVOKA.- Oh, oh!

HON. RATU I. KUBUABOLA.- But at the Black Rock.

HON. V.R. GAVOKA.- That will need someone to drive it....

HON. RATU I. KUBUABOLA.- That is very far from the Airport and also from Nadi Town.

HON. MEMBER.- For training purpose.

HON. RATU I. KUBUABOLA.-Yes, for training purpose, for pre-deployment training and also for HADR. There are three APCs. Right now, they are up at QEB but soon, they will be, I have been informed that they will be based at the Black Rock Training Centre in Nadi, very far from where the tourists normally visit.

HON. SPEAKER.- Thank you. I now give the floor to Honourable Ro Teimumu Kepa.

Controlling Environmental Damages – *MV Southern Phoenix*
(Question No. 145/2017)

HON. RO T.V. KEPA asked the Government, upon notice:

Can the Honourable Minister for Local Government, Housing, Environment, Infrastructure and Transport explain, what are the plans for controlling environmental damage caused by the oil spill from the sinking of the *MV Southern Phoenix* at the Suva Harbour on 6th May 2017?

HON. P.B. KUMAR (Minister for Local Government, Housing, Environment, Infrastructure and Transport).- Madam Speaker, I rise to respond to the question asked by the Honourable Leader of the Opposition and I thank her for the question.

Madam Speaker, the Maritime and Safety Authority of Fiji (MSAF), in partnership with Fiji Ports Corporation Limited (FPCL) and other stakeholders, took the responsibility as the first responder to deploy oil spill booms and immediately alarmed the ship after the incident happened. This was done to ensure that any oil spill was contained within the deployed boom area. Madam Speaker, this is the day when that incident happened.

Madam Speaker, the vessel owner and the team from Government had made immediate arrangements for the deployment of diving teams to seal-off any openings from the fuel tanks.

Madam Speaker, this was done to prevent any leaks and the diving teams have been in and around on the site on a daily basis to monitor the situation. Any minor oil spill and debris have been collected in the boom area and removed by the salvage team, and MSAF to-date has confirmed that.

Madam Speaker, since this is a matter of national interest, I want to inform the honourable House that there is an investigation going on and upon completion of the investigation, I will table in full a report in respect of the environment matters. Thank you.

HON. SPEAKER.- Thank you. Honourable Ro Teimumu Kepa?

HON. RO T.V. KEPA.- A supplementary question, Madam Speaker.

HON. SPEAKER.- Supplementary question.

HON. SPEAKER.- May I thank the Honourable Minister for his response. What we are hearing from the people in the Lami and Suva areas that there are some oil evidence outside the boom area. My question to the Honourable Minister is, what interventions does he have in place in terms of protecting and safeguarding the environment? These are the mangroves, the coral reefs and the marine life. Thank you, Madam Speaker.

HON. SPEAKER.- Thank you, Honourable Minister.

HON. P.B. KUMAR.- Madam Speaker, as I have highlighted before, the spill from the ship was removed immediately by the team.

On the plans, this is very unfortunate that this had happened, Madam Speaker, and definitely I am very hopeful and this is somewhat the scope of work that has been given to the investigation team to come up with and also the future plans on how to contain it. Thank you.

HON. SPEAKER.- Thank you, Honourable Vadei.

HON. A.T. VADEI.- Thank you, Madam Speaker. I believe this is not the first case. When can the Honourable Minister assure this House that the sinking of boats as such in the Suva Harbour will not be repeated, with the expertise and the technical professions that they have?

HON. SPEAKER.- Thank you. Honourable Minister?

HON. P.B. KUMAR.- Madam Speaker, can the Honourable Member repeat his question, please?

HON. SPEAKER.- Honourable Member, please?

HON. P.B. KUMAR.- Maybe his microphone is not working.

HON. A.T. VADEI.- Thank you, Madam Speaker. Can the Honourable Minister assure this House whether the capacities that they have with the Ports in the loading and unloading of vessels will prevent such vessels to sink in the Suva Harbour? Thank you.

HON. SPEAKER.- Honourable Minister?

HON. P.B. KUMAR.- Thank you. Madam Speaker, as I have said, it is unfortunate that this has happened. The ship got off balanced and it sunk, but definitely there have been measures in place and we will need to strengthen that. Thank you.

HON. SPEAKER.- Honourable Viliame Gavoka?

HON. V.R. GAVOKA.- Thank you, Madam Speaker. Madam Speaker, I have often shared the findings of the South Pacific Tourism Organisation about the Suva Wharf that when you consider all the other ports in the Pacific, we have one that is un-attractive to cruise liners. Now you have this leakage and you have derelicts all over the place, can the Honourable Minister assure the House that

when he tries to resolve this that he also pays some attention to making Suva Wharf more appealing to the cruise line passengers? Thank you.

HON. SPEAKER.- Honourable Minister?

HON. P.B. KUMAR.- Thank you, Madam Speaker. Unfortunately, the subject matter that has been raised by the Honourable Member does not fall under my Ministry. I am looking after environment but there is a major upgrade plan for the harbour and definitely I know it will happen under this Government.

HON. SPEAKER.- I now give the floor to the Honourable Salote Radrodro.

Progress of the Civil Service Reforms
(Question No. 146/2017)

HON. S.V. RADRODRO asked the Government, upon notice:

Can the Honourable Attorney-General and Minister for Economy, Public Enterprises, Civil Service and Communications advise as to why the Ministry for the Civil Service has not presented its 2015 Annual Report, so to enlighten us on the progress of the Civil Service Reforms?

HON. A. SAYED-KHAIYUM (Attorney General and Minister for Economy, Public Enterprises, Civil Service and Communications).- Madam Speaker, I rise to respond to the question asked by the Honourable Member.

Madam Speaker, the Ministry of Civil Service did not provide a report because it did not exist in 2015.

HON. SPEAKER.- Thank you. Supplementary question, Honourable Salote Radrodro?

HON. S.V. RADRODRO.- Madam Speaker, if it did not exist, then can the Honourable Minister explain why he had mentioned in his Budget Address Supplement, in terms of the Civil Service Reform, which he had mentioned about the reform initiatives in the 2015 Supplementary Budget Address, Madam Speaker?

HON. SPEAKER.- Thank you. Honourable Minister?

HON. A. SAYED-KHAIYUM.- Madam Speaker, as we have known that Honourable Radrodro is not very strong on logic and we have seen in the question is not a very strong forte.

HON. SPEAKER.- Point of Order!

HON. S.V. RADRODRO.- I again rise on a point of order, Standing Order 60 that the Honourable Minister focuses on the question and not to personalise in this House, Madam Speaker. Thank you.

HON. SPEAKER.- Thank you. Honourable Minister, would you like to withdraw that statement?

HON. A. SAYED-KHAIYUM.- Madam Speaker, because she did not let me finish.

HON. SPEAKER.- Honourable Member, I really would like Honourable Members not to speak on the mental powers of other Members. So, please just withdraw that statement that you made.

HON. A. SAYED-KHAIYUM.- If the Honourable Member believes that I have talked about her mental powers then I withdraw it but in fact, Madam Speaker, logic is not about mental powers, and if I can explain myself, Madam Speaker.

Madam Speaker, the Honourable Member draws a causal effect between the existence of Ministry of Civil Service and Civil Service Reforms. The 2015 Budget Estimates, Madam Speaker, just because there was no Ministry of Civil Service does not mean we cannot speak about Civil Service Reforms. That was my point. You can talk about Civil Service Reform without having a specific Ministry of Civil Service and as part of the reform, Madam Speaker, in the 2016 Estimates Madam Speaker, we actually have a Ministry of Civil Service.

So, if you look at the question Madam Speaker, it says, "Can the Minister advise the House as to why the Ministry for Civil Service has not presented its 2015 Annual Report, so to enlighten us on the progress of the Civil Service Reforms?"

It is logical that the question is flawed. If logically the question is flawed, therefore the person asking the question has not seen through the logic, that is my point, because, Madam Speaker, as we have numerous highlighted in this Parliament, we have talked about Civil Service Reforms on a number of occasions.

Madam Speaker, we have taken the opportunity to give an update to this Parliament in the past number of months about what is happening now; we are rolling out the Open Merit Recruitment System; we are now doing an evaluation of the comparison between salaries paid to civil servants in the market and we now have already engaged; and we are already in the process of the evaluation of the actual salaries itself. All of these are being done, Madam Speaker.

So, the Honourable Member says because the Annual Report was not presented, therefore, we do not know what has happened in the Civil Service Reform. Well, firstly, that Ministry did not exist. Secondly, if you are to assume that it did exist, the fact is, we have given numerous reports to this Parliament on the Civil Service Reform. So, logically that statement is flawed.

Now, Madam Speaker, we have updated Parliament regularly on the salary aspects. The report that was done to benchmark salaries that we are now implementing through a Job Evaluation process outline and the guideline was endorsed by the Public Service Commission in January 2017.

On the Job Evaluation, the current Civil Service jobs undertaken are to align, to newly streamline modern Civil Service structure that will improve the base grade of civil servants, as well as providing consistent methodology to evaluate and remunerate jobs across the Civil Service.

In addition, we will introduce more open and transparent approaches to recruitment and selection, giving confidence to applicants that they will be considered on their merits and what they bring to the job, and also Madam Speaker, it will mean that Civil Servants will not get a free ride.

We hear the Opposition going around making statements, "the Civil Service should not have contracts." In nearly every facet of employment in a modern country, you have, Madam Speaker, everyone is on contract. They are the ones who come and complain, we receive complaints from members of the public saying certain civil servants are not doing their jobs, but they want a job for life.

Madam Speaker, this is the point. It is a political question and the Honourable Member knows specifically. The *Hansard* speaks for itself that we have provided updates time and time again to this Parliament and, Madam Speaker, the reform is critical, they do not want the reforms.

The general public of this country, if you take 890,000 Fijians, minus the number of civil servants we have, all of them will say to you, "We can improve the quality of Civil Service service to members of the public, and that is what we want to do; through the OMRS system and through proper recruitment service.

We will be today debating the Auditor General's Report, the Honourable Prasad who made comments about various issues. A lot of those issues need to be addressed and are being addressed also through the Civil Service Reforms. We have incompetent people doing entries, incompetent people sitting on FMIS, but they want them to have a job without contract. You see; they do not know what they want, the reality is that hypocrisy and quagmire for them, driven by politics is reflected in this illogical question.

(Honourable Members interject)

HON. SPEAKER.- Thank you, you have already made a supplementary question and I am not able to give you a second one, it is against the rules.

HON. S.V. RADRODRO.- Thank you Madam Speaker.

HON. SPEAKER.- No, you have already asked your supplementary question.

(Honourable Members interject)

HON. SPEAKER.- Thank you. Sorry, yes, you may ask your supplementary question.

HON. S.V. RADRODRO.- Thank you Madam Speaker. If I may just refresh the Honourable Minister's memory that the comprehensive review he talked about in this Budget Address, if there was no Ministry of Civil Service, then which Ministry undertook that Civil Service Reform? Also, he had mentioned that they had mentioned about the Civil Service progress in this House. For transparency and accountability, there needs to be some kind of documentation to document what you have said in the House and that documentation would fall good if there is an Annual Report from whichever Ministry that undertook the Civil Service Reform. Thank you Madam Speaker.

HON. SPEAKER.- Thank you. Honourable Minister?

HON. A. SAYED-KHAIYUM.- Thank you, Madam Speaker. Madam Speaker, the various guidelines that have been rolled out are public documents. They can talk to any civil servant, they will find the guidelines; they talk to the trade unions, they will find the guidelines. The OMRS and the disciplinary procedures have been rolled out. All of that have been rolled out, they are public documents.

So, Madam Speaker, unfortunately the Honourable Member is used to just having reports, but the efficient way of doing things is that when various guidelines are rolled out, they are made public.

We have had consultations in respect to that, so she is waiting for the Civil Service Report from a Ministry that does not exist; it did not exist in 2015, that 2016....

(Honourable Members interject)

HON. A. SAYED-KHAIYUM.- Madam Speaker, the 2016 Auditor General's Report, I understand it has already been tabled, the Ministry of Civil Service in Parliament. In respect of the reports, as she knows the report that will come out is for 2016. The calendar year for 2016 is 2017 at the moment and it will come out. So, Madam Speaker, again it is not logical. What she is asking is not logical, Madam Speaker.

(Honourable Opposition Members interject)

HON. SPEAKER.- Thank you. Is it a point of order or a supplementary question?

HON. S.V. RADRODRO.- Point of Order, Madam Speaker. On the relevance of being the Honourable Minister for the Civil Service and saying that there is no Ministry; how can you have a portfolio as a Minister and then there is no Ministry to work with the Minister? Thank you Madam Speaker.

HON. SPEAKER.- Order. Point of order is really on the rules and procedures of the House and not on content of speech and your point of order is inadmissible.

There being no other supplementary question. We move on to the next item on the agenda on the written question, Honourable Salote Radrodoro to ask your written question.

Written Question

Rural Electrification Programme (Question No. 147/2017)

HON. S.V. RADRODRO asked the Government, upon notice:

Can the Honourable Minister for Local Government, Housing, Environment, Infrastructure and Transport –

- (a) provide a list of all communities that have been refunded their one-third deposit contributions under the Rural Electrification Programme;
- (b) indicate which community has been connected with electricity; and
- (c) for communities not yet connected with electricity, indicate when their electricity supply would be connected. For example, the Nairevurevunicagi Community, which is just here, off Khalsa Road and next to Kalabu Village?

HON. P.B. KUMAR (Minister for Local Government, Housing and Environment, Infrastructure and Transport).- Madam Speaker, I rise to respond to the question asked by the Honourable Member and I thank her for the question.

However, Madam Speaker I will table my answer at a later sitting date, as permitted under Standing Order 45(3). Thank you.

HON. SPEAKER.- Thank you. Question time is now over and we will adjourn Parliament to have refreshments. We will resume at 11.30 a.m. Thank you Honourable Members.

The Parliament adjourned at 10.57 a.m.

The Parliament resumed at 11.34 a.m.

(The HON. DEPUTY SPEAKER took the Chair)

HON. DEPUTY SPEAKER.- Honourable Members, welcome back. We will now go on to Ministerial Statements.

MINISTERIAL STATEMENTS

HON. DEPUTY SPEAKER.- The following Ministers have given notice to make Ministerial Statements under Standing Order 40, the:

1. Attorney General and Minister for Economy, Public Enterprises, Civil Service and Communications; and
2. Minister for Education, Heritage and Arts.

Each Minister may speak up to 20 minutes, after each Minister, I will then invite the Leader of the Opposition or her designate to speak on the statement for no more than five minutes. There will also be a response from the Leader of the NFP or his designate to also speak for five minutes. There will be no other debate.

I now call on the Honourable Attorney-General and Minister for Economy, Public Enterprises, Civil Service and Communications to deliver his statement.

50th Annual Meeting of the Asian Development Bank (ADB) Board of Governors

HON. A. SAYED-KHAIYUM.- Thank you, Honourable Deputy Speaker.

Honourable Deputy Speaker, as Minister for Economy, I rise to inform Parliament on the 50th Annual Meeting of the Asian Development Bank (ADB) Board of Governors that was held in Yokohama, Japan from 4th to 7th May, 2017. As part of, and alongside the ADB Annual Meeting, the Fijian Delegation which included the Reserve Bank of Fiji (RBF) and Government Officials, also held several bilateral meetings.

By way of background, Honourable Deputy Speaker, the ADB was established in the early 1960s as a multilateral development bank and financial institution to foster economic growth and cooperation in one of the most vulnerable regions in the world - Asia, which includes the Pacific in their purview. The ADB assists its members and partners by providing loans, technical assistance, grants and equity investments to promote social and economic development. The ADB is owned by 67 members, 48 from within Asia and the Pacific, and 19 from other parts of the world.

Fiji became a member of the ADB in 1970. Since then, the ADB has been working with respective Fijian Governments, approving \$509 million in loans and \$32 million in technical assistance for the country. The ADB's support to Fiji is largely directed to improving transport and infrastructure, and extending to the supply of clean water and modern sanitation to residents across Fiji.

Honourable Deputy Speaker, ADB and the Fijian Government work together through the country's partnership strategy - CPS 2014-2018 and over the period of this strategy, ADB anticipates an allocation of \$350 million to help Fiji overcome its key development challenges. The ADB has also

been instrumental in securing the \$32 million US Grant from the Green Climate Fund (GCF) for the Water and Sanitation Project that extends between Nausori, Suva and Lami.

This year, the ADB Annual Meeting was attended by more than 5,000 participants, including Governors and their respective delegations from member countries, Governors meaning also Ministers and that is the terminology the ADB uses; representatives from multilateral and bilateral institutions, business leaders, academics and members of the global financial community and civil society.

Furthermore, Honourable Deputy Speaker, our attendance to the ADB Annual Meeting provided a valuable opportunity to meet with the ADB President, the ADB Management and with the Board of Governors to discuss matters relevant to Fiji, and also provide an opportunity to meet with their higher level delegates to talk over issues that apply on a regional and global level.

