

WEDNESDAY, 3RD DECEMBER, 2014

The Parliament resumed at 9.40 a.m. pursuant to adjournment.

MADAM SPEAKER took the Chair and read the Prayer.

PRESENT

All honourable Members were present, except the honourable Prime Minister and Minister for *iTaukei* Affairs and Sugar.

MINUTES

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

That the Minutes of the sitting of Parliament held on Tuesday, 2nd December, 2014, as previously circulated, be taken as read and be confirmed.

HON. CDR. S.T. KOROILAVESAU.- Madam Speaker, I beg to second the motion.

Question put.

Motion agreed to.

COMMUNICATION FROM THE CHAIR

16 Days of Activism

MADAM SPEAKER.- Today, the Parliament is acknowledging the “*16 days of Activism Against Gender Violence Campaign.*” Honourable Members have orange ribbons and invitation cards placed in front of them. I encourage honourable Members to wear their orange ribbons, to help raise awareness on this important issue. I also invite honourable Members to join me in marking the occasion at the reception that I am jointly hosting with the UN Resident Co-ordinator. The reception will be held today after Parliament adjourns for the day and I am pleased that our Parliament is supporting this very important campaign.

Mobile Phones

I would also like to remind honourable Members to switch mobile phones to silent mode when in Chamber.

PERSONAL EXPLANATION

HON. A. SAYED-KHAIYUM.- Madam Speaker, I rise on a point of order. I would like to raise an issue emanating from yesterday and I bring it to the attention of this Parliament, if I could. This is in relation to, during the honourable Dr. Biman Prasad’s statement on his response to the Appropriations Bill, where he made some comments about the Auditor-General and I had made some comments saying that he should not be pre-judging matters, in which he responded and said:

“Madam Speaker, let me respond to the usual side-track by the honourable Minister of Finance and learned Attorney-General. Never in my public utterances have I cast any aspersion or made reference to the content of the Report.”

The Fiji Times online states, and I quote:

“The Public Accounts Committee Chairman, Professor Biman Prasad says it has now become abundantly clear that there has been widespread abuse of public funds and blatant disregard of fundamental financial procedures highlighted by the Auditor-General through his audit reports of State finances in ministries for the past seven years.”

There is a contradiction, Madam Speaker, as I am trying to raise

HON. M.D. BULITAVU.- A point of order!

MADAM SPEAKER.- When he finishes, then I will come back to you.

HON. A. SAYED-KHAIYUM.- There is a contradiction, Madam Speaker, I just wish to draw to the attention of this Chamber that when honourable Members of this Parliament make comments and give responses, they need to be reflective of the facts. That is my simple point.

HON. M.D. BULITAVU.- Point of order. The honourable Minister of Finance has not stated which section of the Standing Orders warrants his point of order.

HON. A. SAYED-KHAIYUM.- Madam Speaker, it is the prerogative (and we have not had that query before) of the honourable Members of this Parliament to raise a point of order and I am trying to draw a general point of order regarding the conduct of honourable Members in this Chamber.

The issue is, that when honourable Members respond, they need to respond factually - whether they are under pressure or not. It is the responsibility of all honourable Members in this Chamber to respond factually and not to mislead this Parliament.

HON. ROKO T.T.S. DRAUNIDALO.- Madam Speaker, I rise on a point of order. First to the issue of privilege that is in the Standing Orders and second, the privilege of this Parliament, members of which the honourable Dr. Prasad is the Chair of a House Committee, communicating as such and appointed by you in writing, Madam Speaker. There is nothing in the Standing Orders that restricts his speech on these matters. I just raise that point of order, Madam, it is not argumentative.

HON. A. SAYED-KHAIYUM.- Madam Speaker, it is not a question of privilege, but whether the honourable Member is misleading this Parliament or not, is very simple. Privilege does not allow you to mislead the Parliament, there is enormous jurisprudence on this. I refer the honourable Members on the other side to the *Erskine May* – please, read it. It is the responsibility of all the Members of this august Parliament not to mislead.

MADAM SPEAKER.- I would just like to remind honourable Members of Parliament that when you make comments in this Chamber to be mindful of the issue that has been raised this morning but I will come back with a ruling on that particular issue later on.

HON. N. NAWAIKULA.- Madam Speaker, on a point of order. I rise under Standing Order 70 which states that the Speaker maintains the order and decorum in Parliament. I believe this Parliament will soon get into a “mickey mouse” kind of Parliament, where we can just stand up and say

something. The prerogative, I believe, for advising this Parliament in relation to the content of Members speeches on disciplinary matters rests with the Speaker alone because she maintains the decorum, and not for any Member to be raising that in the Parliament.

MADAM SPEAKER.- Any issue brought up under a point order, it can be brought up at any time during the sitting. So, we will bear that in mind.

HON. A. SAYED-KHAIYUM.- Madam Speaker, as I had said, the intention is to simply draw it to your attention what was said and what are facts, and simply draw it to the attention of this Parliament that we have a responsibility as honourable Members of this Chamber to state the facts.

MADAM SPEAKER.- Honourable Members, I think I will make my ruling now, just to be mindful of comments made in the Parliament so that we state facts and not to be misleading, as has been mentioned. I think this applies not only to the Opposition but to Government as well.

QUESTIONS AND REPLIES

Independent Advice by the Attorney-General (Question No. 10/2014)

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

Can the honourable and learned Attorney-General explain how he would advise the Minister for Finance, Minister for Justice, Minister for Public Enterprises, Minister for Public Service Commission and Minister for Communications independently?

HON. A. SAYED-KHAIYUM (Attorney-General and Minister for Finance, Public Enterprises, Public Service and Communications).- Madam Speaker, Sir, I rise to reply to the question asked by the honourable Member.

Madam Speaker, I would like to thank the honourable Leader of the Opposition for her question because it gives me an opportunity to educate the other Members on the other side of the Chamber.

HON. OPPOSITION MEMBERS.- Ha! Ha! by the Constitution

HON. GOVT. MEMBERS.- Hear, hear!

HON. A. SAYED-KHAIYUM.- Really, Madam Speaker, the flavour of the speech is, it shows that there is a lack of understanding of the Fijian Constitution.

Under Section 116 of the Constitution, it is the independent office of the Solicitor General that provides advice. Let me read Section 116 out to you, and I quote:

“116.- (2) The Solicitor-General is responsible for –

- (a) Providing independent legal advice to Government and to the holder of a public office, on request;”

That is the role of the Solicitor-General.

This is how it works, Madam Speaker. As you would know from your time as a Minister, the Permanent Secretary of each Ministry, if he or she seeks legal advice, he or she would contact the Solicitor-General directly. If there is any litigation against the State, it is the Solicitor-General who conducts the litigation. If, for example, even a Minister wants to enter into a Memorandum of Understanding (MOU), he or she can contact the Solicitor-General directly. Of course, the Attorney-General is the chief legal advisor to Government and also, of course, to Cabinet. So that is very simply the legal position.

Also, Madam Speaker, it is not peculiar for Attorney-Generals to hold other positions. Let me give you some examples, even from our own history, but what is the legal basis? The 1970 Constitution, the 1990 Constitution, the 1997 Constitution, nor does this Constitution prohibits the Attorney-General from holding other positions.

Madam Speaker, going back to the Alliance Government days: Sir Vijay R. Singh was the Attorney-General and Minister for Economic Development; from 1984, every single Attorney-General has also been Minister for Justice, except between 1996 and 1999 when Ratu Etuate Tavai was the Attorney-General. All other Attorney-Generals held Minister for Justice positions: Q.B. Bale, Jai Ram Reddy, Sailosi Kepa, Apaitia Seru, Kelemedi Bulewa, Anand Singh and Alipate Qetaki. All these gentlemen held positions in other portfolios and four of them, Madam Speaker, were also Members of the House – Apaitia Seru, Kelemedi Bulewa, Etuate Tavai and Anand Singh. They were also elected Members of the House or they were in the Senate.

Madam Speaker, Mr. Q.B. Bale, interestingly enough, when he was Attorney-General in the SDL Government, also acted as Minister for Home Affairs & Immigration; Minister for Finance & National Planning; Minister for Communications; Minister for Tourism; Minister for Commerce, Business Development & Investment; and Minister for Natural Disaster Management. At various periods, he held those acting positions, so obviously, he was acting in those positions whilst he was the Attorney-General. He could not have been advising himself, Madam Speaker.