Honourable Deputy Speaker, this year, Fiji had the tremendous opportunity to Chair the 27th Pacific Development Member Countries (PDMCs) Meeting on behalf of the 14 PDMCs, consisting of the Cook Islands, Federated States of Micronesia, Fiji, Kiribati, Republic of the Marshall Islands, Nauru, Papua New Guinea, Republic of Palau, Samoa, Solomon Islands, Timor-Leste, Tonga, Tuvalu and Vanuatu.

On 3rd May, 2017, Honourable Deputy Speaker, Fiji presided over an informal preparatory meeting with the Governors of the PDMCs to discuss a number of key issues relating to PDMCs, the common development challenges and opportunities. A particular focus was paid to the state of vulnerability of the smaller States from disaster risk and climate change, and the importance of the ADB Strategy for 2030 to be designed to appropriately respond to vulnerabilities of Small Island States.

Followed by the preparatory meeting, Honourable Deputy Speaker, Fiji chaired the PDMCs Governors Meeting with the ADB Management which included the ADB President whereby the common issues of PDMCs were presented to the ADB Management. These included, firstly, fragility and vulnerability.

The PDMCs proposed a nuance approach to measuring and indexing vulnerability and fragility, to enable access to concessional finance when it was necessary for the PDMCs. This is an agenda that Fiji specifically has been advocating both, at the ADB level, the World Bank and the IMF level. In particular, Honourable Deputy Speaker, we highlighted that there is a need to look at trigger-based mechanisms, where countries can access concessional financing in the event of adverse climatic events.

Honourable Deputy Speaker, adverse climatic events can even put those countries that would not normally be classified as vulnerable States, into that of one. This is so because even singular, high intensity and erratic climatic behaviour can set back the economies of some States for decades, which will require special treatment and consideration.

Embedding vulnerability and fragility in the multilateral development finance is essential for our adaptation, prudent fiscal management and meeting sustainable goals by 2030. A case in point, Honourable Deputy Speaker, is that if *TC Winston*, for example, had hit Suva and Nasinu, hit the manufacturing areas and hit the tourism areas (and we are very lucky that it did not hit the major tourism areas), that would have set us back decades. Even though Fiji is deemed to be a middle-income country, it would have put it into the fragile vulnerable State or category, I should say.

At the moment, Fiji does not get concessional funding, like those countries that are considered to be least developed. So the argument being, should such an event take place and there is enormous impact on the economy of those countries, then it triggers off and we fall within the vulnerable category and, therefore, are entitled to concessional funding.

The second point that was raised, Honourable Deputy Speaker, is that, the PDMC raised strong concerns in the slow response from the GCF with regards to the disbursement of funds for approved projects. The PDMC brought to the attention of the ADB Management, that the slow response from GCF had a derailing impact on national budgetary processes and planning.

Significant delays, Honourable Deputy Speaker, can render elements of the envisaged project, irrelevant over time, increase project risks and hence, raise the cost of financing. Therefore, the PDMC sought the ADB's assistance to facilitate and streamline the current bureaucratic processes of GCF, and further propose that the ADB step in to provide those approved GCF funds as this will enable expeditious commencement and completion of projects. In other words, if GCF approves the fund as a grant as part of the wider development project which ADB may be funding and if GCF is slow in disbursing those funds, then ADB should pick up those (that element of the cost) and then once GCF is ready to disburse it, it disburses it directly to ADB because it should not stall the projects that we are focussed on.

ICT Development: Honourable Deputy Speaker, the PDMCs also requested the assistance of ADB to leapfrog the ICT-related development and the digitisation of financial inclusion initiatives and the provision of services to our citizens throughout the Pacific.

Public Private Partnership (PPP): Given that the ADB has the expertise and knowledge-base in the area of PPPs, the PDMC, Honourable Deputy Speaker, requested if the ADB could provide the necessary support and advice, to roll out capital projects to PPPs. This will not only assist to spread out the overall risk, but it will also ease the upfront capital requirement.

In addition, the private sector can also bring in the much-needed innovation and expertise related to public sector investments. This approach can also be used to enhance private sector participation in climate change adaptation finance and initiatives, and as we see and has been highlighted by various members of the Presidency of COP 23, the Honourable Prime Minister; our Climate Champion, the Honourable Minister for Agriculture and our other members in the Team, that we need to get more financing, mainly in the adaptation process as opposed to in the mitigation process.

Particular attention was also drawn to the reasonable peer-to-peer learning through the Pacific South-South Cooperation to capitalise on the home-grown talent in the region. The PDMC urged the ADB to work with relevant development partners in the region to coherently coordinate this initiative of leveraging the localised expert and knowledge-based within the region. Sometimes, we find that a lot of consultants can be brought by the different agencies for individual countries but because a consultant may, for example, have come to Fiji and developed the capacity, we should be able to share that local expertise with our fellow Pacific Island Countries. In the same way, if they developed some expertise, they can actually share their expertise with us, without having us to go outside the region all the time.

Moreover, Honourable Deputy Speaker, one of the other key issues that the PDMCs highlighted was for ADB to include a provision in the loan documentation going forward and also in existing Agreements, to allow PDMCs to reschedule payments for loan in the event of adverse climatic events. Honourable Deputy Speaker, this had already happened in the Caribbean and we requested the ADB that this arrangement be replicated in the PDMCs. This will demonstrate that

climate change and its impacts are being mainstreamed, and to provide the psychological boost to PDMC.

The argument from the ADB Management at one point in time was that, “Well, look, you have the ability to reschedule payment in any case, should you have problems”, not that Fiji has required the rescheduling of payments because of the inability to pay, but for example, we should include a specific provision so that countries that do get impacted upon by a climatic event, they know they have the ability to defer payments if they cannot meet those payments, as has happened in other documentation, for example, in the Caribbean. And, in fact, the President agreed with our submission and said that they must include it in the loan documentation that will be now put in place, going forward.

De-risking and remittances: Honourable Deputy Speaker, remittances being one of our major sources of foreign exchange, the PDMCs highlighted the importance of issues of de-risking and the withdrawal of corresponding banking relations with the Pacific Region in terms of facilitating growth and development prospects. Losing or reducing those financial services has a detrimental effect on our economies.

Honourable Deputy Speaker, it is in this light that we urgently requested the ADB’s assistance in facilitating a regional forum to bring together Pacific banks and their supervisors and regulators, (including Australian banks and their supervisors and regulators) to find an amicable solution. This will complement the current efforts applied by the IMF and the World Bank. This de-risking issue has had a huge impact in countries like Samoa, for example, perhaps to a lesser extent to ours, but the other Pacific Island Countries actually face enormous problems because of this.

Finally, Honourable Deputy Speaker, appreciating that the ADB scale-up for minimum allocation in the Pacific, a request was also made to ADB to further increase minimum allocations consistent with other multilateral development partners as part of the ADF-12 Mid-Term Review. This will especially benefit the smallest and most vulnerable countries in the Pacific. Honourable Deputy Speaker, these issues were also presented by the Fijian Government on behalf of the PDMC to the ADB Board of Governors at the first Business Committee meeting on 6th May, 2017.

Honourable Deputy Speaker, alongside the ADB Meetings, the Fijian Government also organised a special COP23 side event which was attended by several Governments of the PDMC Head of Delegations and multilateral organisations. During this event, we highlighted the adverse effects of *TC Winston* on the Fijian economy and the importance of climatic actions to Fiji. In particular, we focussed on Fiji’s COP23 Presidency, the key events of the Fijian Presidency and the contributions that we have received, informing them of the COP23 Act and the COP23 Presidency Trust Fund.

Honourable Deputy Speaker, we also highlighted three key areas for Fijian Presidency which includes:

1. Expediting work on the Rulebook of the Paris Agreement, including the 2018 Facilitative Dialogue;
2. Scale-up work on the Global Climate Action Agenda, given the current uncertain dynamics and the climate change political discourse; and
3. Provide greater access to climate financing for adaptation, not necessarily to increase the aggregate pool of funds *per se*, but to change the allocation of funds for climate change between Mitigation Finance and Adaptation Finance.

Currently, there is an approximate 80:20 split between the financing of mitigation versus financing for adaptation projects. We urge that as part of Fiji's Presidency of COP23, Fiji would like to see this ratio move so that there is more financing for adaptation investments, particularly for small States, given that we are at the forefront of experiencing the effects of climate change. Of course, relocation of villages, for example, is the most obvious one.

Honourable Deputy Speaker, we also informed them of Fiji's preparation for COP23 Presidency to-date, including the establishment of the Trust Fund and the COP23 logo, and informed them of the COP23 Presidency Website which was recently launched only a few days ago by the Honourable Prime Minister in Bonn.

The important team of our COP23 Presidency was also highlighted. This includes, of course, the Honourable Prime Minister as President of COP23, the Honourable Minister for Agriculture (Lt. Col. I.B. Seruiratu) who is the high level Climate Champion and Ambassador Nazhat Shameem, Climate Chief Negotiator.

Honourable Deputy Speaker, Fiji also had the opportunity to participate in a high level panel discussion which was moderated by the renowned British Broadcasting Corporation journalist, Zeinab Badawi. Other members of the Panel included the ADB President, Mr. Takehiko Nakao; the Japanese Deputy Prime Minister and Minister for Finance, Honourable Tarō Asō; the Indonesian Minister for Finance, Sri Mulyani Indrawati; the State Secretary of the Ministry of Foreign Affairs of Norway, Ms. Tone Skogen; and Secretary of the Ministry of Finance of India, who is filling in for the Minister of Finance (Mr. Arun Jaitley), Mr. Skaktikanta Das.

The theme of the panel of discussion was, "Lessons from the 50 years of ADB and its implications for the future". During the panel discussion, we deliberated on the key development challenges faced by small island economies in light of their geographical location, remoteness from major markets and adverse climatic events. We highlighted, Honourable Deputy Speaker, that it is imperative for Climate Finance to equate to Development Finance.

We further reiterated that Fiji's Presidency for COP23 is timely and important for other countries to commit to the Paris Agreement. In addition, we highlighted various policies that are crucial to address development challenges and better position Pacific Island Countries to compete in the global market.

We also emphasised that investment in human capital by way of access to education through programmes such as free education, tertiary scholarships and loans were important to empower the youth and the young. Also empowering the younger population with public consultations, such as in the budgetary process, was critical to raise awareness, knowledge and to tap into the potential of the younger generation.

Honourable Deputy Speaker, we also discussed the importance of building resilient infrastructure, as the Honourable Minister for Local Government, Housing and Environment, Infrastructure and Transport highlighted earlier on, and remodelling the economy to have diversification. We stated that adherence to international standards and best practices are important to attract investments and create economic opportunities, translating also into employment opportunities. We also highlighted that Governments must create opportunities for all citizens to participate in the market on a level playing field.

Honourable Deputy Speaker, a number of targeted bilateral meetings were also held to increase Fiji's collaboration with other countries. Bilateral meetings were also held with the Japanese

Vice-Minister for Foreign Affairs and the Japanese Minister of State for Finance. We met with the Canadian, Australian, the UK, New Zealand, EU, ADB President, ADB Executive Director and the new Development Bank. Many of the bilateral meetings were focussed on Fiji's appeal for financial contribution towards the COP23 Presidency.

Honourable Deputy Speaker, COP23 being just six months away, we highlighted the contribution that Fiji has received to-date for the COP 23 Presidency budget and, of course, we highlighted in particular, our agenda. Indeed, the feedback was, that it is very fortuitous,, given the current political discourse that a country like Fiji which does not have any major geopolitical ambition throughout the world, is able to now have the presidency to be able to bring all the major parties together.

Honourable Deputy Speaker, as was formally accepted at the Meeting, Fiji is now going to host the 52nd ADB Annual Meeting in 2019. It will be held in Nadi, in particular, at the Marriott Resort. This will be a remarkable occasion, as it will be the first time ever that an ADB Annual Meeting will be hosted by a PDMC. In other words, the first time it is coming to the Pacific. The ADB President in his speech in the PDMCs Meeting also acknowledged Fiji's offer to host the 2019 ADB Meeting and stated that, and I quote:

“In addition to showcasing development progress across the region, the annual meeting in Nadi will be an opportunity to emphasise that development needs in the Pacific are unique”.

Honourable Deputy Speaker, in our early preparations for the much anticipated ADB Meeting, the Permanent Secretary for Civil Service was also in Japan to note the logistics of the ADB Meeting and received a very good welcome to be able to start preparing for it now because we are going to host a good 52nd ADB Annual Meeting. Indeed, we received very good feedback and support from the other Pacific Island Countries that were there also.

In conclusion, Honourable Deputy Speaker, our attendance in the ADB event was a successful one, together with the bilateral meetings that we had. Furthermore, by the end of the ADB event, the ADB had also announced its support for Fiji's COP23 Presidency, and a sum of \$US1 million will be deposited into our Trust Fund, plus on top of that US\$500,000 will be given for technical assistance.

Thank you, Honourable Deputy Speaker.

HON. DEPUTY SPEAKER.- Thank you, Honourable Minister. I will now call on the Leader of Opposition or her designate to speak on the statement.

HON. A.M. RADRODRO.- Thank you, Honourable Deputy Speaker. I rise to respond to the Statement by the Honourable Attorney-General and Minister for Economy on the COP23 Fiji Presidency and the 50th Annual Meeting of the ADB.

Honourable Deputy Speaker, let me start by stating that after watching the television last night and the statement by the Honourable Minister today for the funds needed for COP23, Fiji and Fijians wonder, who will underwrite this shortfall? Are they going to choke the world for that, given Fiji's Presidency of COP23?

The cost of the COP23 Presidency, Honourable Deputy Speaker, is stated to be around US\$26.7 million or FJ\$55.7 million as of to-date. The total amount collected so far is only 8 percent of the initiative to COP23. What about the balance of the 92 percent, who will pay for this shortfall?

Honourable Deputy Speaker, I note that the Honourable Minister mentioned very little on the theme of the ADB Meeting which focussed on the Asia/Pacific Region's growing need for infrastructure as a critical sector towards achieving sustainable and inclusive development. I was glad that our Honourable Attorney-General attended because I am sure he would have been warned and further educated on the way Fiji is heading, which is quite similar to the factors surrounding Asia's financial crisis when it occurred.

I noted in the ADB Meeting the discussions on how to address urban challenges in the strive for clean and climate-resilient developments, as well as reforms in trade, investment and finances, as well as lessons learnt from the past 50 years of development in the Region, with a special focus on Asia's development crisis. But what interested me more, Honourable Deputy Speaker, was the key sessions on salient issues central to development, including rising inequality, macroeconomic stability, progress on the sustainable development goals and financial inclusions.

I wonder, how our Honourable Attorney-General would have responded to those issues, given that it has become blatantly clear in the last couple of years that Fiji has had major increases in inequality, with the three main beneficiaries noted from all Government development programmes namely; the overseas contractors, the risk contractors, businesses locally and the egalitarian Civil Service and private sector companies of Government. It is ironic, Honourable Deputy Speaker, that this being the case, these were noted by academics after scores and scores of researches, following the Asian financial crisis.

One of the major issues that was also highlighted on the Asian financial crisis was on Government spending, where it dictated spending on public infrastructural projects and guidance of private capital into certain industries, which created asset bubbles that may have been responsible for the crisis.

Honourable Deputy Speaker, in the past week, two important revelations were made; first by the World Bank that Fiji now has a \$5 billion debt and later by the RBF Governor that Fiji has a revised growth of 3.8 percent, and note with acceptance that the World Bank figure, even though I have some reservations on its reliability, I will have to state that the growth rate by RBF personally cannot be correlated to reality on the ground, with a high level of unemployment and escalating cost of living, especially in food and services and cost of basic needs, including essential services like electricity, water, clothing and medicine.

Overall, we noted our weather today and our support for climate change as it is real for the Pacific and its issue which requires our complete and united support to get those who should play leading roles in climate change mitigation to do so.

Honourable Deputy Speaker, we note that friendship must be based on the back of commitment which was noted right after *TC Winston* when countries, such as Australia and New Zealand contributed. If one wants to argue as to the relevance and comparison, then they have been lame and ill ignorant. Real friends show themselves in times of need and I am not here to exploit the goodness of our people and use our nation as a dumping ground for cheap products.

Honourable Deputy Speaker, I am hopeful that the Honourable Attorney-General noted and raised similar concerns to the ADB on behalf of the people of Fiji, and are sure to note how the ADB has improved since the implementation of those new safeguard policies. Even, we have since witnessed a number of resettlements in Fiji with more to be expected, not only for Fiji but for the region, likewise in the near future, resulting from climate changes.

HON. DEPUTY SPEAKER.- Thank you, Honourable Member, for your contribution. I will now call upon the Leader of the NFP or his designate.

HON. PROF. B.C. PRASAD.- Thank you, Honourable Deputy Speaker. I thank the Honourable Minister for his Statement.

Honourable Deputy Speaker, it is very important for Fiji to be part of these important meetings and I also note from the Honourable Minister's Statement that he himself was able to participate in many of the high level meetings, including bilateral meetings. I think those are positive things for Fiji, for our Minister to be able to participate in those Meetings and contribute towards the overall discussions as to how the ADB is going to deal with the emerging issues, not only within the Pacific Region but also within the wider ADB Region.