Also, Madam Speaker, it is not peculiar for an individual to hold different portfolios at one time. The Constitution specifically provides for that in Section 92(3), and I quote:

“92.- (3) The Prime Minister –

(a) appoints Ministers with such titles, portfolios...”

The former Prime Minister, Sitiveni Rabuka, apart from being the Prime Minister, was then Minister responsible for the Constitution; Minister for Fijian Affairs; Minister for Multi-Ethnic Affairs; Minister for Regional Development; and Minister for ALTA. Madam Speaker, Mr. Mahendra Chaudhry as Prime Minister was also Minister of Finance, Public Enterprises, Sugar Industry and Information. Also when Mr. Laisenia Qarase was Prime Minister, he was also Minister for Fijian Affairs, Culture & Heritage; Minister for National Reconciliation and Unity; and Minister of Information, Media Relations and Sugar.

Madam Speaker, there were some comments made that Attorney-Generals normally came from outside. It is specifically true, as I read out. Attorney-Generals can also be elected. In Australia, the Australian elected Senator George Brandis is also Attorney-General and Minister for Arts. In Mauritius, the Attorney-General is elected and is also Minister for Agriculture Industry and Food Security. In New Zealand, the Attorney-General is also elected and is the Minister for Treaty of Waitangi Negotiations; Minister for Arts, Culture and Heritage; Minister responsible for Government Communications, Security & Bureau; and Minister in Charge of New Zealand Security Intelligence

Service. So, Madam Speaker, what has been raised not only shows a lack of information that the other side has, but unfortunately, they have not read the Constitution.

HON. N. NAWAIKULA.- Madam Speaker, I rise on a point of order. The honourable and learned Attorney-General cited the provision which says; “independent legal advice”, that is correct and understandable. However, the reason why I raise this question is that, it may put him in a position of conflict. For example, we take a situation, in the case of Finance, and an advice sought for finance that is forwarded to you as Minister of Finance and also Attorney-General, do you not see a position of conflict here? If that is so, how do you resolve it?

MADAM SPEAKER.- May I remind honourable Members that when you are speaking in this Chamber, please address the Chair.

HON. A. SAYED-KHAIYUM.- Madam Speaker, I think I have answered the question adequately. The reality is that, should there be any legal issues, they are addressed by the Solicitor-General.

HON. S.V. RADRODRO.- Madam Speaker, a supplementary question; I am just wondering if you can assure this Chamber or maybe tell us, if you could be willing to give up any of those portfolios?

HON. A. SAYED-KHAIYUM.- The supplementary question, Madam Speaker, is not related to this substantive question. The question is not about giving up portfolios but about the advice given by the Attorney-General to all those Ministries or positions. In any case, let me further educate the other side. The education is this: Lesson Number Two for today, it is the prerogative of the Prime Minister to appoint Ministers.

HON. GOVT. MEMBERS.- Hear, hear!

Transfer of the Poverty Monitoring Unit
(Question No. 11/2014)

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

Would the honourable Minister for Women, Children and Poverty Alleviation, please explain why the Poverty Monitoring Unit has been transferred to her Ministry from the Office of the Prime Minister?

HON. R.S. AKBAR (Minister for Women, Children and Poverty Alleviation).- Madam Speaker, Sir, I rise to respond to the question asked by the honourable Member.

It is a very simple question. At the outset, this movement makes greater sense. As the Ministry responsible for women, children and poverty alleviation, the move of the Poverty Monitoring Unit from the Office of the Prime Minister to my ministry will actually lead us to better implementation and monitoring of all poverty alleviation programmes, which is a very important component for the Ministry for Poverty Alleviation. Of course, this move positions the Poverty Monitoring Unit in a governance establishment that looks at poverty alleviation holistically, and it is a Government decisive approach towards poverty alleviation in a bright economic outlook beaming at us now.

HON. N. NAWAIKULA.- A supplementary question, Madam Speaker; as the honourable Minister has said, the reason for the move is for better implementation. Does she, agree therefore, that the Office of the Prime Minister is lacking in that regard?

HON. M. VUNIWAQA.- I rise on a point of order, Madam Speaker, and I refer to Standing Order 44. The honourable Minister has been asked to give an opinion which is not allowed for a question.

HON. S.V. RADRODRO.- A supplementary question, Madam Speaker, can the honourable Minister explain what strategies she has in place to be able to implement and monitor poverty alleviation interventions throughout all Government Ministries? Poverty alleviation interventions are in the Ministry of Agriculture, Ministry of Fisheries and Forests, so why is the Ministry, like your Ministry been given this huge responsibility with your very limited resources, and bear in mind, Madam Minister, you only have \$3.3 million under your portfolio?

HON. A. SAYED-KHAIYUM.- A point of order, Madam Speaker. Are we going to listen to a statement or to a question?

HON. N. NAWAIKULA.- What point of order?

HON. A. SAYED-KHAIYUM.- The point of order is this. The substantive question was, why is the Monitoring Unit being moved there? That is the question.

HON. N. NAWAIKULA.- What is your response?

HON. A. SAYED-KHAIYUM.- Please address the Speaker!

(Laughter)

I answered the question, but we now have a supplementary question. The supplementary should be in relation to the substantive question. We are now getting a statement, and obviously supplementary questions can be there. That is my point of order.

MADAM SPEAKER.- Thank you. My ruling, the honourable Minister has adequately responded to the question as is. She has explained why the Poverty Monitoring Unit has been transferred but now you are now bringing up the substance of the implementation of that and which is unrelated to this question in the first place. So, I think that question has been adequately responded to.

(Chorus of interjections)

Withdrawal of Fiji Airways flights to Honiara
(Question No. 12/2014)

HON. S. KARAVAKI asked the Government, upon notice:

Would the honourable Minister for Civil Aviation explain the status in the negotiations by Fiji Government and the Solomon Island Government on the withdrawal of Fiji Airways flights to Honiara?

HON. A. SAYED-KHAIYUM (Minister for Civil Aviation).- Madam Speaker, in fact I would like to thank the honourable Karavaki for this question. It is the first substantive question pertaining to Government operations. In fact, Madam Speaker, the honourable Karavaki is actually putting an issue on the table for public consumption, which we have also related to previously. It relates to, unfortunately a fault breakdown in negotiations and, in fact a breach by the Solomon Islands Government regarding the Air Services Agreements (ASA) that we have in place between Fiji and the MOU that was put in place after the ASA was put in place.

Madam Speaker, very briefly if I could tell you the background to this. It relates to the Fijian Government and the Solomon Islands Government. We had the right to have three flights a week - direct Nadi/Honiara, for both the airlines. So, designated airlines for Fiji was Air Pacific or Fiji Airways, and for them, it is the Solomon Islands Airways. They are a one-aircraft airline for the international flights. They have only one A320. They have the right to fly three times to Fiji from Honiara/Nadi, and for us from Nadi/Honiara, three times a week.

In 2010, an MOU was signed between the Fijian Government and the Solomon Islands Government in which the Fijian Government, through Fiji Airways, could fly Nadi/Vila/Honiara and backtracking that way, and they call it the fifth landing rights. We continued with that. We were not doing Nadi/Honiara but Nadi/Vila/Honiara and they were flying Honiara/Nadi. So that relationship was in place. We, of course had the right to have the direct flights from Nadi to Honiara, but because of their request, we did the Nadi/Vila/Honiara.

In June this year, the Solomon Islands Government said, "Let us review the ASA", and we said, "Yes, fine, because it is an outdated ASA, let us review it." During the process of the review, what Solomon Islands Government did when Fiji Airways (which had the right to have the flight from Nadi/Honiara direct) refused on two occasions a plane full load of people and cargo for us to fly from Nadi to Honiara, despite the negotiations been going on and the fact that we had the legal right to do so under the ASA.

We said, "Please stop doing that." However, they continued, and we also continued to fly from Nadi/Vila/Honiara. When they did it the second time, we said, "we will stop you from coming in" and because they stopped also our Nadi/Vila/Honiara.

Now, just to fast-track a little bit, of course, there are certain breaches by them under the ASA, and indeed under the MOU. We did not want this because we have a lot of Solomon Island students here and also trade under the MSG Agreement, et cetera. As a retaliation also, we stopped the Co-Chair on Air *Niugini* flight on the Honiara/Nadi lag, because they had taken steps against us basically commercially undermining Fiji Airways, and indeed undermining Fiji.