We also note, Honourable Deputy Speaker, that part of the outcomes of the ADB Board of Governors Meeting, pay particular attention to the high level takeaways where the ADB still pressures on the need for a strong support for infrastructure development, and that is very important. While the current Government is placing priority on climate change funding, it really challenges us as a nation to capitalise on this funding pathways to expedite climate resilience in our infrastructural development with urgency because that is where we need to put our priority.

The other point that the Honourable Minister made was in relation to PPP and in this sector for climate resilience, which is a very vital component. But the Government may well be advised to ensure that national private partnerships are enhanced by proper fiscal policies and I agree with most of the things that my fellow colleague from this side pointed out with respect to our debt policy, borrowing policy and indeed, the overall fiscal policies and incentives, so that we can take advantage of this private-public partnerships in an effective and an efficient manner.

Furthermore, Honourable Deputy Speaker, we cannot stress enough the need for research, development and innovation in the sector, because without looking at new ways of doing these things with the appropriate policies and the right incentives, we may not be able to get this realised as this is not something which is new. It has been talked about for years the need for private-public partnerships and how this can be enhanced to appropriate policies, so that we can create that incentive mechanism to effectively create a threshold of private-public partnership, especially for infrastructure projects in different areas. Perhaps, we, Honourable Deputy Speaker, could look forward to more of those kind of innovations and appropriate incentives and mechanisms in the Budget and we will examine those carefully.

We also note, Honourable Deputy Speaker, a number of issues that the Honourable Minister talked about and they are all very important. For example, figure-based financing during diverse times, ICT-related financial inclusion, the assessing correctly the state of vulnerability of PDNCs, and as a result of getting that appropriately documented and worked out, we can then look at appropriate policies.

Finally, Honourable Deputy Speaker, I also note that Fiji has been given the honour of hosting the 52nd Annual Meeting of the ADB. Indeed it is a welcome opportunity for us in 2019, especially when we could be seating on the other side of the House. Thank you.

(Laughter)

HON. OPPOSITION MEMBERS.- Hear, hear!

HON. DEPUTY SPEAKER.- Thank you. I now call on the Honourable Minister for Education, Heritage and Arts to deliver his statement.

Collaborative Approach to Education

HON. DR. M. REDDY.- Honourable Deputy Speaker, Honourable Acting Prime Minister, Honourable Leader of the Opposition and Honourable Members of Parliament: I want to thank you, Honourable Deputy Speaker, for giving me this opportunity to talk about the topic, “Collaborative Approach to Education”, given the time and comments that come from the other side about the lack of consultation or the need for an Education Commission.

Honourable Deputy Speaker, when we ventured into further improving education and its deliverance in Fiji, we noted and identified a number of stakeholders and areas which needed to be fully aligned with the Ministry’s ultimate vision, if we have to realise the vision to ensure that every child gets access to quality education.

Honourable Deputy Speaker, we noted that some may see these processes as challenging them or questioning the status quo but we had no choice. We had to forge ahead with the reforms, along with them, while at the same time also look at strengthening partnerships with them.

We had earmarked that key stakeholders such as the school managers, parents associations, school communities, various professional bodies such as the Fiji Principal’s Association, the Fiji Head Teachers Association, local and overseas universities, academics and research bodies, overseas professional bodies such as the Certified Practising Accountants Australia (CPA) need to be brought on board in a more meaningful way, with the ultimate goal in mind of providing quality education to everyone that they can find included.

Honourable Deputy Speaker, the Ministry of Education, Heritage and Arts has been pursuing a widely accepted collaborative approach for all the essential areas of educational developments and implementation since 2014. Over the years, we have looked at strengthening those parties of education that have important inputs to make but had been virtually operating from the sidelines.

Honourable Deputy Speaker, I wish to now shed light on how in a journey to provide quality education included them or mainstream them into an education journey.

Honourable Deputy Speaker, over the last two years, we have had five major education forums organised throughout Fiji. The Education Forum is an advisory body to the Ministry of Education. All relevant stakeholders had been participating in the education forum, including:

1. Teacher Training Institutions (USP, FNU, University of Fiji, Corpus Christi, Fulton College);
2. Fiji National Council of School Managements representatives;
3. School Principals and Head Teachers Association;
4. Development partners such as UNICEF, UNESCO, ILO, Read to Lead, DFAT and AQEP;
5. Faith-based groups that run our schools;
6. Unions;
7. PTA; and
8. other Government and Non-Government agencies that have been operating from the sidelines, supporting the Ministry of Education on a broader approach such as Save the Children, et cetera.

Honourable Deputy Speaker, this year, we had some very informative presentations. For the first ever, we changed the format of Education Forum, where we allowed these stakeholders to make presentations on their views about the education system; how they see us producing graduates out of our primary and high schools system.

We had presentations from the Vice-Chancellors of the three Universities on our Education Forum.

We had presentations for the first time ever from the two unions. All along unions were participating but they were never given an opportunity to actually present at the education forum. For the first time ever, the union presented, for first time ever the National Council of School Management representative co-chaired and was given an opportunity to make a presentation on how they see themselves as a partner in this education process.

For the first time ever, Honourable Deputy Speaker, we had presentations from the Fiji Principals Association and the Fiji Head Teachers Association. We see them as a very important body. They are the body of all the leaders of the schools, the Head Teachers and the principals, it is important that we hear them out.

We had experts presenting at this forum. The Deans of the College of Humanities and Education of the three universities presented. We had invited Professors of Education from the Universities to make presentations at this forum and we also had presentations from our development partners, in particular DFAT and AQEP, such for quality education programme.

Honourable Deputy Speaker, we also provided a half-a-day session for an open forum, where the stakeholders exchanged ideas and asked questions to the Ministry and to each other. For example, the management had questions to ask the Principal's Association, the Head Teachers Association about the expectations from head teachers, principals or the academic leaders of the school.

Honourable Deputy Speaker, we had a very interesting format and a very interesting feedback, which we went back and started, to see how we could incorporate those suggestions provided by the Vice Chancellors, the Professors of Education, the Deans of the College of Education and other stakeholders of the Education Forum.

Honourable Deputy Speaker, Fiji has a unique education model, where most of our schools were initially constructed and established by community members and faith-based groups. This partnership is a testimony of the passion of the people of this nation at that point in time, Honourable Deputy Speaker, to advance education and build a knowledge-based society.

Honourable Deputy Speaker, at that point in time when primary schools and secondary schools were very scarce, members of the community had the vision about the importance for education and contributing to a stable, peaceful and growing future Fiji. Hence the system of government then, by taking up themselves by collecting money and pooling the resources to construct primary and secondary schools throughout Fiji.

However, Honourable Deputy Speaker, these school managers, school leaders never were recognised to that extent and never given the opportunity to participate in the educational process at the level that it should have been, given they were, at that point in time that took lead in the establishment of schools. In fact, almost all those, except for 12 schools, the rest are primary and secondary schools that were initially constructed and established by faith-based groups and members of the community.

Honourable Deputy Speaker, we have decided that we will give them a greater involvement by establishing a secretariat of the Fiji National Council of School Management, then establishing for each district the National Council School Management body.

This year, over the last six weeks, we went around every district and had meetings within the National Council of school management for that particular district. Honourable Deputy Speaker, we launched for the first time ever a Revised Management School Handbook.

We had comments like from managers that in the past that there was in the past a draft Manager's Manual but it was there on the shelves, it was not brought or given to us, neither was it explained to detail about what is required of us.

Honourable Deputy Speaker, you may have heard about managers saying "Oh, we did not know about the regulation or we were not told about it. We did not know that we had to take three quotations". What we did this time around, Honourable Deputy Speaker, not only did we give them a hard copy of the Management Manual but we also went down and then undertook a three-hour workshop, explaining to them the details about the roles and responsibilities, the things that they can and cannot do and what the processes are for ensuring that the free education grant that we have provided is there to enhance the learning environment of the children at the school.

Honourable Deputy Speaker, we also for the first time launched a newsletter of the National Council of School Management which will be published quarterly, to update them on developments in the education sector, developments at school level and in different parts of the country so that managers do understand what is happening in the different parts of the country, how they can learn, exchange ideas through the newsletter, contact details of the reps of different districts are given there and the Ministry, for them to obtain any issues or seek clarification on any particular issue.

Honourable Deputy Speaker, I must say that we received overwhelming co-operation and participation at the workshop. We organised this workshop at Rakiraki, Tavua, Ba, Lautoka, Nadi, Sigatoka, Navua, Rishikul in Suva and Vunimono in Nausori. We had three in the Northern Division, one at Lagalaga Primary School in Wainikoro, one at Labasa Civic Centre and one at Vunivau Primary School in Bua, so that we are able to capture, go down and meet the managers, give them that encouragement that they deserve, take the Handbook to them and explain to them that they may be out of sight but they are not out of mind and we recognise the important role that they play in our education system.

We had a total of 1,020 representatives of the schools, managers and presidents attending these workshops that we held over the last six weeks throughout Fiji.

Honourable Deputy Speaker, a very important and critical stakeholder of education is parents. Education is something that affects nearly every household in the country. Every household is directly or indirectly affected by education because their children or grandchildren or someone is attending school and therefore, they want to be included. Their voices need to be heard and we need to work with them.

Honourable Deputy Speaker, in this regard, at the beginning of last year, we launched a new framework called parental engagement. We want to shift from a child-centered learning so that we support the importance of parental engagement. Studies have shown that parental engagement has had enduring and positive impact on many educators of a child's achievement in realising his or her full potential. Policy makers in the past have accepted and acknowledged that parental engagement is important for student learning, but little had been done to identify strategies which can assist to improve this in schools.

Honourable Deputy Speaker, Pillar 4 of the Ministry Reforms highlights Parental Engagement Framework in Education, which was launched in February, 2016. This is the detailed engagement framework, a booklet that we launched last year, which talks about the various things that parents should do to ensure that they take ownership in the child's education, growth and developments.

We have sections where it tells what a parent should do before the child leaves for school; what the parents should do when the child comes home and what kind of questions that the parents should ask.

We have a section on what kind of questions the school head should ask the parents when parents visit the school or drops the child or during parent's day.

We have a section on the kind of questions parents should ask the school heads when they visit the schools during the CAPS meeting.

We have sections about the kind of questions teachers should ask parents or guardians, or the kinds of questions parents or guardians should ask the teachers.

We have also a section on what kind of things members of the community could ask the children or leaders in the community.

This was given out to these schools to use and was also given out to parents. In addition to that, Honourable Deputy Speaker, we also provided a two page simple leaf out of the Parental Engagement Framework that we inserted in the newspaper, which was circulated to the public in January so that parents could get a simpler version and get them to prepare for this academic year.

So, we will send this out again regularly so that parents are updated on how they can ensure that they have full information about how their child is doing, if the child is being affected by someone or a particular party, whether they know if there is any problem with the child in school and through this engagement framework, they can ascertain those information and all parties that deal with the child; whether it is the parents, school teachers or school heads to get to know and understand some of the salient features which we can contribute towards improvement of the child's performance.

Honourable Deputy Speaker, we also have taken a proactive approach on engaging with the two professional bodies - the Fiji Head Teachers Association and the Fiji Principals Association. We are very proactive, we are playing a very active role in supporting their conferences. Both of them now, we have encouraged them to have two conferences each year, previously only one body used to have two conferences while the other body use to have just one conference. We now encourage the other body to have two conferences each year, so that we can engage with them more meaningfully. Our different sections participate in their conference so that the conference is more meaningful, rather than just a session for merrymaking.

Honourable Deputy Speaker, for the first time, we initiated the Excellence Awards at the Principals and Head Teachers Conference this year and schools with outstanding performance were recognised publically and given awards so that it inspires them and also inspire other schools to receive awards.

Honourable Deputy Speaker, you would have noted that I had provided a data earlier on that in the 6D category for a primary school, the top school in Fiji hailed from the Wainikoro Sector.

Now if the Lagalaga Primary School in Wainikoro becomes the top school in the 6D category, with a 100 percent pass rate in Year 6 and 100 percent pass in Year 8, and quality pass rate, then I cannot see any reason why schools in urban areas cannot deliver a 100 percent pass rate.

Honourable Deputy Speaker, this is the spin off we did at the Head Teachers Conference when we provided the excellence award to school heads for different categories. We could see other schools saying that next year they want to come on stage and receive the Gold Star Award or the Award for Excellence. So this is the kind of spin off we did and made those conferences of head teachers and principals very meaningful this year.

Honourable Deputy Speaker, we have also established strong linkages with the three universities. We have got expertise at the university, we do not have to go around the world asking for permission to come and tell us what to do. We have got expertise at our door-steps, at our three universities; the University of the South Pacific, it is now 49 years old, Fiji National University and the University of Fiji.

(Honourable Members interject)

HON. DR. M. REDDY.- We should respect the academics there, we should trust them, and they have got the body of knowledge out there. We do not have to parade around asking the Education Commission to deal with problems which we can easily solve by interacting and asking those questions to the experts out there from the three universities.

Honourable Deputy Speaker, our curriculum section has professors and lecturers from the three Universities in the Curriculum Advisory body for each subject area, to ensure that we get external independent opinion on changes. For example, for any changes in the curriculum, we have the subject matter committee, chaired by a University professor or a University academic. Unless and until that particular curriculum working group approves the change, we would not go ahead and make those changes. So these changes to the curriculum are kind of hide-out to the curriculum working group, where we present the changes to the curriculum working group, which is chaired by professors in the relevant subject areas.

Honourable Deputy Speaker, we also have implemented a number of policies. Consultations are carried out with the relevant stakeholders, which include school managers, school head-teachers, canteen operators and other relevant ministries, as long as we identify which stakeholder will be affected and our policy and research section goes around, undertaking scholarships consultation.

In 2016, 12 policies were reviewed and consulted, while in 2017 until to-date, 8 policies were undertaken for policy consultation throughout Fiji, Honourable Deputy Speaker.

We have also undertaken a number of workshops for ECE teachers, as well as special and inclusive education teaching. We are mindful that we need to continuously upgrade the skills of our teachers. There are technology changes, there are skills that our teachers need to acquire and it is in this regard that we have a dynamic system where we continuously interrogate the practices, the knowledge that our teachers have, and we continuously provide opportunities for them to upgrade through the ministry's organised workshops or externally organised workshops.

Also, Honourable Deputy Speaker, we are liaising with professional bodies to come and examine our curriculum. Last week, we invited the CPA, a very well-recognised and world-recognised accounting professional body operating around Australia. They have agreed to review our Year 12 and 13 accounting curriculum for free. They will fund the experts who will come down

and undertake the review and provide materials. They will also take two of our curriculum officers to Australia, to up skill and allow them to attend practical workshops.

(Honourable Members interject)

HON. DR. M. REDDY.- Honourable Deputy Speaker, despite the comments, we are working together in this education journey. Thank you.

HON. DEPUTY SPEAKER.- Thank you, Honourable Minister. I now call on the Honourable Leader of the Opposition or her designate.

HON. M.R. LEAWERE.- Honourable Deputy Speaker, I would like to thank the Honourable Minister for Education for the update and strongly believe there are several contentious issues whose authenticity need to be tested on the quality of education we are providing to the students of this country.

Nevertheless, Honourable Deputy Speaker, let me point out to this House that given the evolution of the Fiji education sector, there is more than one stakeholder to value as the School Management Association, teachers and teachers unions, students and their parents, guardians, the Government, higher education bodies and academics at all levels.

The Honourable Minister excelled to paint a very rosy picture of the Ministry, Honourable Deputy Speaker, and let me highlight some of the promises made, which are affecting the Fiji education sector and its growth. These are: failing to supply textbooks on time and online to all schools in Fiji; short changing on promises of one-laptop to one electronic gadget and then to one smart phone which students are still waiting for; unable to effectively bail out schools affected by *TC Winston* in terms of the damaged infrastructure; forcing thousands of students to study in tents; politicians entering schools and classrooms without teacher licence from TLB; and conducting Elections campaign under the guise of Budget Consultation; utilisation of school managements, and one example of this is the recent statement by the Government Minister for Education in Ra, “We were escorted and saying `Vinaka Tamana”.

HON. DEPUTY SPEAKER.- Point of Order!

HON. A. SAYED-KHAIYUM.- A point of order, Honourable Deputy Speaker. The Honourable Member has made an allegation saying that we were conducting illegal campaigning under the guise of Budget Consultations. That is false, he needs to substantiate that. On what basis is he saying that? Honourable Deputy Speaker, I ask him to withdraw that because there is no factual basis to what he has said.

(Honourable Members interject)

HON. DEPUTY SPEAKER.- Thank you, Honourable Member. I would like you to withdraw that statement.

HON. M.R. LEAWERE.- Honourable Deputy Speaker, I withdraw.

HON. DEPUTY SPEAKER.- Thank you.

HON. M.R. LEAWERE.- Devising and applying policies in schools that will benefit the permanent business firm, which is hopefully supporting the FijiFirst Party; setting up of rival school management umbrella body to oppose the school management association of Fiji; breach in school

constitutions to have school annual general meetings without quorum; and following constitutional procedures, instituting selected investigations upon school management.

Mr. Deputy Speaker, would you agree to lend the support to the FijiFirst Government rubbishing requests and petitions by schools, managements and parents seeking redress; denying rights to parents and guardians of other faith in faith-based school to lend their support; selected teachers warming seats in one school for more than 20 years without transfer and playing politics in the school system; unwilling to take the requests of teachers from the respective unions, namely the Fiji Teachers Union and the Fijian Teachers Association; and treating them with contempt so that so much that the General Secretary of Fiji Teachers Union recently threatened to take the Ministry of Education to court and many more, Honourable Deputy Speaker.

As opposed to all these, the SODELPA Government will provide free education to all the students, like the SDL Government had done in the past.

(Chorus of interjections)

HON. M.R. LEAWERE.- Let me go further, Honourable Deputy Speaker, and remind the Honourable Minister for Education that he had informed this House that there will be an Education Summit. I ask when and I go on to say that the SODELPA Government will organise and conduct such a summit in 2018.

Expounding on it further, Honourable Deputy Speaker, it was made public that there have been unnecessary expenditures incurred by the Ministry of Education which has an alarming issue needing urgent attention. How can the Ministry put its schools in school managements when their own house is not in order? We also applaud, Honourable Deputy Speaker, as unrealistic reforms being introduced in the Ministry of Education, especially in the Curriculum Unit, which needs careful considerations and consultations with the stakeholders and I will not mince my words, Mr. Deputy Speaker, to say that all these things may become counter-productive and end up damaging the Fiji education sector.

I would also like to request the Honourable Minister, Mr. Deputy Speaker, to give this House an update on the number of school dropouts who have been assisted as he had been quoted to disagree in the media. Anyone can make a general comment but we need the specifics of the same, to determine the accuracy of the statement and I strongly believe that Parliament has a right to know, Mr. Deputy Speaker.

Mr. Deputy Speaker, before I sum up, I wish to make a humble plea to the Honourable Minister for Education that all teachers who reach retirement age in the mid-year to continue to teach until the end of the year in order for a smooth transition.

Finally, Mr. Deputy Speaker, there is a need for action and not promises in the education sector. Only then, we can begin from here to write a new chapter that is devoid of what has been a culture of hostility in the last past three years and replace that by a culture of cooperation and genuine partnership.

Honourable Deputy Speaker, I returned from overseas with doctorates in accounting at the University of the South Pacific and they are not paid the appropriate salaries and the Honourable Minister for Education is playing mum on it.

HON. DEPUTY SPEAKER.- Thank you, Honourable Member. I now call upon the Leader of the NFP or his designate.

HON. PROF. B.C. PRASAD.- Thank you, Honourable Deputy Speaker. I was going to talk about something else but hearing the Honourable Minister for Education and his attempt to rubbish the formation of the Education Commission actually makes me say something else.

It is actually quite ironical that we have this Honourable Minister now coming out and giving a Ministerial Statement on how he is enhancing the stakeholder engagement when, in fact, since he became Minister for Education, Honourable Deputy Speaker, he has rubbished school management, teachers, principals, everyone in the education sector, including the unions. Now, when he realised that these stakeholders are pushing back and they are revolting, he is suddenly engaging in this cosmetic exercise of trying to get people together to make presentations so that it all becomes very inclusive.

Today, it is also ironical that he actually talks about how professors and academics should be respected when he himself had rubbished the Report that was jointly prepared by the University of Bristol and the University of the South Pacific on the perception of teacher education and the general perception of education in this country, because that Report actually talked about the real issues facing the education system in this country. This is the reason, Honourable Deputy Speaker, that I keep insisting on the formation of an Education Commission and he actually talks about Education Commission and people coming from outside, but I never said that. Of course, we had an Education Commission in 2000 and most of the people who were in that Commission were from within the country, from universities and others.

Really, Honourable Deputy Speaker, I do not think he actually understands the value of an Education Commission because what has happened over the last 10 years during the previous Military Government was that, the previous Minister for Education undertook a series of reforms. Some of those reforms were overturned by this Minister for Education, without any serious analysis and understanding of what has gone into the education system for the last five or six years.

That is what I am saying, Honourable Deputy Speaker, that it is not too late. We appreciate what he is trying to do. He is talking about quality, getting people together and basically what is the situation today, in terms of stakeholder engagement? They are all being tiered apart. I mean, for years in this country, the schools in this country have been run by a faith-based organisations, communities and there was real parental community engagement in the running of schools. But what we have today is a very mechanical, superficial and a very picky way in which these engagements are being undertaken. I want to insist on the Honourable Minister for Education, let us cut out this crap of getting people here, getting people out there and trying to put up a programme.

HON. A. SAYED-KHAIYUM.- Point of Order, Honourable Deputy Speaker.

HON. DEPUTY SPEAKER.- Point of Order.

HON. A. SAYED-KHAIYUM.- Honourable Deputy Speaker, are we going to use that word 'crap'? It is like saying 'bullshit'!

HON. OPPOSITION MEMBERS.- Awh!

HON. A. SAYED-KHAIYUM.- Crap is bullshit. Colloquially speaking, Honourable Deputy Speaker, 'crap' is not parliamentary language.

HON. OPPOSITION MEMBERS.- Awh!

HON. A. SAYED-KHAIYUM.- They cannot handle when I talk to them about them lacking logic, but they can use the word `crap`, demeaning this House.

(Hon. Opposition Members interject)

HON. A. SAYED-KHAIYUM.- And I suggest, Honourable Deputy Speaker, that the Honourable Member should withdraw the use of the word `crap`. He can be very clever, he is not an unintelligent man, he can use another word for the word `crap`.

HON. DEPUTY SPEAKER.- Thank you, Honourable Member. Would you like to....

HON. A. SAYED-KHAIYUM.- You can say `nonsense`, I can give you a few words if you want.

HON. DEPUTY SPEAKER.- Would you please withdraw that, Honourable Member?

HON. PROF. B.C. PRASAD.- I will withdraw that and replace the word `nonsense`.

HON. DEPUTY SPEAKER.- Thank you.

HON. PROF. B.C. PRASAD.- Honourable Deputy Speaker, this is the point I am trying to make, that the Honourable Minister has put out all these series of activities that he is doing and it is all about firefighting. It is all about addressing concerns from the people and we do not even know what the results are.

(Honourable Members interject)

HON. PROF. B.C. PRASAD.- He actually talks about quality unless we have a definition, a very clear analysis of the measurement of quality. He has not come out once in this House, Honourable Deputy Speaker, about the measurement that he is using to describe quality and unless we have that, we cannot talk about having quality education in this country. And I urge the Honourable Minister to think about it seriously. This is not something that we are piling on to him, this is something which is very, very important. I mean, having a serious Education Commission and looking at all these issues and then put them out to appropriate policies would be the best way to go, Honourable Deputy Speaker. Thank you.

HON. DEPUTY SPEAKER.- Thank you.

Honourable Members, at this point, we will adjourn the proceedings for lunch. I kindly remind Honourable Members of the Official Launching of the Parliament Website and the mobile apps at the Big Committee Room. Parliament will resume proceeding at 2.30 p.m.

The Parliament adjourned at 12.36 p.m.

The Parliament resumed at 2.33 p.m.

(The HON. SPEAKER took the Chair)

HON. SPEAKER.- Honourable Members, the next Item in the Order Papers is on Consideration of Bills. I have been informed that there are no Consideration of Bills for today.

We will move on to the next Item in the Order Paper. I will now call on the Leader of the Government in Parliament to move his motion.

ADOPTION OF SITTING DAY – 2017 BUDGET ADDRESS

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Madam Speaker, I move:

That Parliament adopts the sitting day of 29th June, 2017 for the Budget Address.

HON. A. SUDHAKAR.- Madam Speaker, I second the motion.

HON. SPEAKER.- Now, I call upon the Leader of the Government in Parliament to speak on his motion.

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Madam Speaker, very briefly, you would all know that in the setting of the Parliamentary Sitting dates for 2017, it was agreed that the Budget Address date would be confirmed later.

As you are aware, Madam Speaker, the consultations have taken place and are still ongoing. There are few Government Ministries that are yet to go through the final consultations next week. Therefore, the date has been confirmed for 29th June, 2017 for the Budget Address. This is pretty straightforward and this is a very important activity in terms of the calendar year for Parliament, and I ask the Honourable Members to vote for the motion so that we can proceed with the Budget Address for 2017.

HON. SPEAKER.- Thank you. The motion is up for debate, do we have any input?

HON. MEMBERS.- No.

HON. SPEAKER.- There being no input, Parliament will vote on the motion.

Question put.

The Question is:

That Parliament adopts the sitting day of 29th June, 2017 for the Budget Address.

Does any Member oppose the motion?

(Chorus of “noes”)

HON. SPEAKER.- There being no opposition, the motion is agreed to unanimously.

Motion agreed to.

HON. SPEAKER.- We will move on to the next Item in the Order Paper. I now call upon the Chairperson of the Standing Committee on Public Accounts to move his motion.

REPORT OF THE PUBLIC ACCOUNTS COMMITTEE - CONSOLIDATED REPORT OF THE OFFICE OF THE AUDITOR-GENERAL'S REPORTS FOR 2007-2009

HON. A. SUDHAKAR.- Madam Speaker, I move:

That Parliament debates the Report of the Public Accounts Committee on the Consolidated Report on the Auditor-General's Reports for 2007 to 2009 "No More Repeats", which was tabled on 11th May, 2015.

HON. M.M.A. DEAN.- Madam Speaker, I second the motion.

HON. SPEAKER.- Before I call on Honourable Sudhakar, I wish to clarify that the wording of this motion allows the Parliament to debate the contents of the Report. At the end of the debate, we will be voting merely to note this Report and not whether we agree or disagree with the content or whether we should debate the Report again in the future.

Just to be clear, it is not a motion to decide whether we should or should not debate the Report, as that decision has already been taken. I now invite the Chairperson of the Standing Committee on Public Accounts to speak on his motion.

HON. A. SUDHAKAR.- Thank you, Madam Speaker.

Madam Speaker, as noted earlier, this Report was tabled on 11th May, 2015 by my predecessor in the Public Accounts Committee. The Committee had looked at the Reports of the Auditor-General from 2007 to 2009, based on the Government Ministries and Departments and some Statutory Authorities.

Madam Speaker, in the Recommendations, there are 33 Recommendations altogether made by the Public Accounts Committee and they deal with some pertinent issues. I will not highlight all of them but there are some matters that we have also identified during my term as the Chairperson of the Public Accounts Committee which is the current one.

There were some issues that have been recurring and those have been identified by the Public Accounts Committee. One of them has been the issue of certain allegations of corruption in some of the Ministries or some maladministration of finance and those issues have been referred to FICAC for investigations and we have been notified by FICAC that some of those cases have successfully prosecuted and sentences have been meted out by the courts on offenders.

Another issue that was raised by the Public Accounts Committee was the recurring issue of reconciliations. We have had a look at the Report and there have been some positive changes in that regard. The issue of reconciliations was that there was some mispostings, payments were made and the cheques were returned but they were not reconciled with the unrepresented cheques.

There were issues of reconciliation with the general ledger. There was also the issue of migration from the old accounting system to the FMIS. We identified some areas that need a bit of work but Ministries have complied with some of the recommendation that were earlier made and also made during my term as well. So, those issues had been worked upon and the respective Ministries that were highlighted had been working on those recommendations.

Madam Speaker, you will note that these Recommendations are in a more general sense, they do not pinpoint any particular Ministry but those issues were identified by the then Public Accounts Committee as they were appearing in different Ministries. They are not common to all Ministries but there are some Ministries and Departments that might have issues but had been reflected in a more general way, but we are happy to say that a lot of those have been adopted by the Ministries and work has been continuing in that regard.

There was another issue that was raised about the qualification of staff, especially in the Accounting Section of different Ministries. We have identified areas that some staff who were working on the accounts of these Ministries were not really qualified but they just rose through the ranks as terms of experience and this is related in some misposting as well. Some entries that should have been in the debit were in the credit side and that actually showed some discrepancies. But we have actually revealed that the Ministries now are applying the Government's general merit-based appointments and are now appointing people who are actually qualified in those areas, and that has actually brought about some positive results.

As far as the question of collaboration between the different agencies that are looking through the Reports of the Office of the Auditor-General (OAG), the Ministry of Economy as Ministry of Finance which was called then, and the Public Accounts Committee have started a system whereby when we have Public Accounts Committee meetings, we have the presence of Officials from the OAG and also from the Ministry of Economy, who would be sitting with us throughout the meetings and any question that arises, we discuss and is resolved there and then.

As identified in one of the recommendations that there has to be a quarterly report or quarterly meeting between the agencies, I do not think that will be necessary because we are, in fact, addressing those issues as and when they arise and it is on immediate basis, so we do not have to collect information for three months and then meet.

The other issue that was highlighted by the Report was the issue of assets. There was a recommendation that each Ministry have their own Asset Management Unit to see what assets are there and what assets have been written off. The Ministries are in the process of implementing those Asset Management Units within their own Ministries. Also, the Board of Survey has also been carried out now on a regular basis to see what assets are there with the Ministry and what are to be written off.

Another issue that was highlighted was the timely submission of accounts. I am pleased to say that most of the Ministries are now complying with the submission of their Accounts in a timely manner. That has made the work of the Auditor-General more efficient and it has become easier for them to review those accounts, present them to Parliament and it has actually help the Public Accounts Committee as well.

All in all, Madam Speaker, there are 33 Recommendations and I have spoken on them. I have actually grouped them together as they dealt with similar issues. I have not addressed them all but I am sure other speakers will address them in their contribution. But those are the major areas that we looked into in this Report, those were areas that were of a recurring nature. Most of them, in fact, have been highlighted in the Report as well.

There were 29 issues that were identified as recurring and a lot of Ministries have taken positive steps in curtailing those issues that were arising. Those were actually shown in future/later reports that the Committee received. There used to be a qualified Auditor-General's Report which means there were issues that were prevailing at that time but those Reports were of 2007 to 2009. The later reports were giving unqualified reports to a lot of those Ministries, which means that they are

actually addressing those issues and they are adhering to good financial practices. Thank you, Madam Speaker.

HON. SPEAKER.- Thank you. The motion is up for debate. Honourable Aseri Radrodro?

HON. A.M. RADRODRO.- Madam Speaker, I rise to make my contribution on this motion today on the Auditor-General's Report for 2007 to 2009, titled, "No More Repeats".

Madam Speaker, the Auditor-General's Report and reviewed by the Public Accounts Committee keeps pointing to systematic occurrences of the same non-compliance to financial and accounting procedures. These kinds of issues will continue to be raised when we have double standards being practiced in the implementation of policies.

Madam Speaker, why blame civil servants when we note, for example, the non-payment of overtime for crucial health workers, like paramedics, since December 2006 until to-date. These are the lab technicians, pharmacists, x-ray and scan technicians, who have sacrificed their weekends to serve the general population. I bring this up because of the insensitive comments raised against civil servants time and again, and captured in the Auditor-General's Report, as well as being raised by some Government Ministers.

The Honourable Minister for Economy had previously raised that there is money, for example, to pay for doctors who were hired and recruited from overseas, countries, such as India to do work which they said could not be done by locals. And here we have our own health workers, similarly technical in nature and yet, they are ignored. Please note, that these people play a very critical roles as doctors rely on their technical skills in the diagnosis of their patients.

Right now, Madam Speaker, they may be watching this debate and hoping for something to be done to help them. They did not have to resort to reporting this matter...

HON. A. SAYED-KHAIYUM.- Madam Speaker, a Point of Order.

HON. SPEAKER.- Point of Order.

HON. A. SAYED-KHAIYUM.- Madam Speaker, we are here to debate the Report by the Public Accounts Committee in respect of the Report that was tabled in Parliament. In fact, Madam Speaker, I seek clarification from you. The Honourable Member is talking about the non-payment of overtime and is going into areas of recruitment of doctors offshore. The Auditor-General's Report does not make any references to the recruitment of doctors from offshore. So if we are going to debate this particular Report, we need to speak to the substance of the Report, and I need to be guided by you, Madam Speaker.

The motion says that Parliament debates the Report of the Public Accounts Committee and the Consolidated Report on the Auditor-General's Reports of 2007 to 2009 - "No More Repeats" which was tabled on 11th May, 2015. Does that mean we have an open slather to talk about anything and everything that they want or are we going to actually restrict ourselves? The Honourable Member who moved the motion talked about some of the recommendations that were made and if the Honourable Member could stick to the Recommendations. Honourable Professor Prasad was the Chair, and I am sure he is going to say something about the Recommendations, and we can probably stick to that. But Honourable Radrodro is going into areas that was not mentioned at all in the Recommendations. I do not even know whether he has read the Recommendations. He should understand as he was part of the Committee, but it does not talk about those kinds of issues. Madam Speaker, thank you.

HON. SPEAKER.- You are quite right, Honourable Attorney-General. We should not be looking at the content of the Report but on whether we should note the Report and talk on the Recommendations that had been submitted.

HON. A.M. RADRODRO.- Thank you, Madam Speaker.

Madam Speaker, the content of my report is on Recommendations 9 to 12, specifically talking about resource allocations.