However, we had always been reaching out to them, as we said in the media, and this year in November, mind you, Madam Speaker, we actually had a meeting. I had chaired that meeting. We had representatives from the Solomon Islands Government and it is the High Commissioner, the Solicitor-General and the Director of Civil Aviation. We then came to an agreement, and which was essentially, "Let us go back to what we had, and then we start negotiating on the new ASA".

We had in fact drawn up a Communique, and that we were going to sign publicly the following day. So, the team that was with us had agreed. However, the next day, they did not come back but they telephoned from their hotel (I understand here in Suva) and they said, "Honiara has not agreed to this". So, we went back to the status quo, unfortunately.

Madam Speaker, we are still very keen, we want to fly to Honiara. I suspect what is actually happening is that we have a few people sitting in the Solomon Island Airlines that are probably sabotaging this issue. We are quite keen, Madam Speaker, to continue to resume the flights and we very much want to do that. I thank the honourable Karavaki for his question. *Vinaka!*

MADAM SPEAKER.- Thank you.

HON. S. KARAVAKI.- Supplementary question, Madam Speaker. Just a clarification from the Minister for Civil Aviation, when he mentioned in his response that “the flights were being carried out by Air Pacific or Fiji Airways”, whether it refers to the same entity or are there are two different ones providing this service?

HON. A. SAYED-KHAIYUM.- I understand there is some confusion about that by certain members of the community. It is the same airline we are referring to. The trading name of course is Fiji Airways. As you know, in the past six or seven years, we have tried to capitalise on the brand name of Fiji. This is why it is called Fiji Airways.

Completion of Surveys for Issuance of State Land Leases
(Question No. 13/2014)

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

Can the honourable Minister for Lands and Mineral Resources inform this Parliament on the lots on State Land yet to be surveyed and proper leases issued, and what are the plans for completing surveys and issuing leases to all the people who are awaiting leases on State land?

HON. M. VUNIWAQA (Minister for Lands and Mineral Resources).- Madam Speaker, I thank the honourable Member for that question. Internally, we are putting teams together to carry out the survey of State lands that have never been surveyed in the history of this country. It is not an easy task. We are also talking to our bilateral partners to look at the possibility of getting this scarce resource (surveyors) in Fiji, to carry out this work for Government. Apart from that, Government is also taking a holistic view on this, because it is a national need for surveyors within Fiji, Government is looking at it from the perspective of public sector reform, especially in education and capacities within the ministries.

Blackrock – Nadi
(Question No. 14/2014)

HON. S. PATEL asked the Government, upon notice:

Can the honourable Minister for Immigration, National Security and Defence inform this Parliament, why is the Government investing heavily in peacekeeping centre in Blackrock, and what is the benefit to the nation?

HON. CAPT. T.L. NATUVA (Minister for Immigration, National Security and Defence).- Madam Speaker, I rise to respond to the question asked by the honourable Member. Firstly, I thank him for his question and since I have a very comprehensive answer, I have to refer to my notes.

Madam Speaker, the Blackrock Integrated Peacekeeping Centre (BRIPC) project will see the relocation of the 4th Infantry Regiment to the proposed training camp at Blackrock, Votualevu, Nadi

and the subsequent development of the camp into an integrated peacekeeping and disaster management training facility which can be used, not only for Fiji, but as well as the region.

The main objective is to create a military training camp that can be used for upgrading the RFMF peacekeeping operation training and meet changing in international demands, and at the same time relocate 4FIR in order to provide military credibility in close proximity to Nadi International Airport.

Madam Speaker, contemporary peacekeeping operations calls for an integrated approach and BRIPC will provide a platform through which Fiji can catch up with the rest of the world by providing integrated and coordinated training for the many diversified stakeholders in a modern peacekeeping operation.

Madam Speaker, the BRIPC can also become a training hub for the region, for both peacekeeping and disaster management, and will draw in international support and participation. This will further enhance Fiji's standing, both in the region as well as internationally.

The mode of peacekeeping operation has also changed, from one where the United Nations play a neutral role as the peacekeeper in the middle, keeping the conflicting parties apart, to one where the UN is more proactive based on the Responsible to Protect principle (R2P).

Under the R2P principle, the UN, through the Security Council, may intervene into a country on the basis of protecting its population, with or without the approval of the Government in place of that country.

Madam Speaker, this interventionist approach calls for a different type of peacekeeping force, one that is integrated with the components of national building and the rebuilding of the key institutionals of State. Hence civilian, policemen, soldiers, correctional officers and social workers are an integral part of the modern peacekeeping operations. This has led to the need for a comprehensive and joint training of all stakeholders, to ensure the smooth and co-ordinated peacekeeping operations.

Madam Speaker, the magnitude of potential UN-peacekeeping missions, where countries may be requested to contribute to in the near future, calls for an institution dedicated for such training. The planned integrated peacekeeping centre at Blackrock, Votualevu, Nadi will meet Fiji's needs in the area.

In 2005, Government, through the RFMF, intends to complete all infrastructures – road, water, sewerage, electricity, et cetera, within a contracted time frame, with one contractor for all engineering consultants supervising the works from commencement up to the issuing of a completion certificate by the Ministry of Works, at the completion of its work.

HON. V.R. GAVOKA.- Madam Speaker, a supplementary question. It sounds like heavy investments by the taxpayers of this country. Is the revenue shown in the revenue budget for the Government over the next couple of years?

HON. CAPT. T.L. NATUVA.- At the moment, the forecast revenue is not integrated into the 2015 Budget, but first, it has to be completed.

HON. S.V. RADRODRO- Madam Speaker, a supplementary question to the honourable Minister. I note in the Budget Estimates that the peacekeeping comes under a different Head and the Blackrock comes under a different Head. Can you explain, if Blackrock is indeed for peacekeeping, why is it not together with the peacekeeping Budgetary Head allocation?

HON. CAPT T.L. NATUVA.- This is with the co-operation of RFMF, to rebuild the peacekeeping centre locally. The peacekeeping operation is different. This is the one that is already operating overseas.

HON. N. NAIWAKULA.- Madam Speaker. the plans are really heavy stuff. Firstly, are part of these plans within this year's budget. Secondly, given the tremendous scarcity of our resources and the amount of money that has already been allocated to the military, is it not too heavy on Government's finances?

HON. M. VUNIWAQA.- Madam Speaker, the honourable Member has asked for an opinion, which is not allowed under Standing Order 44.

HON. N. NAWAIKULA.- Part of this year is included in this year's budget.

MADAM SPEAKER.- The question is, whether this particular activity is included in the 2015 Budget?

HON. CAPT T.L. NATUVA.- Yes.

MADAM SPEAKER.- The answer is to the affirmative.

Since we have had three supplementary questions, I am not allowing a fourth one. I am making that ruling in consideration of the time and that the answers to the questions have been adequately addressed.

Redeployment of 200 Troops – UNIFIL
(Question No. 15/2014)

HON. V. PILLAY asked the Government, upon notice:

Can the honourable Minister for Immigration, National Security and Defence inform this Parliament, what is the purpose and plan for redeploying 200 troops to the United Nations Interim Force in Lebanon (UNIFIL)?

HON. CAPT. T.L. NATUVA (Minister for Immigration, National Security and Defence).- Madam Speaker, I rise to answer the question asked by the honourable Member. As this Parliament is aware, in August this year, 45 Fijian United Nations Disengagement Observer Force (UNDOF) peacekeepers while attending to their UN peacekeeping duties in the area of separation between Syria and Israel, were abducted by armed elements and held hostage for 14 days. Following their safe release, the UNDOF assessment of the security situation in the area of separation, majority of UNDOF forces were again withdrawn from Syria and the area of separation to a position on the Israel side of the area of separation.

Thereafter, the UN undertook a strategic review to determine options to enable UNDOF to best undertake its mandate under prevailing conditions. Arising from this review, it was established that its current reconfiguration, UNDOF had assessed troops' strength of approximately 200. It was also established that this excess strength would be required to remain in reserve, in a search capacity until such time as security condition allowed for the re-occupation of UNDOF previous position.

It was further determined that the neighbouring UN Peacekeeping Mission of UNIFIL had a demand for reserves for a similar number, leading to negotiations now being conducted by the UN -

Department of Peacekeeping Operations, as to which UNDOF troops would be temporarily deployed to UNIFIL for this purpose.

Madam Speaker, I stress that at this stage, that neither, the Government of Fiji nor the UN - Department of Peacekeeping Operations has made a decision on the matter.

RESUMPTION OF DEBATE ON THE 2015 APPROPRIATIONS BILL, 2014

HON. V.K. BHATNAGAR. – Madam Speaker, at the outset, I commend the honourable Minister of Finance for the formulation of a very well-considered National Budget for 2015. It is, in my view, provides for the allocation of funds towards the various sectors of our country's needs and is inclusive of both essential and areas of greater priority, which will benefit every Fijian either directly or indirectly. I described it as "The People's budget", where everyone is included, no one is left behind. As the honourable Prime Minister stated, and I quote: "I intend to run an inclusive Government, I intend to leave no Fijians behind."

GOVERNMENT MEMBERS. – Hear, hear!

HON. V.K. BHATNAGAR.- Madam Speaker there is only one pie and every Ministry has a piece. Some may have a slightly larger piece than the other, but the onus is on how well we can utilise it to improve our service delivery. It is a challenge and for Ministry of Health, it is even a greater challenge but, with the support and assistance of the honourable Minister for Health, we are determined to make a difference.

Madam Speaker, like myself, there would be many others, who may have been negligent and ignorant towards their health, but since my appointment with the Ministry of Health and Medical Services, I have come to realise that our health is in our hands. The health of our beloved Fiji is in the hands of our people. Our wellbeing really depends on our daily choices, what we eat and what we drink, how we look after our children, how we drive and the list goes on. The cost of health services can only be sufficient or reduced, once we begin to realise the impact of these choices in our health.

Madam Speaker, we all agree that a wealthy nation depends on a healthy population. The Ministry has taken this principle in its Vision, and I quote: "A healthy population that is driven by a caring healthcare delivery system."

Government, as well as Parliament has an important role in not only supporting, but also advocating this vision and I am glad that this has been indicated in the 2015 health budget. In a nutshell, the 2015 Budget for the Ministry looks promising, as it has addressed some of the key chronic, recurrent challenges and issues faced by the health sector, not only in Fiji but globally as well.

One important area is the increase in number of posts for doctors, nurses and allied health workers who are the technical backbone for the care of our fellow Fijians. The increase of the established staff budget from \$79 million in 2014 to \$111 million in 2015 is indeed a most welcomed one that should please all of us. These posts need to be filled in order to have impacts in our health sector and it would be encouraging to the honorary Members to know that our own local tertiary institutions namely Fiji National University (FNU), University of Fiji and the Sangam School of Nursing in Labasa is expected to produce adequate numbers of graduates required to fill the new posts.

On the other hand we have noted the reduction in the budget for our Government Wage Earners (GWES). This is due to the outsourcing of the non-core function of the Ministry such as Security, Cleaning Services and Mortuary Services. This is indicative of Government's support for Public Private Partnership so as to utilise specialists in these areas maximising efficiency and quality of services that support the healthcare service delivery.

The steady rise in Non-Communicable Diseases (NCDs) and the complications they entail have placed an increasing burden on urban hospitals fuelling the demand to expand services and personnel that were alluded to earlier. Support for capital projects, such as the new Emergency Department in Lautoka, expansion of the Operating Theatres, the Intensive Care Unit at the CWM Hospital and the new Nausori Hospital shows Government's commitment towards addressing the management of the complications of NCDs.

The Government's commitment towards making a better health services accessible to more people especially to those living in rural areas is shown in the support towards capital projects such as the new Ba Hospital, new Nausori Hospital, the upgrading of the Keiyasi Health Centre to a Subdivision Hospital, the expansion of the Makoi Health Centre and a new Naulu Health Centre to further boost health services for the ever increasing population in the Suva-Nausori corridor.

The increase in family and child health budget are indicative of Government's recognition of the importance of our children's health as well as our menfolk's health. This support is further shown by funds allocated towards such projects as the new Suva Maternity Hospital, the inclusion of a birthing unit in the expansion of the Makoi Health Centre and the new Nausori Hospital which will have better maternity and child in-patient services.

The 2015 Budget has also committed to supporting in the form of grants, to other service provider organisations such as the Saint John's Association, Home of Compassion, Father Law Home and the kidney dialysis providers such as the Kidney Foundation of Fiji. This signifies the commitment of Government to all Fijians, no matter what circumstances they face in life.

On the other hand, it also continues to receive grants and aid in kind from donor partners such as UNICEF, UNFPA, Australian Department of Foreign Affairs and Trade, NZAID, JICA, Taiwan, Global Fund to fulfil its obligation in the improvement and strengthening of the health sector.

Madam Speaker, before I finally take my seat, the 2015 Budget has also captured the easy accessibility of medicines to all Fijians. This is one of the challenges in the delivery of health service but with the budget increase of \$12.9 million from 2014 (that is \$50 million for 2015), the provision of medicines, consumables and biomedical equipment in health facilities is expected to improve.

Madam Speaker, with all these new developments captured in the 2015 Budget, these would certainly boost the Ministry and its staff in the delivery of an efficient health care service.

I had spoken at length of this vital component of the Government sector and we believe that with the right leadership, governance and support for strategies already in place, this Government will continue to strengthen the march to a more healthy Fiji.

In conclusion, I wish to state that the health sector will never have enough because we cannot put a price to life, but we accept the challenge, that given the constraints in the budgetary allocation, we will nevertheless put it to best use and enhance and improve on the general health and medical services in Fiji.

HON. V.R. GAVOKA.- Madam Speaker, I rise to contribute to the dialogue about the Budget for 2015 that was given to us on Friday, 21st November, 2014 by the honourable Minister for Finance. Yesterday, my colleagues had touched on a number of issues relating to this Budget and I will not go into many of those items, mostly on the consumption side. I do admire my colleagues for standing under fire yesterday, Madam Speaker, especially the honourable Dr. Biman Prasad. Those missiles that harassed him yesterday did not face him at all and I admire him for that. Thank you, honourable Dr. Prasad.

Madam Speaker, let me speak on tourism because there is a lot of dialogue on this industry, especially this one million visitors mark.

HON. OPPOSITION MEMBERS.- Hear, hear!

HON. V.R. GAVOKA.- There appears to be misconception from the other side of the aisles that we will end up with a million people we do not like, that is, they will be of a low yield, budget travellers are some of the terms that have been used about them. Let me assure this Parliament and this country that the way our product is structured, we will never end up with less than desirable visitors.

Let me expand on that. A country's quality of visitors is determined by its offerings. In this case, Madam Speaker, our offerings are the 6-star resorts, 5-star resorts, 3-star resorts and the 2-star resorts. If one goes into Denarau, we have the big names - Hilton, Sofitel, Raddison, Westin, very soon Marriot will be coming in Momi, Intercontinental in Natadola, Shangri-La in Yanuca, Outrigger and the Warwick. By the very nature of these offerings, of this accommodation sector, **they** will only attract the high class visitors.

The small ship cruises, the Government Whip will understand this, with Captain Cook Cruises, Blue Lagoon Cruises, these are all high priced products. By their very nature, Madam Speaker, we will not degrade our products, hence our visitor quality. The coaches that we have are the best in the world, the rental cars, (Avis and Hertz) these are all big names. So, Madam Speaker, when one brings in a million, it will be a million people who can afford what we offer in this country. It will not be a million people who cannot afford. So, let us put that to rest, we will go for a million, we will not be low yield.

Madam Speaker, let me take us back into time. I did say that I did a bit in tourism. At my time, when I was the Chief Executive Officer of the Fiji Visitors Bureau (now Tourism Fiji), we had a strategic plan in 2006, which had forecasted about 925,000 visitors by 2015. We were quite good in forecasting, we had people who helped us put it together and we should have reached this 925,000 by 2015. Today, we are told that it would only be 700,000, a shortfall of about 225,000, but that it is water under the bridge, we know what happened, there was dislocation in the country, there was upheaval and we did not continue on that growth path to what it should be.

When I talk about forecasting, Madam Speaker, in 2002, we had a Tourism Forum in Savusavu and we had put together a target then towards a billion dollar industry which we should have achieved in 2007. We almost came to it in 2006, so really the forecasting in tourism is quite exact.

Today, we are sitting expecting only 700,000 visitors, a huge shortfall from where we should be. Madam Speaker, we should get a million within three years' time. We should ask my colleague, the honourable Minister for Tourism to go for a million. This is how you do it - focus on our traditional markets.