HON. SPEAKER.- I would like to seek clarification from the Chair of the Committee, who knows more on the details.

HON. A. SUDHAKAR.- Yes, Madam Speaker. I was also going to raise a Point of Order as well.

Recommendations 9 to 11 talk about the recurring themes of 2007 to 2009 Reports and also deals with special allowance to resource, where necessary, to address proper work schedules which align with public sector accounting audited principles. It does not, anywhere talk about the remuneration, salary or perks of officers. It talks about the Departments to be resourced to deal with the issues of auditing and, therefore, I think the issues that Honourable Radrodro is addressing are outside these Reports.

HON. SPEAKER.- Thank you. Please, confine yourself to the issues on the auditing of the Report.

HON. A.M. RADRODRO.- Madam Speaker, shall I continue?

HON. SPEAKER.- Yes, you may continue.

HON. A.M. RADRODRO.- Thank you, Madam Speaker.

Madam Speaker, the content of the full Report regarding the Ministry of Finance as the Chairman had clarified, is regarding the Ministry of Finance and resource allocation at the Ministry level. That is where I was coming from. Shall I continue Madam Speaker?

HON. SPEAKER.- No, but as has been mentioned, we are not debating the content of the Report but on how the Report has been audited and its acceptance. So it is more to the comments on the Recommendations made by the Committee based on the Audit Report.

HON. A.M. RADRODRO.- Madam Speaker, I will just continue from where I left off. There are many and countless issues to do with payment of Government services, for example, poor financial collection and bookkeeping by Ministries and Departments. I wish to highlight that in certain circumstances, inconsistency in Government policies may be attributed to why Government reduced or cried foul over the implementation of Government policies. For example, Madam Speaker, I made a recent visit to the Western Division, I was informed that the Water Authority of Fiji (WAF) has been disconnecting water from Nailaga Village in Ba. The villagers are complaining that Government is so quick in disconnecting their water meters and yet, they ignore the goodwill of the people.

HON. A. SAYED-KHAIYUM.- Point of Order, Madam Speaker.

HON. SPEAKER.- Point of Order.

HON. A. SAYED-KHAIYUM.- This Audit Report, Madam Speaker, is about the Government Ministries. The former Chair of the Committee will tell you that this was about the Government respective Ministries. I think the Honourable Member may be misleading this Parliament, he is saying that he is speaking about Recommendations 9 to 12, but nowhere does it talk about remuneration for doctors or remuneration for radiologists, et cetera, in Recommendations 9 to 12.

Madam Speaker, the other point is about WAF, which is a statutory body. This is about the audit of Government Ministries and how the individual Ministries function. The former Chairman of the Public Accounts Committee, when he chaired this Committee, they identified some recurring themes. In the processes in the Government Ministries, the Honourable Member who is currently speaking does not know the distinction between a statutory body and the Ministry. He is trying to, again, bring some experience he has had into this specific issue. It is very simple, when we debate this we need to be able to talk about this particular Report, and not about some personal experience he has had about another institution which is actually not the subject of this particular Report and the Recommendations of the Report.

HON. SPEAKER.- Thank you. Honourable Member, please refrain from commenting on the operations of the different Ministries, but merely on the Audit Report and its Recommendations.

HON. A.M. RADRODRO.- Thank you, Madam Speaker, I was merely trying to give an example on the issues that were...

HON. SPEAKER.- There is no need, that kind of example should have been given at the Committee level.

HON. A.M. RADRODRO.- ... highlighted in the Recommendations.

HON. SPEAKER.- Are you taking note of what I am saying?

If there is going to be another Point of Order against what you are saying because you are not listening to what the comments that have been made, I may have to stop you, so please refrain from getting into the operations of the Ministry.

HON. A.M. RADRODRO.- Very well, thank you, Madam Speaker.

Madam Speaker, Government needs to press on and review the Fiji Institute of Accountants Acts and Articles which I had raised in the House repeatedly since the Honourable Prime Minister first raised that a separate IFASC entity was going to be established, for Government to look into the roles of public practising accountants, including the complaints against them as well as the issuance of practising licences. My question, Madam Speaker, is; what is the delay? So it seems that Government has also been swept under the influence of the bigger accounting firms.

The Report, Madam Speaker, also talks about Senior Executives' role in compliance to financial matters and the recent high incidents of write-offs with regards to their performances and I, therefore, strongly urge that the Recommendations by the Public Accounts Committee be taken heed by Government to address those matters, similarly on recommendations on Executive Government and Cabinet. It becomes unfair for civil servants when court appearances, see Principal Accountants being taken to account when the Chief Financial Officer, who are the Permanent Secretaries, are not held accountable for breaches of staff and systems they should have been monitoring.

HON. OPPOSITION MEMBER.- Hear, hear!

HON. A.M. RADRODRO.- It also becomes an injustice, Madam Speaker, for any employer, especially Government for that matter, to blame staff for non-compliance to financial policies and procedures when ultimately management should be the first bastion of defence. Thank you, Madam Speaker.

HON. SPEAKER.- Honourable Nawaikula?

HON. N. NAWAIKULA.- Madam Speaker, the motion reads that Parliament is to debate the Report of the Public Accounts Committee from 2007 to 2009 - "No More Repeats". The first concern that I wish to raise is in relation to the chairmanship of the Public Accounts Committee, noting, of course, that this Report was tabled when we had a previous Chairman namely, Professor Biman Prasad, and I wish to say here that I am still of the view that

HON. A. SAYED-KHAIYUM.- Madam Speaker, a Point of Order.

HON. SPEAKER.- Point of Order.

HON. A. SAYED-KHAIYUM.- Madam Speaker, the Point of Order is, we are not here to debate about the chairmanship of the Public Accounts Committee. We are here to debate the Report that was tabled by the current Chairman, but at that point in time the Report was compiled by the former Chairman. And we are here to debate the Report itself, not about who should be Chairman and who should not be Chairman or Chairperson I should say, and the Honourable Member again is going to those areas. We need to look at the content of the Report.

HON. SPEAKER.- Please, note the comments that have been made and refrain from talking about the Chair of the Committee.

HON. N. NAWAIKULA.- Yes, that is part of the Report, Madam Speaker.

HON. SPEAKER.- No, no.

HON. N. NAWAIKULA.- This Report was made by the previous Chair and that is what was the concern there because he was going to expose the other side or what?

HON. A. SAYED-KHAIYUM.- Madam Speaker, a Point of Order.

HON. SPEAKER.- Point of Order.

HON. A. SAYED-KHAIYUM.- The Honourable Member continues to be recalcitrant about what you are directing him, Madam Speaker.

Madam Speaker, as he would know as a lawyer, the fact of the matter is that, there is a report before Parliament and as you have directed, the contents of this Report are being debated upon and not who was the Chair, who should have been the Chair and who is not the Chair. It is the contents of the Report, it is very simple. I know the Honourable Nawaikula, he has lost

HON. N. NAWAIKULA.- This is the House of debate, I can say anything here.

HON. SPEAKER.- No, but relevancy is very important.

HON. A. SAYED-KHAIYUM.- Madam Speaker, this is the same Honourable Member who stood up there and said that "I can say lies even". He said; "That is my right to even say lies." This is the same Honourable Member.

HON. N. NAWAIKULA.- (Inaudible)

HON. A. SAYED-KHAIYUM.- The House is not there to lie! There are certain decorum that need to be adhered to. I will sit down, Madam Speaker, as I will not debate across the floor....

HON. SPEAKER.- Thank you. Would you like to focus on the substance of the debate and that is on the Report? If there is going to be another...

HON. N. NAWAIKULA.- Well, that is my first point.

HON. SPEAKER.- And if there is going to be another Point of Order....

HON. N. NAWAIKULA.- I have made my point.

HON. SPEAKER.- Excuse me, I am still having the floor.

HON. N. NAWAIKULA.- Thank you, Madam Speaker.

HON. A. SAYED-KHAIYUM.- Sit down!

HON. SPEAKER.- And if there is going to be another Point of Order against you for what you are saying because you are not focusing on the issue at hand, then I may have to stop you and give the floor to the other Honourable Member. So please, note what has been said and debate on the Report itself.

HON. N. NAWAIKULA.- My second point, Madam Speaker, is that this Report has made some very important observations in relation to some very important institutions, namely; FICAC, the Public Accounts Committee and the Standing Committee. I feel that, in Recommendation 1 which says, and I quote: "FICAC to provide a comprehensive report to the Public Accounts Committee and this is to be tabled on all actions taken on matters of corruption identified", on that note, I wish to raise my concern on FICAC.

Madam Speaker, I feel that FICAC has not done enough in relation to the matters that are raised here in the Public Accounts Committee and elsewhere. I will give you some illustrations, I have two or three instances where I have reported matters to FICAC and there was no reply nor an update on any of the progress of what they are doing, and it is the same here. What this Recommendation is asking is for FICAC to provide an updated report. Sure enough in the last audited reports of three or four years ago, FICAC provided a list of all matters that were reported to FICAC, but that is not enough because the public will confirm that most of the matters they report to FICAC are left undone, no updates and nothing as such. So it is important for FICAC to be part of the Public Accounts Committee.

This recommendation is saying that we need not report matters to FICAC, there should be an information sharing between FICAC and the Public Accounts Committee. We need not report things to them, but they should take up matters raised in the Annual Reports of each Ministry at their own volition. There is no need for the public to report them and that is very important.

The last matter that I wish to raise my concern on is in relation to bad accounting procedures. This report is saying “no more repeats”, but it is being repeated time and time again. We need only to look at the annual reports of previous years and there are only a very few exceptional ministries, where the audited reports are unqualified, most of them are qualified reports. It means, they cannot do or keep their books properly or in a proper order.

Those are the things that I wish to raise in relation to this and thank you for that.

HON. SPEAKER. - Thank you. Any other input? I now ask the Chairman, the Honourable Professor Biman Prasad.

HON. PROF. B.C. PRASAD. - Thank you, Madam Speaker. I was not hoping to speak on this anyway, but as a former Chairman of the Public Accounts Committee, I feel like I must make some comments as well on the report.

Madam Speaker, I think the intention of the report, as you can see from the recommendations, we have made was to encourage and be very positive about what could be done to improve these standards of governance within the Public Service generally. I must say that we had a very good and early collegial group when I was Chairman and I want to thank all of them at that point in time in producing that report, and I am sure the current Chairman probably has the same kind of experience with the Members from the Opposition. The Honourable Attorney-General, Madam Speaker, should know that I always give credit where it is due, so, it should not be music to his ears all the time.

(Laughter)

HON. PROF. B.C. PRASAD. - One of the things that we tried to do in this report, Madam Speaker, was to consolidate the recommendations, and if I can just point out when we were having the hearings, it was very positive to hear that the Ministry of Economy was already addressing many of those issues.

For example, it was noted at the time that the Ministry, along with the International Monetary Fund and the World Bank, had gone through a process of integrity testing the entire budget cycle and actually were in the process of finalising a reform plan for future accountability. That alone and with the welcome introduction of the electronic financial management, both in our view were moves in the right direction and I am hoping that the Ministry of Economy would be able to provide a report as to the progress on that particular aspect of what the Ministry was trying to do.

I know the Honourable Chairman has pointed out some of the recommendations, but let me just make one general point, Madam Speaker, with respect to the Public Service. In fact, our experience in the Public Accounts Committee at that point in time was that many of the civil servants who appeared before us were very, very positive about what they wanted to achieve and in fact, we got the impression that they had a very good desire to deliver, and I think many of them deserves support and the resources for having that kind of view and also ensuring at every step, they were able to do the work properly.

One of the things, Madam Speaker, that we highlighted in the repeat are all the concerns we had in the Public Accounts Committee is the value for money. In fact, there is a thin line between looking at policy, but more importantly, I think what we were concerned about was to look for value for money. So, whenever there is an expenditure by a Government Department, the Public Accounts Committee had a responsibility to also look at whether we are getting value for money and so there is always some overlap in terms of looking at the implementation of a particular policy, not questioning the policy itself, but the implementation of that policy.

Madam Speaker, what we tried to do, as we said in the title of the report, we wanted to avoid these repeats that have occurred over a long period of time and not necessarily just after 2007, but even before that in terms of the reports that I have seen.

One key recommendation that we also made and we found that this a concept of following the money trail or the follow the money trail concept and this was in Recommendation 33 because Government does provide significant amount of money to different entities and we do not have any direct oversight of how that money that Government contributes to different organisations are dealt with or whether we are getting value for money.

So, from that point of view, we made Recommendation 33 and we are kind of suggesting where Government may want to look at the amendment to the Auditor-General's Act, that allows the Auditor-General to follow the money trail concept or to look at where Government provides money and there could be a process we could look at other model legislations and see how effectively that can be done.

Madam Speaker, the recommendations, as I have said, were all about making some very positive suggestions and highlighting the repeats, partly to ensure that those do not occur again.

With respect to the Report from the Public Accounts Committee, Madam Speaker, the Public Accounts Committee is a very important legislative committee and I think in the Legislature, it is one of the key committees and the way in which the Public Accounts Committee comes out with these recommendations, as I have said, this was the first one. We wanted to set the platform, we wanted to make it more general and making it more directional, but I hope that the Reports that we get after this would be getting into some of this specifics of what has been identified by the Auditor-General so that as the Legislature, as Parliament were able to pursue those in detail through the work of the Public Accounts Committee. Thank you, Madam Speaker.

HON. SPEAKER. - Thank you. Honourable Attorney-General?

HON. A. SAYED-KHAIYUM. - Thank you, Madam Speaker, just a couple of observatory comments. Madam Speaker, if you see the latest Auditor-General's Report for Government Finances for 2015, it is actually an unqualified report. We had qualified reports prior to that as the Honourable Nawaikula had highlighted. For 2015, we have unqualified reports, so obviously there are some improvements in respect of the audit that has been carried out.

However, we also accept that there are still a number of recurring issues pertaining to timely and accurate reconciliation and adherence to prescribed rules and procedures. There is no doubt, Madam Speaker, that some ministries are doing better than others and others obviously need a lot of improvement.

Of the 29 recommendation highlighted, Madam Speaker, a lot of it is attributed to lack of ownership and accountability by the former permanent secretaries or current permanent secretaries who may be there and one of their recommendations, I think it is Recommendation 29, if I am not mistaken, and in Recommendation 26 it says;

“All future contracts of employment for senior public servants, in particular permanent secretaries should include a contracted agreement with the senior official or participate in all FMIS and Ministry of Finance central requirements. Any breach of this requirement is then seen as a serious breach of performance contract.”

Firstly, as an acceptance, we need to have a contract and secondly, Madam Speaker, is that, it is absolutely correct. In a lot of times, what actually happens is that the junior accounts people are left to handle these accounts. A lot of issues of course is for us, if we find problematic because even though the financial year does close, there is a problem in postings so you will find that individual ministries will issue cheques, but they will not necessarily post on the Financial Management Information System (FMIS).

So it takes us up to three months to actually close the accounts of that particular ministry after the end of the financial year. That is obviously not a good practice, it has been going on for decades. We want to address that and we will be addressing that and one of the ways of addressing that is as provided for in the Constitution, the permanent secretaries are the chief accounting officers for each of the ministries. They need to be held a lot more accountable for these accounts for them to close on time.

As I mentioned the other day that in Singapore, they actually close the books a few days before the end of the financial year. Immediately after the financial year ends, a couple of days later, you had actually the reports. It is done very effectively and efficiently.

Now, Madam Speaker, the other issue is that there has been unfortunately, as has been highlighted by the Chairman, a lot of the people who do work in the Accounts Division, some of them cannot because simply of seniority and the number of years that they have been in the system as opposed to capacity and their knowledge of accounting *per se*.

So, the Open Merit Based Recruitment System (OMRS) of course seeks to address that. We have now seen a trend of more people applying for Civil Service jobs also from outside, from the private sector. We are actually getting a lot of cross-pollination between people coming from private accounting firms wanting to now come and work in Government. Not only because the salary rates are a lot more attractive, but also it provides a number of opportunities for them.

So, there is no doubt, Madam Speaker, that we need to be able to focus on that area. We think that the OMRS will of course help in this process, Madam Speaker. And of course, there is a lot laxity on their part and we will continue to say that. There is no point trying to protect people if they are not doing their jobs. There are some who are doing it and some who are not.

Madam Speaker, I also wish to inform this honourable Parliament that a Public Expenditure and Financial Accountability Assessment (PEFA) was undertaken in 2012, through the assistance of International Monetary Fund (IMF), which Honourable Prasad actually mentioned. In a nutshell, the PEFA assessment takes stock of strength and weaknesses of Fiji Public Financial Management System. We have also had a report, Honourable Madam Speaker, about the FMIS.

The FMIS, Madam Speaker, which was implemented, I think in 2004, has actually when it was negotiated then, an Annual Maintenance Contract or Sales Contract for \$1 million. So every year, the Fijian Government uses taxpayers' money to pay \$1 million, just simply for the maintenance of the system. Probably it is not a good deal, but the fact is, we are lumped with it.

We have had the Asian Development Bank through the technical team, they have had a look at FMIS. What they are saying is at least for the next couple of years, we need to use that system, perhaps improve upon it and then we hope in the next two to three years' time, do an overall assessment to see whether FMIS is the way for us to go forward and whether we need indeed to replace that system altogether.