HON. RATU N.T. LALABALAVU.- Tell him, tell him!

HON. V.R. GAVOKA.- Our traditional markets are Australia, New Zealand, North America, United Kingdom and Europe. That is where 80 per cent of our business comes from. We will also work on China, India and South America but today, they only make up 20 per cent of our arrivals. The time will come when China will become a major player here. Right now, it is 110 million or so of Chinese travelling overseas but Madam Speaker, it is still London, it is Paris, it is still Rome, it is still New York, it is still all those places.

Fiji is in the radar but not to the extent of Australia, who brought us 345,000 visitors last year and this year, I believe it will be marginally more. Why I believe that we can increase on this, Madam Speaker, is that we focus on our traditional markets because of the segments. The segments are these, out of Australia and New Zealand, we get the families, a leisure market, we get the Double Income No Kids (DINKS), honeymooners, weddings market and we get Meetings, Incentives, Conferences and Exhibitions (MICE).

If you look around Fiji, Madam Speaker, wherever you go, you will see a wedding chapel in every hotel. Wedding is a huge lucrative market. In Australia and New Zealand, it is very expensive to be married there. It is easier to jump on a plane, invite all the friends and relatives to come to Fiji and have a wedding in Fiji. That is a huge market for us - weddings. I was a hotelier myself, Madam Speaker, and the yield on weddings is huge. The yield on honeymoon is huge, the yield on families is huge and the MICE market. If one goes to Sofitel, you will be impressed with their huge meeting rooms, which is for MICE. Likewise at the Sheraton, Intercontinental, Shangri-La, Warwick and Outrigger. These are products that appeal to the Australians and New Zealanders in a big way. Right now, you cannot get an incentive out of China, ditto exhibitions and conventions or weddings. So, really, Madam Speaker, if we want a million visitors right now, we must prevail upon Tourism Fiji to focus on the traditional markets in the immediate future to give us this one million visitors.

Madam Speaker, why the million visitors? In about two years, Fiji will have to retire about US\$250 million bonds. We need foreign exchange for that. Tourism is one sure way of getting that foreign exchange. We have been very lax in the way we manage our foreign exchange borrowing. Over the last five years, we lost \$150 million on exchange losses. That is because of the exposure. We need to be very careful, hence my determination to ask this Parliament to prevail on Tourism Fiji to go for a million visitors, to help us with foreign exchange.

In the years of the SDL Government, Madam Speaker, our exposure to foreign lending was only 14 per cent. Today, if you look at the books, it is about 28 per cent. That is very dangerous, we should go down to 14 per cent and keep it at that. However, the gist of my message is to go for the million visitor. Let me give you some more figures. It cost us about \$17 to secure a visitor from Australia to come to Fiji. It cost us \$47 to secure a visitor from China to come to Fiji. So, the only sensible thing to do, Madam Speaker, is to stay close to home, bring in the millions from within our neighbourhood and help grow the economy that is needed quite immediately.

Madam Speaker, I would like to ask my honourable colleagues on the other side of the Chamber to relook seriously at Tourism Fiji. Some of the strategies they have put in place need to be put on the table and discussed. I am very happy to hear that the Tourism Forum is coming back. It used to be an annual event where everyone would come together and talk about uses of tourism, but somewhere along the line it got cancelled, abolished, or it was condensed into a couple of hours, but I am happy to see that it is coming back.

On the Tourism Forum, Madam Speaker, this is where we should thrash out these issues. I can tell you, Madam Speaker, if we have this Tourism Forum, no Chief Executive Officer of Tourism Fiji

or the Board of Tourism Fiji would have the courage to suggest to Fiji to fork out \$12 million for a Golf Tournament over four days. No way, Madam Speaker!

I was the Chief Executive Officer, the Assistant Minister on the other side was one of the Directors on my Board, if I had come up at that time and said, “\$12 million, let us have a golf tournament”, they would have had me committed somewhere, Madam Speaker. There is no way one could justify the spending of that money and it is \$20 million over two years. In Natadola, where they are going to spend \$12 million, is a village called Vusama. When I went there to campaign, they said, “Please Bill, we are drawing our water from a borehole full of tadpoles.” Madam Speaker, it is morally wrong to spend \$20 million over two years in an area where people are drawing their water from that kind of place.

Within the vicinity of Natadola is the village of Emuri. A couple of years ago, there was a big flood, and their bridge got washed away. *Tikina* meetings, after *tikina* meetings, they talked about repairing the bridge but nothing was being done. I repeat that it is morally wrong just to spend this kind of money for a four day event for the wealthy to come and play golf in an area much in need of social assistance. Madam Speaker, you might ask me, “So how would you develop golf in this country?” This is how we do it.

In my days with the Fiji Visitors Bureau, we used to be the catalyst. We would say, “Okay, you want a golf tournament”, we want to grow this part of tourism over the years, and we put in the seed money. The seed money would be for one or two years and then we ask the global partners to be part of it and in three or four years, they would take ownership of that event. That is how we do it. I can tell you, Madam Speaker, with \$2 million, have six tournaments using Denarau, Natadola and Pacific Harbour every year, using the local tournaments that we already have now, give them an international profile, and in no time these tournaments would become of global nature.

We are not in the league of the masters. Please, let us be very clear about that. We cannot bring in the masters here. That is only Dubai, Malaysia and Brunei. Fiji is not in that league. We must be careful of these super salesmen, these promoters who promote us everything so that we can put our hard earned dollars into these kinds of events. As I said, I would have not got them into my office. Madam Speaker, that is the way to go. I would again, ask my colleague, the honourable Minister for Tourism, “please convene a meeting of the industry”. Let us look at this thing. Give us a million visitors.

Madam Speaker, while we are at it, there is a lot of upheaval in the structure, manpower and management of Tourism Fiji. One left in May, I believe it was in middle of the night, he did not tell anyone. I am sorry to say this. I got a phone call where the caller said, “Bill, this guy has gone”. I was a Chief Executive Officer, Madam Speaker, if one had to leave, one must give three months’ notice. They are still looking for another one, and another one left on Monday, we only heard about it through the television. We cannot have a million visitors, if it is like a revolving door with CEOs going and coming. Let us have a meeting, Madam Speaker; with my colleagues on the Government side, a few on this side and I can put together a Board of locals, a management team of locals to bring us a million visitors. We can do it.

Let me just add also, in case they are afraid of this, they did not vote for SODELPA. They made a big mistake voting for the other party, these are the very people who can run this thing.

Madam Speaker, let us be of one accord, let us get a million visitors, we can do it. We have worked so hard from the time of the late Ratu Mara all the way to growing an industry, the inventory,

the manpower, the training, it is time to reap that advantage. It is not the time to say, “We are going to slow it”. The quality is here by the very virtue of our products.

Might I just add, Madam Speaker, the budget as it is, I would like to see a bit more on the involvement of our people. Once a million visitors come in, the economy will grow. I want to ask my colleague the honourable Minister for Agriculture, Rural and Maritime Development and National Disaster Management that as one drives towards Lautoka, one sees in these villages women sitting by the roadside selling their produce. In business, they would be downtown location, right on the highway, with hundreds of cars going up and down. They have a quality location, but they are still sitting under the elements – sun and rain. Can the honourable Minister for Agriculture build proper markets starting from Serua, Navutulevu, Navola, Vatukarasa, Volivoli, Naidovi, Vebua, Lomawai where women can go into the mangroves, bring in their crabs, fishermen can go out to sea, bring their fish and sell it on the roadside, together with pawpaws, et cetera. I would like to prevail upon my colleague, the honourable Minister for Agriculture to do that and I am happy that the Assistant Minister said that there would be some help towards women. Let us build them proper markets. The marketing philosophy is very important for our people to realise and understand commerce.

Madam Speaker, let me just end by asking this question: why did we kick Qantas out of the equation here in Fiji? Why did we legislate against them? Why not bring Qantas in as the way it used to be? Qantas was brought in by the late Ratu Mara to save Air Pacific at that time and they did a wonderful job. If Qantas had been here, they would have found replacements for CEOs, not like the way we are doing it now – two CEOs in four years. That is criminal, Madam Speaker, for something so big, we cannot have CEOs going and coming. To make it worse, Madam Speaker, they are going onto something else. So we ask the question; were you only buying time in Fiji while waiting for a good job somewhere else? We must defend the honour of this country, we must not have people who come here and say, “it’s a small part of the Pacific, I am going to sit there for a while, while I wait for my big job in Europe or America.” That should not be the case. Qantas would have ensured that there was continuity in the management of Fiji Airways. That to me, Madam Speaker, is very important because we need stability in the way we manage our airline, especially something so important.

Madam Speaker, I believe some good ideas are being shared across both sides of the House, let us take them on with goodwill as one people, let us move forward into 2015 and beyond.

HON. S.D. KARAVAKI.- Madam Speaker, I rise to make my contribution to the Budget Address given by the honourable Minister of Finance on 21st November, 2014. With your leave, Madam Speaker, I shall proceed.

The whole nation had looked at the budget that was presented in this august Parliament and also the whole nation had formed their views according to the information they had received. Of course, it is an honour to be part of the discussion that is taking place in this Chambers, Madam Speaker, that because of all the information that we will disseminate from this Parliament, there are people who are sitting at home now watching and listening. There are people who are in their cars, there are people on the roads, in the buses, who are also listening. I take this as a very serious task to be part of the process, Madam Speaker, to pass on the information about the Budget to the lay people, simple people who are living in the countryside, and also those who are living in urban areas.

Having said that, Madam Speaker, I am aware that we can probably take the Budget that was presented in this Chambers at face value and just accept everything that was given to us. However, on the other side, Madam Speaker, I am reminded of the discussions that was made by the Lord Jesus Christ with His Disciples. I always refer to this, Madam Speaker, because I am not only a lawyer by

profession, but have also been part of the gospel movement for years, and it is a part of my life. That is the values that I base my perception on, and the values that have shaped my characteristics.

HON. RATU N.T. LALABALAVU.- Amen!

HON. S.D. KARAVAKI.- The reason why, I believe, that the other side of the Chambers will also appreciate, without patience as I present my views at this time.

The Disciples came to the Lord Jesus Christ, Madam Speaker, and asked him, “Lord, when will these things happen?” Jesus was talking about the beautiful temple at Jerusalem and the beautiful stones that was made adorning the walls of the temple. Before Jesus said anything else, this is what he said, and the principle that I would like to emphasise on is that, he said and I quote; “Beware, that no one deceive you”.

Beware that no one deceive you. Other things came later but that was the warning given by the Lord Jesus, so I would not be in a position to take the Budget at face value as was presented by the honourable Minister because this is one of the things that we expect in these last days, deception. They will come in many facets and we must be aware, Madam Speaker, as we have this enormous responsibility to become part of this august Parliament. Honourable Members, can look up Matthew Chapter 24 on that.

Madam Speaker, I must thank the honourable Minister of Finance for presenting this Budget because without this Budget, we cannot be here to discuss it. I know that it must be an enormous task to put the Budget together, and with that as the starting point and I think that through these discussions, the Government can listen and take note of the various points or issues raised by Members on this side, maybe it will generate some kind of discussion and thinking that might alter the basis of the Budget as it is.

We know, Madam Speaker, that Fiji is a beautiful place and I have just heard from honourable Members talking about the expectations – what you expect, the number of businesses to come to this country, and that is an important basis because it generates income and out of it, we form the Budget as we are discussing here. However, one of the basic thoughts and principle of good economics is that, we must live within our own means. With that, I note that we are trying to encourage or influence leaders of other countries, and two great leaders just passed through – the honourable Prime Minister of India and also the President of China, and we are glad that they have given grants to Fiji. The thinking behind it is that, it will help us in the way that we manage our lives here through our budgetary system.

As we think about that, we also think about the Budget and that we have about \$2 billion in debt because of the loan that we have obtained from outside –foreign debts. Given that, Madam Speaker, I am deeply in thoughts of the way that this country can move forward with some kind of clarity and the way that we can manage our own resources internally, and not to depend on assistance that comes from outside of Fiji. The question is whether we can do it. A lot of people will say; “No, it is going to be difficult because we are a small country”. We, in the Pacific, cannot obviously do it because these are big countries that we look up to, to assist us. However, Madam Speaker, I briefly refer to the good words in the Bible.

HON. N. NAWAIKULA.- Amen!

HON. S.D. KARAVAKI.- In *Deuteronomy* 15: 5&6 says, and I quote:

“Only if thou carefully hearken unto the voice of the Lord thy God, to observe to do all the commandments which I command thee this day, for the Lord Thy God blessed thee as He promised thee and thou shall land to many nations but thou shall not borrow, and thou shall reign over many nations but they shall not reign over thee.”

As I contemplate on that, Madam Speaker, I know that in the way we think, we can conclude this and say; “how can this happen?”

Madam Speaker, spiritual things are only spiritually descent. If we are of carnal thinking, carnal bind, we cannot understand the words that I have just referred to, but I believe that we can do it. Today, as I stand to present my address, it may be somewhat different from what has been presented over the years. Even again today, because we seem to be thinking along the same line, going through what should be changed, what should be increased and when to increase our resources and our income from and how to minimise our expenditures, what I am going to say maybe, is going to be different but it is an alternative direction I offer for us to look at.

We can see, Madam Speaker, that in the budget of the RFMF, there was an increase of \$9.4 million from \$93.9 million in 2014 to \$103 million in 2015. The Police Force budget is increased by \$8.7 million from \$101.7 million in 2014 to \$120.5 million in 2015. The Correctional Services budget is increased by \$2.3 million from \$35.7 million in 2014 to \$38 million in 2015. I specifically refer to those Ministries that are in the Security Forces because I believe that the money given to them, to a greater extent, Madam Speaker, should have been better utilised somewhere else. This is the reason why I say this, Madam Speaker.

As a lawyer and one who has worked for many years in the gospel ministry, I believe that when the law is made, that law can only be a just law if it is put against the standard moral value, and look at it in that way and see that it conforms to every principle that it contains. This is what I mean when I talk about the moral law, I talk about the 10 Commandments. I had referred to this in my maiden speech because all other religions in the world, whatever names there is, this is the only segment of moral values or standards that they refer to in order to lay out principles of goodness.

These principles of goodness, Madam Speaker....

HON. CDR. S.T. KOROILAVESAU.- A point of order, Madam Speaker. Can the honourable Member concentrate on the Budget?

MADAM SPEAKER.- Second point of order.

HON. DR. B.C. PRASAD.- A point of order, Madam Speaker. I think the Government side, in raising a number of point of orders, including those raised yesterday seem to be confused. We are talking about a Budget, and honourable Members, Madam Speaker, have the right to draw from their experiences, their writings, and one can even be talking about a fishing trip, and still be related to the Budget. One can even be talking about one’s journey to another country and still be talking about the Budget. Some of the point of orders raised by Government members is actually not a point of order, Madam Speaker.

(Chorus of interjections)

MADAM SPEAKER.- Order, order. I will ask honourable Karavaki to continue.

HON. S.D. KARAVAKI.- Madam Speaker, I think the other side of the Chambers need to understand that one cannot have figures without policies and principles.

HON. OPPOSITION MEMBERS.- Hear! Hear!

HON. S.D. KARAVAKI.- They must first of all understand what are policies and principles, before they can talk about figures.

HON. RATU N.T. LALABALAVU.- *Biuta vua!*

HON. S.D. KARAVAKI.- I was talking about the way laws are created, Madam Speaker. A just law is a law that reflects on the good principles that are contained in the moral standard, where the moral values will draw from. Why I refer to these three Ministries because a lot of money has been injected into them and we see there is an increase in their Budgets every year. As I think about it, I ask myself, how will this stop? Are we going to expect increases to these budgets every year; meaning that we are accepting that crimes will continue to rise. We can only expect that people will continue to be convicted and put into prison so recruitment is taking place every year. It increase the number of staff, the people to work and also in the Military. I have no culpable views at all against these Ministries, Madam Speaker, but my burden is about this nation. It is about what goodness we can bring into this nation in the way we build our services.

Madam Speaker, if we reflect on our Constitution, this is what I am referring to. Chapter 10 talks about 'Immunity'. In relation to this, Matthew, Chapter 6 says that if one has anything against anyone, just simply go to him, do not even offer your sacrifice. Go to him and her and for any wrong you have caused, make it right.

Madam Speaker, I say this because this country can become the most different country in terms of people around the world who would like to come here and we would not be talking about even asking for a million visitors only. The whole world will want to visit this place....