So Madam Speaker, the key priorities that have been identified by the Public Financial Improvement Plan, in fact there are about four phases.

1. Review of the legislative framework to strengthen compliance;
2. Strengthen expenditure management in response to the decentralisation of decisions on personnel and remuneration;
3. Strengthen procurement;
4. Strengthen debt management; and
5. strengthen internal audit.

Madam Speaker, we have identified a number of reform initiatives that will be implemented, which was already implemented from 2016 to 2019. One of them, as I highlighted Madam Speaker, is the review of the Act, we will of course bringing some amendments to the Act, to Parliament itself. We also now are ensuring that all the Government Ministries and Departments are linked to FMIS. In respect to FMIS, Government has adopted a two pronged approach.

First as part of the Civil Service Reform, through the assistance of World Bank. A rapid review of the FMIS has been undertaken to determine the efficacy of the system that supports government financial operations. The key finding assessment was that fundamentally end-users or the accounts personnel are not efficiently using the system.

In addition, the review also recommended further enhancement to the FMIS, through additional reporting modules and refinement of existing modules. The consultants' report highlighted that these improvements could sustain the system at least for the next three to five years, as I have highlighted.

It also highlighted that ongoing training is imperative, more importantly line agencies should ensure that competent staff to undertake training. Madam Speaker, as you said, the second phase will be undertaken by the ADB, to look at on a holistic review of the system for a long-term sustainability.

The Ministry of Economy, through technical assistance support from the Pacific Region Infrastructure Facility has developed a National Assets Management framework for the whole of Government. Specifically, the framework will assist Government in better managing assets across agencies and contribute to clear mechanisms of sustainable service delivery and assets maintenance, as we transition towards accrual accounting.

As we know, Madam Speaker, we have actually have cash accounting at the moment, which is in the modern 21st century is not a good place to be in.

The last couple of weeks, the PRIF consultants were in the country to conduct training that will enable ministries to develop value and maintain ministry level asset registers and asset management policies.

We are also, Madam Speaker, improving Financial Reporting and the Ministry of Economy also requested PIF TECH, which is the IMF lead technical team, to review the 2013 consolidated financial statements and its compliance towards the cash based or IPSAF. In their April 2016 Report, PIF TECH reported that Government has implemented significant improvements to make the financial statements more reliable and transparent.

Further improvements will be gradually implemented to ensure Government is truly compliant with cash based IPSAS. Madam Speaker, I just wanted to very quickly look at a couple

of their recommendations. As we said, the recommendations are in respect of improving the reporting and is very much welcome, we completely agree with it.

There are obviously other observations that have been made, for example the issue of FICAC siting in with the Public Accounts Committee. That is not recommended, it is also unconstitutional because FICAC needs to maintain its independence. And as we have in all agencies, as we have with the Police as an investigating agency, you need to be able to maintain that separation of powers and also to have actually a complaints mechanism.

The other issue, Madam Speaker, that I also want to highlight and I will very quickly go through this. Again, like Recommendation 4, it says that the Public Accounts Committee will meet with the Ministry of Finance and Office of the Auditor General on a quarterly basis. Under Section 152 of the Constitution, Madam Speaker, the Constitutional responsibility of the Auditor-General is to make an Annual Report to Parliament. It is not to meet on a quarterly basis.

It is the Auditor-General, through his or her independence that is vested with the power to meet the respective ministries and departments. That is not the function of the Public Accounts Committee. The Public Accounts Committee's function under Standing Orders is to consider the Report of the Auditor-General. That is the specific purpose of PAC.

Now, Madam Speaker, so obviously we cannot have the Auditor-General taking directions from PAC. As we see in one of the other areas that they are saying that, in Recommendation 6, it says "that the Auditor-General must amongst other things seek suggestions for future performance audits from individual Members of Parliament."

Of course many would question the competency of many people, their level of expertise to be able to make suggestions to the Auditor-General, which is a specialised body and for him to take suggestions from them. So again the independence of the Auditor-General could be undermined.

Again, this issue of Recommendation 5 talks about gender. It is also unconstitutional. Under Section 127 of the Constitution, the permanent secretaries have the authority to determine education and training requirements in each of the Ministry, and not the Auditor-General here itself, Madam Speaker.

And again it is in Recommendation 7 (2), regarding the appointment or gender analysis to be carried out by the Auditor-General's Office. Madam Speaker, we have highlighted about the Unqualified Audit Reports since 2015, and we are hoping that, that will also continue of course.

Just a couple of more points Madam Speaker. There is a recommendation to establish a separate monitoring unit. We believe that establishing a separate monitoring unit will not only result in unnecessary wastage of taxpayers money, but there will be duplication of duties, such as internal audit and good governance, which already exist within the Ministry of Economy itself to carryout verification.

Madam Speaker, the other issue is about earned autonomy in Recommendation 13. Earned Autonomy Madam Speaker, is not something that should be encouraged. Essentially what the recommendation states is that should a particular Ministry get a clean Bill of Sheets, then somehow or the other they will become a lot more independent and a lot more autonomous from the Auditor-General's Office - no.

Irrespective of whether a Ministry or a different agency gets a clean Bill of Sheet, it must be audited year in and year out by the Auditor-General; that earned autonomy cannot take place, it is

not like, "well, I have done good, next year, you do not scrutinize me as well," but it must be as required under the Constitution.

Indeed, the Auditor-General's powers is that the Auditor-General must scrutinize all the ministries, irrespective of how they have been performing - well or not well.

Madam Speaker, Recommendation 14, again the Asset Management. We have worked on that, we recognise that there something that is needed to be done and it does require a lot of training in that area. There is of course, I do not want to go the disposal of Government assets, it has been covered in the Financial Instructions 2010, however the adoption of the National Asset Management Framework, this had been further strengthened.

Madam Speaker, the other issue is again, I get back to the centralisation, Recommendation 17, which talks about the centralisation, database of all staffing workloads in all agencies. Again, this is the permanent secretaries that have the responsibility on each of the ministries. We also agree, yes, there needs to be some cross cutting mechanisms across all the ministries, to ensure that we have an effective mechanism because the salaries, for example are paid by the Ministry of Economy, we have also under the Civil Service Reform, Madam Speaker, identified for example the Ministry of Education has about 29 different classifications of positions, this is obviously not acceptable in the 21st century.

For some ministries, they actually have so many different classification of different position titles and this goes back to the point that we have been saying in Fiji, we seem to be beholden to titles as opposed to what is the actual job that the person needs to do.

So, you can have a cadre of administrative people as opposed to having Senior Administrative Officer, Principal Administrative officer and someone else who sits above that. We cannot be holding to titles which means that people actually go for titles as opposed to your KPIs, specific KPIs and outputs.

So, Recommendation 17 of course, Madam Speaker, with half way sort of true but we also need to hold the Permanent Secretaries accountable in that respect and we intend to do that very much so in the very near future. In fact, there will be some very concrete recommendations.

The issue about procurement, yes, it is very critical also. Recommendation 20 when they talked about the development of new control systems on projects. We have for example the Ministry of Education, Heritage and Arts, Ministry of Health and Medical Services, so these larger ministries, the actual objective of that Ministry is not to get into construction but the objective is to deliver educational services. In the same way, the Ministry of Health and Medical Services' objective is to ensure that there are doctors there, there are medicines there and the hospital system went efficiently, not to get into the construction business.

So this why for example, Madam Speaker, we find a lot of the quality of the construction that had been done in the past is not been good, people do not necessarily have the expertise, so this is why we created the Construction Implementation Unit as a Division in the Ministry of Economy, where the larger ones are actually centralised. So, we are able to get the economies of scale, we are able to get better pricing, we are able to get the right engineers to do the job and we are able to spread the work well and monitor it well. So, we get a better return for our dollar which is the taxpayer's dollar.

Madam Speaker, we of course welcome the various recommendations made regarding the FMIS and how we can actually make it a lot more robust. So, Madam Speaker, the work is very much

in progress, we have made a number of changes to that and we completely agree that we need to be able to ensure that these issues identified, need to prove on or completely eradicate in respect to some of the no repeaters has been said.

We also need to ensure Madam Speaker and brings home the point that OMRS is very critical to be able to identify the right people to recruit the right people for the right positions. As we have said, we have this tendency of fitting people in within a particular ministry, so there may be a position going, a senior position, so even though they may not have much knowledge of it, they simply get fitted into a particular department without necessarily having the skills sets or the passion for that matter to work in this specific profession. So, we would like to of course thank the Committee for this report and we look forward to all of us working together, to ensure that all of this is improved upon. Thank you Madam Speaker.

HON. SPEAKER.- Honourable Leader of the Opposition.

HON. RO T.V. KEPÄ.- Madam Speaker, just a couple of recommendations, on Recommendation 1, the second part to that says “public allegations of corruption had been made by the Auditor-General, the FICAC is bound to respond to these allegations in public and in 4, I know, Madam Speaker, that previous Members have already alluded to this.

I must thank the Auditor-General for not mincing his words in that report, when he said that they had been public allegations of corruption. The people of Fiji are not blind and not deaf to the conduct of public affairs which they hold their leaders accountable for.

In addition, Madam Speaker, I must thank the political parties, NGOs and brave individuals who have demonstrated enough courage to speak and draw to the attention of the Auditor-General areas of corrupt practices.

Madam Speaker, FICAC has the legal status under the *2013 Constitutions of the Republic of Fiji*, Section 115, I hope that it is investigating some of the issues referred to it but what this recommendation makes clear the need to carry out full investigations as opposed to the practice of selected investigations.

Madam Speaker, I am hopeful that this call will not fall on deaf ears but on men and women of good conscience to redress these matters of alleged corrupt practices.

Madam Speaker, on the second recommendation that I will speak on this afternoon is on Recommendation 7 –“that the Office of the Auditor-General considers a specific performance audit on gender issues across all of Government. This should include gender analysis within each agency on the best options for an audit of this kind.

Madam Speaker, the last publication or the publication by the Bureau of Statistics dated September 2015 reviewed the total populations of Fiji at that time was 873,210, growing at 0.7 per cent, of which the female, a component of that comprises half of the population.

With time, Madam Speaker, women have moved into the higher echelons of the Civil Service, Police and Military service, public life and into the private sector.

I must admit too, Madam Speaker, that Fiji has come some way in promoting gender equality as reflected in the MDG s and now the SDG on SDG 5 on gender equality but there is still a long way to go Madam Speaker, merely having females as Cabinet Ministers, as Assistance Ministers,

Madam Speaker, and the Leader of Opposition, Secretary-General and the Deputy Secretary-General does not fulfil these goals, Madam Speaker.

In crisis or conflict situation, I do not know what they are saying in the other side, Madam Speaker, the most vulnerable in any country are its women and children. In our case, the politics of oppression and corruption in the form of mild administration and treating women with violence and contempt have navigated the women to ascend some depression and sometime unable to report their grudges and grievances to a male dominated civil institution to seek redress and justice.

Madam Speaker, this in turn also disables and prevents the women from realising their full capacity. This recommendation, Madam Speaker, clearly makes out that there is a need to attain gender parity across the board.

The Opposition warmly welcomes this and we fully support to seeing calling on the Government of the day to implement this without delay. Thank you Madam Speaker.

HON. SPEAKER.- Thank you, Honourable Nabulivou.

HON. A. NABULIVOU.- Thank you. I add on to this debate of the consolidated report on Auditor-General's 2007 to 2009, it was submitted in 2015.

The consolidated report is the first effort of the new PAC in clearing the backlog of work from 2007 and a step forward for good governance and modernising

The report highlights the replications of 29 systematic public sector governance issues, inspirations behind producing the report is to get the systems and the process in the public service to working better, ensuring value of money for the taxpayers to whom we are all ultimately accountable. By consolidating the three years of the Auditor-General Report assessment into one report the Public Accounts Committee is highlighting concerning trends of systematic governance issues by the Auditor-General that were left unaddressed throughout this period.

The issues raised by the Auditor-General throughout these three years are separated in three categories of priorities:

1. matter of FICAC;
2. issues repeatedly recurring from 2007-2009; and
3. additional recommendation from the Public Accounts review of the Auditor-General Reports from 2007 to 2009.

Apart from issues highlight by FICAC and issues that are recurring, those were the only small handful of issues unaddressed across all agencies. The Public Accounts Committee decided to focus their attention in the report on getting serious corruption matters responded to by FICAC as well as forecasting on the systematic governance issuing face in Fiji. Thank you Madam Speaker.

HON. SPEAKER.- Thank you. Honourable Gavoka?

HON. V.R. GAVOKA.- Thank you, Madam Speaker. If I may, I would just like to touch on Recommendation 2, which says, and I quote:

“The Office of Auditor-General to consider a performance audit of the skills and education of Finance Officers within each agency, and to provide recommendations where further support, education or training is required.”

This, I find, is quite admirable, Madam Speaker, in that when we spoke with the Ministry of Economy which will come later, I asked this question as to what would they have on people who are recipients to manage the funds that are given to them by the Ministry of Economy.

I believe that there is a need to strengthen this, that whoever sits in an accounting capacity in an agency, must be someone who meets the qualification of the Ministry of Economy. I mean, you are giving money to people and it is your money, and you expect them to follow certain rules in the way that they manage or administer it. And I have been saying that, they must be the people who determine who sits in that office because I see a lot of wastages, abuse of funds and it is because the relevant agencies are the ones who are hiring their accounting staff. I know I should be in control of the financials, and that is how I do it. If it is my money, I want to make sure that the one who spends it, the one who manages it, is someone I trained, someone who has a certain qualification that satisfies me.

On that note, Madam Speaker, I ask about the statutory organisations. I wonder if we can open it up to the statutory organisations, as the Honourable Minister for Economy had brought up that they are not generally audited by the Auditor-General. But I wish we could change that because you are talking about public funds that would be given to agencies (statutory) and who are audited by the accounting firms that audit on them is not seen by Parliament.

Some of these people are sitting on some huge funds from the taxpayers. Let me quote the example of my previous organisation, the Tourism Fiji. Today, they have \$36 million in funding for marketing, \$9 million for golf and \$15 million for support to Fiji Airways, so in total \$60 million. We would like that to be audited by the Auditor-General so that we know how it is being used or the way it is being used that it meets standards that we are comfortable with.

Examples are reports that are coming up, Madam Speaker, that in one instance with the Tourism Fiji during the regime's period, they set up four or five websites globally costing \$213,000. A new CEO comes in now and he has cancelled all that, so we would never get to know why. This Parliament will never get to understand what happened, unless it is audited by the Auditor-General and we can bring it up for debate in this House. So, there is some danger here that we are leaving the statutory organisations outside of the responsibility of the Auditor-General, as they are recipients of the huge sums of taxpayers' funds. I wish we could look into this, Madam Speaker, and bring them back to be audited by the Auditor-General, as has been the practice in the past. Thank you.

HON. A. SAYED-KHAIYUM.- Madam Speaker, a point of clarification. Statutory bodies actually do get audited by the Auditor-General's Office.

HON. SPEAKER.- Thank you. There being no other input, I will ask the Chairman of the Committee to give his right of reply.

HON. A. SUDHAKAR.- Madam Speaker, as has been alluded to by the previous speakers, the Recommendations that have been made by the PAC, a lot of them have been adhered to, a lot of changes are coming in the Ministries. Of course, there are some recommendations that are outside the scope of PAC.

Issues of monitoring and issues of Executive, that is not really in PAC's authority as per the Standing Orders. There are also some Audit's recommendations that do not conform with the powers in the Constitution as far as procurement and recruitment of officers are concerned but generally, the

merit-based appointment system has been implemented and that will see that proper qualified officers are appointed in the accounting sections of those Ministries.

As highlighted by the Honourable Attorney-General, there are teams already in-place, they are the internal audits teams and Boards of Survey that carry out and discount and account for the properties, and those are the four main areas that are new topics that have been discussed by the previous speakers.

I will conclude that, Madam Speaker, that the future report that will be discussed on Wednesday, will have more on Government Statutory Authorities. Thank you, Madam Speaker.

HON. SPEAKER.- Thank you. The Business Committee had agreed to the wording of the motion.

Question put.

Parliament will vote on the motion moved by the Chairperson of the Standing Committee on Public Accounts. I remind Honourable Members that this vote is not whether we agree or disagree with the content of the Report but, in effect the motion confirms that the Report has been debated and once the vote is taken on this motion, it ends there and the Report will not be debated again in Parliament.

Does any member oppose the motion?

HON. MEMBERS.- No.

HON. SPEAKER.- There being no opposition, the motion is agreed to unanimously.

Motion agreed to.

HON. SPEAKER.- Thank you, Honourable Members. We will move on to the next Item in the Order Paper.

I will now call upon the Chairperson of the Standing Committee on Economic Affairs to move the motion.

**REPORT OF THE STANDING COMMITTEE ON ECONOMIC AFFAIRS –
RESERVE BANK OF FIJI INSURANCE ANNUAL REPORT 2013**

HON. L. EDEN.- Madam Speaker, I move:

That Parliament debates the Report of the Standing Committee on Economic Affairs on the RBF Insurance Annual Report 2013 which was tabled on 28th September, 2016.