HON. OPPOSITION MEMBERS.- Hear! Hear!

HON. S.D. KARAVAKI.- ...if you lay down the proper basis. This would be the centre of the world and the people from all over the globe will want to come to this nation.

(Chorus of interjections)

MADAM SPEAKER.- Order, order.

HON. S.D. KARAVAKI.- Madam Speaker, about 20 years ago, I was preaching at the Labasa Market about the Decalogue, the 10 Commandments. As I was preaching, ...

HON. LT. COL. P. TIKODUADUA.- People from Vanua Levu.

HON. S.D. KARAVAKI.- ... I was going through the whole 10 Commandments. As I concluded, a market vendor came to me and said, "Can you preach the same summon next week?" I asked, "why?" He said, "Because if everyone in Fiji understand that, there will be no robbery, there will be no murder..."

HON. P. TIKODUADUA.- There will be no lawyers!

(Laughter)

HON. S.D. KARAVAKI.- ... there will be no rape and there will be no worry about your security. You can sleep with their doors and windows open”. This gentleman could see that, that was the solution to every problem that we have.

My alternative is this, Madam Speaker. Take monies out of these security service departments, give it as a grant to the churches.

Madam Speaker, there is no one in Government can properly teach the 10 Commandments, only the Churches can do it. When you do this, there will be no crime, there will be no one going to prison and you do not have a problem with your internal security. The whole world will want to see what is the cause of that duty that is in the country, and they will want to come to this country.

HON. RATU I. KUBUABOLA.- Freedom of Choice!

HON. S.D. KARAVAKI.- And we do not need to borrow from outside Fiji. People will come to this country. I think the Ministry of Tourism will be happy with that.

The second point, Madam Speaker because there are only two basic principles. One is for the service to educate the people about moral principles and the second one to take care of the poor. The poor will be around us all the time, we cannot avoid that. That has a reason for us to reflect on what we can do about that, because we can be so selfish, taking this to our own selves and do not share with the people. I also ask the other side of the Chambers, Madam Speaker, the Government, should also consider increasing the Budget that is allocated to alleviate poverty...

HON. OPPOSITION MEMBERS.- Hear! Hear!

HON. S.D. KARAVAKI.- ... because that will show that God reigns in this country.

HON. OPPOSITION MEMBERS.- Hear! Hear!

HON. S.D. KARAVAKI.- That will show that these people have been specially called for a purpose for the whole world, not only for Fiji. We must remember that our being called to be in this country is not for us only, but for the whole world.

I thank you, Madam Speaker, for giving me the time to contribute today. I also thank the Government for being patient in listening and may be, they can this on board.

(Acclamation)

HON. RO T.V. KEPÄ.- Madam Speaker, I rise to make my contribution to the 2015 Budget Address, and given the time limitation, I will only focus on education and other areas in my response.

Review of the education system: Madam Speaker, we support the increased spending on education of \$30.7 million from the 2015 budgetary allocation. This is a substantial investment on the nation’s human capital. However, the setting up of an Independent Education Commission is critical, as there is a need to review the whole education system. Although this was announced, Madam Speaker, by the honourable Minister for Education in his maiden speech, there is no provision in the proposed 2015 Budget.

We must put in place proper monitoring and evaluation checks to ensure that the quality of education at all levels and in all geographical locations is affordable and accessible to all communities in Fiji. In that regard, Madam Speaker, the Independent Education Commission should be able to provide recommendations for sustainable education development that will have the best interests of the nation. We need to have an education system, Madam Speaker, that is responsive to the work environment that we are preparing our young people for. We now live in a digital world and we need to adapt to the changing needs of our workplace, and ensure that we tailor our education system to adequately meet the ever changing market demands.

Free education for recognised an accredited pre-school in the second term of 2015, and the tuition fee-free education for primary and secondary schools, special schools and technical and vocational training is a welcome move. However, Madam Speaker, I am rather puzzled by the fact that on one hand, tuition fee-free education is being championed, but contrary to that, plans are being made to close Laucala Bay Secondary School and relocate students to Nasinu Secondary School, which will also in the near future close down to make room for the FNU development. I know that the honourable Minister spoke on this yesterday but sometimes Ministers do not know what is in the pipeline.

Madam Speaker, the Nasinu Secondary School, since its inception has been catered mainly for the rural remote and maritime communities. The plans for relocation therefore, will be an extra burden in terms of additional costs in buying new uniforms, time spent on looking for new schools and students adjusting to their new learning environment. In addition, the increase in the cost of exercise books as a result of the increased duty will be an added burden for the parents.

Madam Speaker, when one calculates the cost of free-education against the amount that each parent would pay towards uniforms, stationeries and supplies and other expenses that are required by schools, one will note that the cost of free education per child is relatively high. Madam Speaker, to illustrate this point, a student from Nailili Primary School has to pay approximately \$99.60 for uniforms, \$18 for pens, rulers, pencils and other items, as well as \$22.24 for books, and with the proposed increase of duty, this means mean \$139.84 per child. But if we have to apply \$1 extra cost on the books, that is, if the duty calculated is lower, then the price increases further to \$145.05 per child. So our advice to parents and guardians, they have to do their school shopping before the new year, or else they will be paying these extra costs on your children.

Scholarships: Madam Speaker, we must ensure that all students who graduate from secondary schools should have access to tertiary studies. What formula was used to arrive at only 600 national topper scholarships, as this is only a very small percentage of the total number of secondary school students who will graduate in any given year?

What happens, Madam Speaker, to the thousands of children who do not qualify for these scholarships? Not everyone can afford the Tertiary Education Loans Scheme (TELS) and anyone who does take out a TELS loan will become indebted before he or she starts his or her first job. I feel that the Government is ignoring the reality of our situation and many other young people will regrettably fall through the cracks because neither can they not compete for toppers nor can they afford to apply for TELS. So what is the alternative? Madam Speaker, without one, Government needs to be prepared for the ramifications on their lack of vision and foresight.

Free Milk Programme for Class 1: Madam Speaker, while I welcome the Free Milk Programme for Class 1, I am not convinced that Government has thought through the logistics of this exercise. What if schools do not have proper storage or refrigeration? Has the Government made sufficient provisions for this to be acquired, to ensure that no school child is disadvantaged because of the school

facilities? Is the Government planning to trial this initiative in a rural and an urban district before going Fiji-wide? What arrangements have been made for the maritime schools?

New Schools: Madam Speaker, sometimes I am not sure why Government's plan to build new schools is a solution to some of our problems, particularly in remote areas. For your own island, Madam Speaker, Ono-i-Lau Secondary School, the school roll on the island presently is very low. Children have to be transported from the nearby islands of Vatoa, Fulaga and Ogea.

Boarding Schools: Madam Speaker, the boarding facilities will have to be provided in this new secondary school, but I note that in the Budget, there is a reduction in the boarding allocation. So, how will this facility be provided?

The risk of this type of undertaking is that the Ministry of Education will not be able to deliver quality education and in no time, this project will become just another white elephant. A better option, Madam Speaker, is to allocate or use that \$1.3 million that is being earmarked for the Ono-i-Lau Secondary School, a better option is to establish a proper shipping facility that will enable the children to be transported to Suva, rather than build a school which will unlikely be sustained over the long-term.

Counsellors for schools: Madam Speaker, the enormous level of stress that has been brought to bear on all our families in Fiji today as a result of unemployment and related financial difficulties, often manifests itself in family disputes and more often than not, our children are there to bear the brunt of this stress and emotional pressure. The solutions and ways of dealing with it varies and in some cases, they move to drinking, smoking and drugs. Most families do not relate this need for counselling and even more, attach a stigma to the need for counselling.

Madam Speaker, we must recognise this issue and work towards establishing full time counsellors in each school and not expect our teachers to play the dual role, and children often have difficulties of separating their teacher's role in teaching as well as being a counsellor. This is a long overdue requirement that must be introduced as quickly as possible. I urge the Government to also have counsellors monitor their work to help provide much needed statistics on the health and welfare of our children.

Social Welfare: Madam Speaker, a concerned welfare recipient called me this morning informing that he normally received \$50 plus \$40 which equals to \$90. This morning he received his voucher, on it was the \$50 but crossed out was the \$40. That is a great concern for people who are receiving social welfare vouchers, because they had budgeted for the amount to be received. The sum of \$40 is a huge amount, but he has received only \$50. So, I am asking the Minister for Social Welfare on his behalf and on behalf of other voucher recipients to look into this particular issue.