HON. V. NATH.- Madam Speaker, I beg to second the motion.

HON. SPEAKER.- Before I call on the Honourable Chairperson, I wish to clarify that the wording of this motion allows Parliament to debate the contents of the Report. At the end of the debate, we will be voting merely to note this Report and not whether we agree or disagree with the

content or whether we should debate the Report again in the future. Just to be clear, it is not a motion to decide whether we should or should not debate the report, as that decision has already been taken.

I now invite the Chairperson of the Standing Committee on Economic Affairs to speak on the motion.

HON. L. EDEN.- Thank you, Madam Speaker.

By way of background, Madam Speaker, in September of 2016, the Standing Committee on Economic Affairs tabled our Report to Parliament on the RBF Insurance Annual Report 2013. The Committee responsible for compiling the Report comprised of the Honourable Vijay Nath, Honourable Dr. Brij Lal, Honourable Prem Singh, Honourable Viliame Gavoka and myself, with the Honourable Jilila Kumar filling in as an alternate from time to time.

As per Standing Order 112(1)(a), the Committee received oral and written submissions from the RBF Team headed by their Governor, Mr Barry Whiteside. Following deliberations on this submissions, the Committee was satisfied with the Report, and did not find any anomalies with the performance of the RBF in regards to its supervisory and regulatory roles in accordance with section 165 of the Insurance Act 1998.

Madam Speaker, to ensure compliance with requirements in the Act, the RBF monitors the activities of licensed insurers, insurance brokers and agents, through off-site supervision and on-site examinations. Processes around these functions include; obtaining a good understanding of a licensed entity to identify potential risks that may impact on its safety and soundness.

Supervisory actions conducted include prudential reviews which are on-site examinations, prudential consultations, trilateral meetings and on an annual basis, actuarial meetings.

Off-site supervision remains the core supervisory activity undertaken by the RBF. It involves the analysis of prudential returns, checking compliance with requirements of the Act and the RBF policies, follow-up of on-site examinations and other industry meetings.

Throughout 2013, Madam Speaker, the RBF continued to work on strengthening its supervision with the move towards risk-based supervisory tasks, and these involve a more structured approach to these tasks and overall enhancing the quality of supervision. With this forward looking approach, the Bank firmly believes that this risk-based supervision would enable them to detect problems at an early stage through surveillance, and to take appropriate regulatory actions.

Madam Speaker, another area of the Bank's responsibility is complaints management under consumer protection. In 2013, the RBF received 12 complaints against licensed insurers, compared to 15 in 2012. Out of the 12 complaints, 11 were solved and one remained under supervision as at the end of December 2013.

Common complaints received against life insurers were related to declamation of death benefit claim due to non-material disclosure of medical conditions and disagreements on premiums charged. For general insurers, complaints generally related to motor vehicle and mortgage protection insurance claims.

Now to General Insurance, Madam Speaker. Gross premium income had grown consecutively at an average rate of 6.5 percent for the five year period since 2009. But in 2013 it increased by 10 percent to \$160.2 million dollars, mainly attributed to new business endorsements.

The major increases in growth emanated mainly from motor Compulsory Third Party Insurance, Motor Insurance and Fire Insurance. This was also supplemented by an increase in the total number of policies issued and renewed in 2013, which increased from \$137,170 to \$140,901.

Following catastrophic losses in 2012, Madam Speaker, due to *TC Evan*, the industry registered a recovery turnaround in underwriting results in 2013. This recovery was further assisted by a notable absence of major catastrophes in 2013.

Overall, the General Insurance Industry paid out a total of \$120.2 million dollars

HON. PROF. B.C. PRASAD.- Point of Order, Madam Speaker.

HON. SPEAKER.- Point of Order.

HON. PROF. B.C. PRASAD.- This is just a clarification, Madam Speaker, we do want the Honourable Chair to continue but I am a bit confused now. The motion actually talks about the RBF Annual Report 2013 which was tabled on 28th September, and I am just looking at the Report that we had, it talks about Consolidated Report of the RBF 2015/2014 Annual Report and 2014/2013 Insurance Annual Report. So I was just wondering whether we are only looking at 2013 or this Consolidated Report. It is a bit confusing there.

HON. SPEAKER.- Honourable Chairperson, would you like to make a clarification?

HON. L. EDEN.- Yes, Madam Speaker, to clarify, the original request came requesting that we speak on 2013 Annual Report which was what we have done. The other two years - 2014 and 2015 will be brought up at a later sitting.

HON. SPEAKER.- Thank you. Please, continue.

HON. L. EDEN.- Overall, the General Insurance Industry paid out a total of \$120.2 million dollars in gross claim in 2013, compared to a payout of \$78.9 million dollars in 2012, a majority of which resulted from payments of outstanding claims related to *TC Evan* losses, carried forward from 2012.

In the Life Insurance Market, Madam Speaker, the industry continued with its strong performance in 2013, recording upward trends in solvency and profitability indicators. The balance sheet of life insurers strengthened on a consolidated basis, with an increase growth in fixed interest investment assets. The balance of revenue account also expanded in line with increased business underwritten during the year.

Gross Premium Income reported by life insurers stood at \$128.5 million dollars, an increase of 13.8 percent from 2012.

Madam Speaker, as at 31st December, 2013 the following insurance companies were operating in Fiji:

1. BSP Fiji Limited with 139 agents;
2. BSP Health Care Fiji Limited with 69 agents;
3. Life Insurance Corporation of India (LIC) with 141 agents;
4. New India Assurance Company Limited with 18 agents;
5. Fiji Care Insurance Limited with 7 agents;
6. Tower Insurance Fiji Limited with 11 agents;

7. Sun Insurance Company Limited with 11 agents;
8. QBE Fiji Limited with 3 agents; and
9. Dominion Insurance Limited with 13 agents

It is interesting to note, Madam Speaker, that some of the abovementioned licensed agents represent multiple insurance companies.

Madam Speaker, in 2013, the RBF was committed to strengthening its role of promoting financial inclusion in Fiji, and it firmly believes that taking insurance to the grassroots level was critical. In 2013 the Bank worked with the Pacific Financial Inclusion Programme, the Asian Development Bank and the Insurance Industry in the promotion of financial literacy programmes and development of micro-insurance products which did make headway in the penetration of non-insured sectors.

The Bank and our Committee both realised and agreed that the benefits of insurance are a positive for our society, especially in light of the fact that Fiji continues to be faced with the adverse effects of climate change, and that natural disasters do happen. I thank you, Madam Speaker.

HON. SPEAKER.- Thank you. The motion is now open for debate. May I invite input from the Honourable Members. Honourable Dr Brij Lal?

HON. DR. B. LAL.- Madam Speaker, as a Member of the Standing Committee on Economic Affairs that looked at the Report, I would like to make a short contribution towards it.

The Committee has met and looked at the Report in detail. The Report states that the RBF has the following objectives in relation to insurance, that is, to:

1. Administer the Insurance Act of 1989;
2. Ensure that the law relating to insurance and supervision is proactive, relevant and effective;
3. Promote professional standards of management and business practice in the Insurance Industry;
4. Provide information, advice and dialogue relating to insurance and insurance supervision;
5. Support the orderly growth of the insurance industry and its census; and
6. Maintain a professional supervisory body to deliver a high standard of services.

In his Report, Mr. Peter Batchelor of UNDP in 1930 said, and I quote:

“In the Pacific the largest proportion of population, those who are most vulnerable to shock and suffer the most do not have access to any insurance as safety nets for families. It is important to expand the access of insurance to large segments of uninsured population. Micro-insurance is simply affordable insurance provided themselves for financial shocks imposed on them through unpredictable events.”

The Report saw that in 2013, gross premiums received was \$128.5 million, of which 93.7 percent was for endowment, 2.7 percent for Whole of Life, 2 percent for Term, 1.6 percent for Others and 0.1 percent for Group Life.

The major catastrophes that happened in 2013 that affected the insurance were of fires in Rakiraki, Nadi and Lautoka; flooding in the Western Division; and a bus fire in Suva. Fire, householders and public liability classes experienced large claim payment during the year.

The RBF also noted that the code of conduct for the insurance was being worked out at that time. The Governor of the RBF has rightfully said that there are a number of obstacles that hinder the growth of micro-insurance. Perhaps, the greatest obstacle, apart from affordability would be the limited public awareness on the benefits of insurance among those who have never had access to financial services.

Financial literacy seems to be the answer to overcome this hurdle. Much have been done since, including regular advertisements on television. Today insurance has become a necessity in our lives, for example, life insurance, travel insurance, property insurance, et cetera. They say; kill the tension before the tension will kill you, so life without insurance will be full of tension and I encourage everyone to insure themselves and their property.

As a Member of the Standing Committee on Economic Affairs, I support the Report as it has been presented. Thank you.

HON. SPEAKER.- Thank you. Honourable Prem Singh?

HON. P. SINGH.- Madam Speaker, I rise to contribute to the debate. I thank the Honourable Chairperson of the Standing Committee on Economics Affairs for compiling this Report, as I am also a Member of this Committee.

Madam Speaker, the RBF noted in its Report that insurance is a risky business and there are a few observations that we have made. In Fiji, insurance normally benefits corporate institutions who have large real estates and they, either through self-insurance or insurance with the companies, take up insurance and they are the ones benefitting. But what the Report noted was that, there is very low penetration of insurance in the community which is less than 12 percent in General Insurance and Life Insurance.

I agree with Honourable Dr. Brij Lal that there needs to be more awareness, the premium cost has to be regulated for it to pass on to the ordinary members. Madam Speaker, as you will note that the RBF is in the process of introducing what is called Bundle Inclusive Insurance Products. This, I believe, will cater for low income families, families who cannot obtain Engineering Certificates for their houses as you know Engineering Certificates are very costly to obtain because there is a standard set by the Fiji Institute of Engineers to obtain an Engineering Certificate for a house which was already built based on the perception that the whole roof need to be taken down or to tie it down. This Bundle Initiative by the RBF will see that the houses, instead of being reinforced are being reinforced through tying it down, and that is a new concept that has come about.

Madam Speaker, insurance for Government owned properties, we believe that all those properties need to be insured, and let me give an example. The Fiji Sugar Corporation (FSC) was self-insuring up until 2015 when they decided to take up insurance cover at a cost of \$2 million in premium. That was just months before *TC Winston*. After the Cyclone, they sustained damages and they were paid \$37 million, so this is the benefit of having insurance.

As far as life insurance is concerned, the market is very saturated, there are so many companies out there and with different products but the premium and the quality of insurance remains a challenge for Fiji.

Madam Speaker, with those words, I commend this Report.

HON. SPEAKER.- Thank you. I now give the floor to the Honourable Attorney General.

HON. A. SAYED-KHAIYUM.- Madam Speaker, I would like to thank the Committee for the Report. I just have a few comments.

As you know, Madam Speaker, from time to time Government has made a number of observations and, indeed, comments about the insurance industry in Fiji. We have also said publicly too that we have actually been concerned over the past number of decades, about the lack of intervention by the RBF, not just an insurance sector but also in the banking sector.

We believe that the RBF as a regulator, could have played a lot more dominant and directional role for insurance companies, and they have been very much left to the *laissez faire* approach to insurance. If you look at the other jurisdiction in the world, you have the regulators actually giving them a direction to say, "You must, for example, offer services in this area to insurance companies" and that would be a condition on their licence.

Unfortunately in Fiji, the RBF as a regulator specifically for this area, has not necessarily given that direction to insurance companies. As a result of which, Madam Speaker, today we have very low rates of insurance in Fiji. Only about 10 percent of properties in Fiji are actually insured.

We also have insurance companies that actually cherry-pick. So what they consider high risk areas, such as Nadi and Sigatoka, it is only the big corporates that actually get insurance cover, viz-a-viz ordinary citizen or ordinary Fijian is not able to access for example, flood cover in those areas.

We accept the fact that, for example, where the risk is higher, the premium will be higher but nonetheless it needs to be made available to them. So we think, Madam Speaker, that the regulator should have provided a lot more direction in that respect, and we are hoping that they, of course, will do.

Government by its very own will be creating, as you know, some opportunities in that area. We have also publicly mentioned that we have made some announcements in that area, and we will continue to make some announcements in that area.

There are many areas, for example, crop insurance in Fiji. We all talk about agriculture. Hardly any crop insurance is available, in fact, probably none is available, offered by insurance companies. Madam Speaker, the Honourable Prem Singh talked about external tie-downs, which at the moment, is not acceptable. We are already talking to insurance companies, in fact, we have been talking to them for the past few months.

As you know, Madam Speaker, *TC Winston*, we have now already expended \$125 million to the Help for Homes Initiative. If we had a basic insurance cover available to these ordinary Fijians, we would not have had to make that actual pay-out of \$125 million. The current Engineers Certification requirements, the compliance is very onerous and to retrofit many of these homes if you go to the villages or you go to the farms, for them to be able to afford it, the cost of actually meeting the compliance standards will probably be lot more than the actual cost of the homes that they have built. They are very expensive. What we are currently doing is to talking to the insurance companies and that has not been actually approved.

We are actually talking to the insurance companies. The Chairperson of the Insurance Council of Fiji who is a lady and CEO of Tower Insurance, has been very, very forthcoming and very, very helpful. We are currently talking to her, we brought along some engineers to look at what we had talked about, some external tie-downs but perhaps, get some minimum cover. So you could, for example, have an external tire-down or perhaps, some type of latching system within the internal roof system itself and may be get an insurance cover, say up to \$5,000 or \$7,000 at a competitive

premium price. We are currently looking at that and also working on that. So these are the kinds of things that should have been developed over the past number of decades but unfortunately, they have not.

The other area, Madam Speaker, that we would like to do is we need to be able to reduce the onerous compliance requirements, have a lowest standard but have a lower cover which will make insurance a lot more affordable.

The other area, of course, Madam Speaker is that, a compulsory third party insurance. Compulsory Third Party insurance, if you look at the overall claim pay-out in fact is relatively lower to the amount of premium that has been collected. It is by very virtue of its terminology, compulsory, everyone has to pay it. We are, again, doing a review in this area because it is very litigious at the moment. So whilst it is compulsory for you to get insurance, the moment you want to make a claim, Honourable Members, lawyers in this House will tell you, it can drag on the court system for years. In fact, some lawyers, of course, have gained a lot of proficiency in getting adjournments in the hope that the witnesses will (kind of) wither away. This is what happens, so the actual ordinary citizen does not get the justice that they required and, indeed, does not get the compensation that has been the objective of getting the CTP in the first place. That has been a major issue and we are currently working on that.

The other area, of course, Madam Speaker, has been the issue, such as the credit reporting mechanism, the credit collation mechanism which was commonly known as data bureau that the other side of the House was protecting at one point in time. But again, Madam Speaker, there should have been a lot better regulation and control over this area because it was affecting ordinary Fijians from being able to access credit and, indeed in some aspects, sometimes insurance as well.

Madam Speaker, the Government has actually got insurance now, for example, all its vehicles. All the vehicles that Government leases now through the leasing arrangement, it has for the first time in Fijian history Government has actually comprehensive insurance. What we found previously is that because vehicles were bought out, there was no insurance. Should, for example, a particular Ministry has a major accident in a vehicle, it will get parked. There may not be funds available, there may not be a budgetary allocation for that, so it simply just stays there until they get the money to fix it up. By the time, they get the money to fix up the vehicle, the vehicle has actually deteriorated. What actually happens, when you have a pool of vehicles, the one that has had the accident will get cannibalised. So essentially, people take out parts to put it in other vehicles or sometimes take it home too. So by having comprehensive insurance, we are able to cover these vehicles.

Madam Speaker, we really believe that the very litigious approach to insurance sector needs to be reduced. We fundamentally believe that the RBF needs to play a lot more directional role in respect of insurance and the services insurance companies offer. Also, they should not only simply cherry-pick, cherry-picking is not a good thing, whether it is in telecommunications, whether it is in the financial sector also. So, we hope and we have had some conversations with the RBF.

We hope to have further conversations with them regarding that but in the meantime there needs to be some substantial changes in respect of offering, not just the range of insurance but products in the market and also making sure that some of these insurance products actually get made available.

We had an offer about some months back, saying that some of the insurance companies wanted to have what they call "micro-insurance" but the irony of it was, they wanted tax breaks and some of these insurance companies have actually been doing extremely well.

I am not talking about life insurance companies or health insurance, I am talking about general insurance companies or actually offering these micro-insurance only in the condition that Government will offer tax breaks for them, and we said, "No" because they actually have a responsibility to provide that to the vast population of Fiji. They have a social corporate responsibility, they actually have been making money.

Most insurance companies in Fiji are foreign-owned, except one which I believe is Sun Insurance. All of the others actually have been in Fiji for a very long period of time. It is not a question about foreign versus local but it is also an issue about the asset-based that they have built. We need them, we need to be part of the financial services sector but there also need to be able to provide services that currently are enjoyed by a vast majority of Fijians and it is our objective to ensure working together with the RBF because a vast majority of Fijians have the option and the option is affordable to be able to enjoy those types of insurance services that they currently do not enjoy. Thank you, Madam Speaker.

HON. SPEAKER.- Thank you. Honourable Parmod Chand?

HON. P. CHAND.- Thank you, Madam Speaker. I would also like to make some contributions to this motion. I would like to declare my interest, being a bus operator and my concern will go major on this general insurance, inclusive of this compulsory third party insurance on public service vehicles that are mini-buses, carriers, taxis and omnibuses. Indeed, insurance is a very high cost item for the bus industry, transport industry that carry fare-paying passengers, as I mentioned.

Madam Speaker, public service vehicle must have compulsory third party insurance and one of the biggest problem with this is that the insurance cover is not adequate. We have very archaic laws that were designed well before 1950s when we had 10 to 12-seater buses and that maximum you can claim on a public service vehicle, a taxi or a bus will be only \$40,000 in totality but per person, it is only \$4,000. So it is rather unfortunate that when passengers in buses, taxis, mini-buses, carriers, when there is an accident and they get injured, they just do not have anything to get, except for \$4000.

If someone has a claim of \$100,000 or \$200,000, you will get only \$4,000. Buses are now up to 72 seaters, and if 72 people are in a bus, if the bus ends up in a crash and there is an accident and everyone gets injured, there is not even sufficient money there, not even \$500 to \$600 per passenger.

We have raised this many times, unfortunately the Honourable and learned Attorney-General has gone out, I had written letters through the FBOA (Fiji Bus Operators Association) and to my company requesting for something to come up so that we can discuss and amend or do something overall with this archaic Act so that the people of Fiji whether passengers in public transport are not just left high and dry.

The Honourable Attorney-General rightly pointed out that cases go on and on and the legal practitioners will always try to delay the cases so that the witnesses die out, people die out and everyone just forgets about it. So it is so important that we must have a good mechanism and as I was going through the report, I saw one of the important functions of the RBF is to regulate the insurance industry and this is something very very important and as it was pointed out earlier that the RBF is their regulator.

When you regulate something you need to keep changing it, you need to keep doing amendments on it. In today's day and age, the income of people is very high. We are not living in those old days and when a claim comes, if the passenger gets only \$4,000, they go to court and the court might award them \$200,000 or \$250,000.

One of the sad cases was the Raiwaqa bus when there was fire, there were so many people that were burnt down but they have not even received anything, very little.

What happens to those families who are grieving, what happens to the people that continue to mourn for their loved ones and this is something very very important. I have seen in my life here in this country, we have gone through two *coups* and we have gone through military governments, they were able to make decrees, et cetera, without fear of anything. This could have been one thing they should have done very well, this compulsory third party insurance package, they could have overhauled this because they always talk about “all Fijians”, “fair” and “everyone to get the right things”. So what is happening to our people that get injured in public service vehicles? This is something very very important and I believe this is something that we all should be aware of.

Compulsory third party insurance is one of the most profitable class of business for insurance companies. In 2009, the loss ratio in this class of insurance was 15 percent, that is a profit ratio of 85 percent. So this is the kind of money that is made by them. I am not against anyone making money, everyone does business for profit, yes, but there has to be some consideration to what you pay out because when claims come in, when pay-outs come in, the insurance companies will come out with those very little small words that you cannot even read. They will tell you, “Oh, there is an exclusion clause”. So it is something very very important and this issue requires a very immediate attention of the Government of the day. They should be able to do

HON. A. SAYED-KHAIYUM.- I have said it.

HON. P. CHAND.- You have said it, but it is not coming forth. I attended only one meeting, after that I was not even able to.

HON. A. SAYED-KHAIYUM.- We are working on it.

HON. P. CHAND.- Thank you, I hope to see it soon.

HON. A. SAYED-KHAIYUM.- We are now working on it, yes, not because of you.

HON. P. CHAND.- I know it is not because of me, I am just part of it. It is not because of me, I do not want anything to be done for me, I want it to be done for the people of Fiji, for the Fijians of Fiji.

HON. OPPOSITION MEMBERS.- Hear, hear!

HON. P. CHAND.- Madam Speaker, the Report on CPI (Consumer Price Index) uncovered essential facts that consumers should be aware of. Firstly, annually insurance companies are paid millions of dollars from motorists as compulsory third party insurance.

Secondly, it said, that however when it comes to consumer-redress, there are limitations on numerous exclusions to avoid liability as I alluded to earlier. So, not all victims of motor vehicle accidents receive claim despite third party insurance being compulsory.

If something is compulsory, someone is compelled to pay, then the claimant should also be there to receive the benefits of that. It is very very important, and in my opinion, the current third party policy creates a false sense of security through payment of a compulsory annual insurance, then within various exclusion clauses. As I said earlier, in favour of the insurance companies that provide the cover and it is very important for us to note this that the CTP premium was increased by the insurance companies some weeks before the budget announcement in 2012.

There was an announcement made that there will be a levy and I wonder if the insurance companies had prior knowledge of Government's decision and pre-empted this with the premium increase to cover the 20 percent contribution that is payable to Government. This would mean that the public is funding the 20 percent contribution to the Government and not the insurance companies.

Just before this announcement was made, the insurance companies increased their premiums by 20 percent, so basically the people of Fiji are paying for that 20 percent, not the insurance companies. So, I would say, Madam Speaker, that third party insurance are simply not working and the cost of policies are too high. Many claims are not being paid and third party accident victims are not protected and only the insurance companies benefit from this high profits and the third party insurance generates for them. So, Madam Speaker, I would love to see as the Honourable and learned Attorney-General keeps shouting from that side, he should do more work than shouting.

(Laughter)

HON. P. CHAND.- I believe that this is something very important that I have said, CPP insurance cover, it needs an overhaul and an immediate overhaul, even I would suggest to the Government of the day, instead of the \$40,000 Government can get by an Act of Parliament and increase the cover now to \$500,000.

We do not want our people to suffer, to lie in bed all their lives and they do not get anything. That is something very important. So, Madam Speaker, I would love to see this happen and I do commend the motion to the House. Thank you.

HON. A. SAYED-KHAIYUM.- Madam Speaker, just to make a ...

HON. SPEAKER.- Clarification.

HON. A. SAYED-KHAIYUM.- Madam Speaker, perhaps it just a point of order, I am not really sure. It seems the Honourable Member just said that the Attorney-General should do more work rather than shouting. I did not object to that, that is fine, that is part of Parliamentary exchange.

This morning, Madam Speaker, when I said that the Honourable Member, this logic is lost on her, they objected to that. They become very soft when we make comments and they expect us to be hardened. We do not mind it, but you see, this is kind of double standards. Just Parliamentary exchange, I accept that, he can say that to me, he can say that to me, Madam Speaker.

So, Madam Speaker, just because a person stands up and says, "We want that withdrawn because they have said that." I think we should not necessarily accept that, well we have to withdraw it because, Madam Speaker, we are guided by the Standing Orders. If I actually stood up and said "Honourable Radrodro was stupid" that means I cannot say that because that is a direct statement about her. But if I said the logic is lost on her, he said to me that he should stop shouting and do more work. I accept that. I know he is not telling the truth. I know that he wants to do grandstanding, that is fine. That is part and partial of Parliamentary exchange. Let us do that. Stop being so sissy, stop being so sissy when we make comments to you; take it on the chin. Now, you do not because she just stood up and objected to it. Every time we do that, you object to it. When they make comments, we take it on the chin, take it on the chin. Exactly, you guys need to chill, you guys need to chill out. That is the point.

(Laughter)

(Chorus of interjections)

HON. SPEAKER.- Thank you. Honourable Vijay Nath did raise his hand first. I give the floor to the Honourable Vijay Nath.

HON. V. NATH.- Thank you, Madam Speaker. I rise and support of the RBF Annual Report, 2013. For the information of this House, I wish to highlight three different parts of the report which I believe should be shared in this august House.

At the outset, I wish to thank the Governor of the RBF and his team for putting together a comprehensive and well-articulated Insurance Annual Report. On that, Madam Speaker, the Committee went to visit the office of the RBF to see its functions and operations. The importance of insurance industry in any economy cannot be over-sighted. In this regard, I wish to highlight three important roles that insurance industries play:

1. The risk transfer role: that is the insurance industries safeguard financial health of individual, families, communities, business and economy. It is also crucial for individual to protect themselves against inability to work, for retirement, for death and loss of the assets.
2. The insurance industry plays an informational role. In doing so, it provides in addition of assisting risk of an economy and probably of probability of loses. It also helps business compare risk, compare return profit to protect an asset therefore in a significant calculation of our resources.
3. Finally, the insurance industry does play a very important role in capital markets. It acts in industrial investment of economy and insurance company invest full on premium received. It also mobilises national saving for productivity used.

Having deliberated on this report, I wish to mention negotiable achievement of Fiji Insurance Industry in 2013 such as:

- Significant increase in capital surplus of 43.4 percent to \$224.4 million;
- domestic gross premium income pool continue to grow and stood at \$288.7 million; and
- paid \$142.5 million in policy claims in 2013, an increase in six percent from 2012.

In spite of the increase, the industry still records a profit of \$113.3 million. All in all, I must say that the industry highlighted in 2013 that they recorded significant growth and the industry remained safe and sound to capital and earning. Level certificatory and risk management by individual companies continue to enhance.

Madam Speaker, I will share three of my real life situations with you. In my 22 years of social work often I have seen when someone dies, our average earner probably the only money he will leave is his provident fund money. That is what he leaves behind for the family. If there is more awareness and this was also requested in the report, we also suggested that to the Governor saying that more awareness is required to the level wage earners so that the grassroots people in fact get insurance so that when a bread winner passes away, there is sufficient money left with the insurance as well.

The second real life situation, Madam Speaker, is my vehicle. My wife was driving and it got into an accident. It was the other party's fault. The other party, it is a brand new vehicle and he did not have the vehicle insurance. So, he said; why do you not claim your insurance? I said, why

should I because if I claim my insurance, my premium for the next year will increase. So, this what Honourable Brij Lal and the Honourable Attorney-General have said that we should have a compulsory insurance, like in Australia. All the vehicles in Australia they have to be insured before they are on the road.

Madam Speaker, the third important real life case is when a lady came to my office two weeks ago. She had a taxi permit, ten years ago the vehicle was involved in an accident in Reservoir Road. The husband passed on and she could not renew the permit. Why, because of the poor tactics by our court system, by the lawyers some of the liars I would say. They kept on dragging the case and now the permit has expired.

(Chorus of interjections)

(Laughter)

HON. V. NATH.- Now, she came to me, this 72 years old requested if her permit can be renewed after 10 years? I said “no, it cannot be because looking at the policy matter, we have got the LTA Board who is there to look at policies.”

So, having said that Madam Speaker, if that gentleman had insurance and the vehicle was insured, that tax issue which was in question at that point time, this lady would have been laughing. She said she is 72 years old. So she does not want to burden the Government, she do not want to get social welfare assistance, the only thing she was looking at is getting the permit renewed. I said, “I can help but I have to give this to the Board.”

Madam Speaker, these are the three important issues I would like to share with you and I fully agree that the report was very well done and I request this august House to accept it.

HON. SPEAKER.- Thank you, I now give the floor to the Honourable Dr. Mahendra Reddy.

HON. DR. M. REDDY.- Madam Speaker, first of all, I want to congratulate the RBF for doing an excellent job in supervising the insurance industry. Unfortunately, someone on the other side have been running down the insurance industry, but I must say, if you look at the report, out of the 12 complaints, 11 was resolved within the timeframe.

Madam Speaker, I think what is important is to see how we could make it more accessible for our general consumers to lodge their complaints to the RBF should they have issues.

Madam Speaker, the insurance industry is not only about third party. There are various types of things that they do; coverage of fire, properties, and medical as well as life insurance.

Madam Speaker, the insurance industry is a very important sector of the overall financial sector. In a small country like Fiji, it is not easy to attract international insurance companies to come and invest because the initial market is small. Now for insurance companies to come and operate in Fiji, about 30 to 50 years ago, that was a remarkable thing that they have done in terms of coming to our country where the population sizes are well beyond million. I think we should thank them for coming and choosing to operate in a small country like that, where they handle a very small basic domestic market.

Madam Speaker, insurance industry is not a simple game. They need to make a pay-out. They are not in a simple retail business where they make profit. The only way they can make pay-out is if they collect the small amount of money that people invest in them as premiums and invest

them, Madam Speaker. So the most important factor that they determine the viability of an insurance company is their liability to invest the money that they have collected and obtain positive returns so that they can pay out in case of property insurance pay-out against the risk of what they have taken, Madam Speaker.

Madam Speaker, now we have got only two life insurance companies in this country, LIC and BSP Life, Madam Speaker and if you look at the data of this life insurance companies, you will note that only about 12 percent to 15 percent of their policies are actually paid out because of death of the policy holder. The remaining 82 percent of the policy holders, Madam Speaker, they actually get the money when the policy matures. Effectively what I am trying to demonstrate, Madam Speaker, life insurance companies in this country have done an excellent job in terms of promoting a form of savings, Madam Speaker.

Madam Speaker, in small country like Fiji, where savings culture is quite poor I think insurance companies have done an excellent job in providing alternative savings options,

Madam Speaker, as I said earlier on, insurance companies have done excellent job in deepening and widening the Fiji's financial sector, I think we should applaud that and I encourage them to expand more and ensure that with the little finance on their policies, I think we can further expand and increase the coverage to the more and more people can pledge against the various risks or to buy policies to save their money and earn a return plus, they paid the total principal sum when the policies are matured, Madam Speaker. Thank you and I again congratulate the RBF for doing an excellent job.

HON. SPEAKER.- Honourable Viliame Gavoka?

HON. V.R. GAVOKA.- Thank you, Madam Speaker, if I could contribute to the motion. I am part of the Standing Committee Economic Affairs that prepared this report and I must say at the outset that I was very impressed with the way the RBF regulates the insurance industry. But in the background of a community that is very conservative in its approach to insurance, we are very, very conservative, compared to other jurisdictions, our neighbours, Australia and New Zealand, there is a lot more that we can do but we need to change the mind-set.

I think we all have witnessed over the last couple of months the effort by the insurance industry to bring about a wider range of insurance products even including, BIMA, BIMA which aims at a low income level. But to change the mind-set, Madam Speaker, we will need a lot more than just marketing, creating new packages and promoting them or creating the awareness. I think Government has to play a big role in this, we leaders in the legislature of this country must drive this.

The sad part about it is that the premium pool for Fiji is very, very low and all we need is one cyclone, flood and it could wipe out all the premiums that we have in this country. So we need to grow that premium pool and all the efforts that I see today will not do it. It has to take some intervention from leaders like us to try and make it compulsory in many ways to have insurance for everyone.

The third party policy is an example, that is mandatory. Everyone in Fiji, as soon as you get a car you must pay third party. There has got to be some degree of insurance to be made mandatory in many ways. As we know only 12 percent take up general insurance and I mentioned one day I quipped to the Honourable Prime Minister "it will help when you Chairing COP 23 that your people have embraced insurance in a big way, not only 12 percent."

I was flabbergasted when I learnt, Madam Speaker, that a lot of homes, those palatial homes up in Namadi and all those areas, quite a few of them do not carry insurance. I mean that is how conservative we are about insurance. We talk about the lower income levels, people in the low income area, the vulnerable ones but it appears to be across the general cross section of our community that we just do not see insurance as critical to our lives. So there has to be leadership from us, we have to make insurance mandatory in many ways, whether crop insurance, life for the lower income, property, these has to be done, Madam Speaker, especially given what we know that we are very vulnerable to the elements and that we need as a country to increase our savings and also increase our premium pool.

So, Madam Speaker, I think given the proper support, RBF is doing a wonderful job and they can do better into the future, but I think we are the ones who should drive this, and RBF regulates the industry for us. Thank you, Madam Speaker.

HON. SPEAKER.- Thank you. There being no other input now I invite the Chairperson of the Standing Committee on Economic Affairs to speak in reply.

HON. L. EDEN.- Thank you, Madam Speaker. Madam Speaker, I have nothing further to add to this debate, however, I would like to point out that it is very important that everyone understands from the outset that general insurance companies do not insure for something that will happen but they insure for something that could happen. So, I think it is very important that everyone understands that.

Madam Speaker, our Committee recommends that this House take notes of the report and we look forward to debating the RBF's Annual Insurance Report for 2014 and 2015 sometime in the near future. Thank you.

HON. SPEAKER.- Thank you. The Business Committee had agreed to the wording of the motion and our Parliament will vote on the motion moved by the Chairperson of the Standing Committee on Economic Affairs.

I remind Honourable Members that this vote is not whether we agree or disagree with the content of the Report but in fact the motion confirms that the Report has been debated and once the vote is taken on this motion it, ends there and the Report will not be debated again in Parliament.

Question put.

Does any Member oppose the motion?

(Chorus of "noes")

There being no opposition, the motion is agreed to unanimously.

Motion agreed to.

HON. SPEAKER.- Thank you very much, Honourable Members. That brings to the end the Items in today's Order Paper and I would like thank each and every one of you for a very substantive and healthy debate that we have had today.

The Parliament is now adjourned until tomorrow morning at 9.30 a.m.

The Parliament adjourned at 4.28 p.m.