Thurston Gardens: The honourable Minister for Foreign Affairs has confirmed what was a speculation for many and that is, that the Government has committed a portion of the surrounding areas around Thurston Gardens, namely the netball areas to the Indian Government for their new High Commission.

I am, Madam Speaker, appalled by the lack of sensitivity and understanding of this Government about the historical significance of the site. Not long ago there was a plan to use the site as the new military monument, but this was shelved after consultations with the original landowners. The Government, after these consultations, moved the military monument to Veiuto where it is today.

The Suva Botanical Gardens, Madam Speaker, and the surrounding areas occupy the site of the original Fijian town of Suva, whose former inhabitants moved across the bay in about 1882. The people of Nadonumai, the original landowners of the city of Suva, are very concerned about this new development as their understanding was that this piece of land was given for the Governor's Residence, when the capital was moved from Levuka to Suva in 1881. That is their "yavutu" and they have cemetery areas around that area too. So, I am bringing forward that request from the people of Suvavou that the honourable Minister relooks at that particular portion of the Botanical Gardens and surrounding areas which should not be given up for anything other than what was the original intention, and that was for the Governor's Residence and the Botanical Gardens, because within their grounds are their traditional ancestral burial grounds and their "yavutu".

Madam Speaker, there is much more unfinished business in terms of the redress for the ills of the past for the chiefs and the people of the *vanua* of Suva, and giving this land to a foreign mission, is not only insensitive to the traditional displaced landowners, but it will further complicate the already complex wrongs of our past with the *vanua* of Suva which we must put right. So I am requesting the Government, through the Minister for Foreign Affairs, to look at other pieces of State land in the Suva area for the building of this Chancery.

Former Prime Minister - Mr. Laisenia Qarase: Madam Speaker, if democracy in Fiji is to mean anything, then every citizen must be treated equally before the law, no one should be more equal than others. But the fact is, this Government does not treat every citizen equally. An example of this Government's vindictive behaviour has had a profound and harmful effect on the life of a senior and distinguished citizen of our country, and I refer to none other than the former Prime Minister, Mr. Laisenia Qarase.

OPPOSITION MEMBER. – Hear! Hear!

HON. RO. T.V. KEPA. – The honourable Dr. Prasad had touched on this matter in his address, but I think it is an important example of why we say equal citizenry does not exist.

Madam Speaker, since the military *coup* of 2006, Mr. Qarase has been denied the legal Prime Minister's pension and entitlements due to him. He has applied many times for this but to no avail. However, on 16th December, 2013, Mr. Qarase received a letter from the Prime Minister's Office, informing him of the Prime Minister's approval to pay his pension and benefits after seven years. He was asked to select an option for his pension which he did, then total silence until today and they are still withholding his entitlements which was due to him from December the 6th, 2006 until today – eight years later. I table this letter and the communications therein to this Chamber.

Madam Speaker, what is going on here? Why is citizen Qarase treated differently? Why is he being punished like this and discriminated against? How is it that our former Prime Ministers have been receiving their pensions and entitlements but not Mr. Qarase? Why?

While I am sure our other former Prime Ministers welcome the announced budgeted 20 per cent increase to their pensions, for Mr. Qarase 20 per cent of zero is still zero.

Madam Speaker, in the interest of justice and fairness, the Government needs to explain the motive behind the denial of Mr. Qarase's legal entitlements for eight long years. We need to know who made this decision and why. Was it based on some serious administrative flaws or considerations that Government has been unable to fix in 8 years or is it, as I suspect, just plain persecution and malice?

Madam Speaker, in a related matter, the honourable Prime Minister Bainimarama received \$278,750 in salaries in 2013 and \$57,500 in a special gratuity, giving him a total salary of \$336,250. This is close to the new salary Government slipped in with the Emoluments Decree. No one has been able to get any information on this matter so perhaps, the former Permanent Secretary who is now our Minister for Infrastructure, might like to shed some light on this payment and tell us who authorized the gratuity and why. I am asking, on behalf of justice and fair play. I know that the people who have the authority to make this payment, have a heart, and I hope that they will do this before Christmas this year, Madam Speaker.

On women and children, Madam Speaker, in the Minister for Agriculture's list in regards to the honourable Gavoka's note on the building of roadside markets, I am just thinking of our women beside the Rewa River, who sell the most beautiful floral arrangements on your way to the Airport – everyone has seen it. They sit there through rain, hail or shine and they do it because of their families and now since their children (who are on holiday) will be there to help them. I am asking, on behalf of the women and children, not only along the Queen's Highway but also along the King's Highway and Vanua Levu, if the honourable Minister for Agriculture is looking at food side stalls, please think of the women and the children who are there day and night.

In conclusion, Madam Speaker, because of its relevance I have taken the timeless message of Robert F. Kennedy in his speech at the University of Kansas on 18th March, 1969 on the GDP. I have made some minor amendments to relate to our situation in Fiji today.

Too many of us, Madam Speaker, have surrendered our personal liberties, freedoms, community and traditional values in the mere accumulation of material things. Our Gross Domestic Products is now over \$8 billion a year. If we are to judge Fiji by that, then the GDP counts the cost of our smoking and drinking, the ambulances to clear our highways of the carnage, it counts special locks for our doors and jails for the people who break them. It counts the destruction of our forests and resources. It counts the guns and bullets used to suppress us. It counts the games of the corrupt and TV programmes which glorify violence in order to sell toys to our children. But the GDP, Madam Speaker, does not ensure the health of our children, the quality of their education or the joy of their play. It says nothing of the beauty of our cultures or the strength of our resolve, the intelligence of our people. It measures neither our wit nor our courage, neither our wisdom nor our learning, neither our compassion, nor our devotion. It measures everything. In short, except that which makes life worthwhile. It can tell us everything about Fiji, except that which we all know we must do, if we are to become the proud, unified and happy family of Fiji we once were.

MADAM SPEAKER.- We will break for morning tea and the guests at the public gallery are also invited for refreshments.

The Parliament is now adjourned and will resume at 12 noon.

The Parliament adjourned at 11.33 a.m.

The Parliament resumed at 12.05 p.m.

HON. RATU K. KILIRAKI.- Madam Speaker, it is my duty and privilege to respond critically to the Budget speech presented in this Parliament and indeed to the nation on Friday, 21st November, 2014 by the honourable Minister of Finance. Yes, I very much look forward to this opportunity as I owe this to the public and they too have the right to decide for themselves because it is my duty to take part in exposing the falsity of this Budget and its intention, repercussion and outcome. I concur with my fellow colleagues in my descriptive phrases and comments from critics like the Budget is lacking in details on such things and until the details are available, we cannot know the intention - it is a budget to please the people but nothing will eventuate. Another subscriber so described the Budget as ambitious and unrealistic.

The 2015 Budget is indeed a mammoth of a budget, unprecedented in the history of this nation. At \$3.3 billion, it is a mother of all budgets.

HON. OPPOSITION MEMBERS.- Hear, hear!

HON. RATU K. KILIRAKI.- For this unprecedented Budget, the governance aspect becomes an immense concern and worry. Naturally, if one cannot manage and control a smaller budget, lacking in diligence, accountability and transparency, as was often commented by the Auditor-General in his recommendations on the Whole Government Financial Statements and Annual Appropriation of the previous years, then it becomes a national concern as to the control of this massive Budget.

Madam Speaker, \$3 billion is a very large cake to share. It would be interesting as to which sector of our community and private companies would benefit and how much in proportion. The finer analysis of the distribution and utilisation of this Budget will make the rich people more richer, and the poor people more poorer.

The 2015 Budget, as rightly been described as inflated, deceptive, misleading and calls for a through scrutiny and an analytic approach to dissect it thoroughly so that all the people of Fiji take stock of this farce of a document. Obviously, it is a Budget document prepared and sweetly worded to hoodwink the people of Fiji, to show that all promises during the campaign are put on paper but yet to be realised.

Briefly, Madam Speaker, I wish to make a short comment on our external reserves which Government is proudly saying has reached an “unprecedented high of \$1.75 billion by the end of 2014”. External reserves can be impacted by any or all of these factors:

- 1) Balance of payments or recurrent account position, that is, the difference between export earnings and import payments. Our imports have always been higher than exports. The vulnerabilities of our reserve is if import starts to increase substantially, the current account deficit 2014 is expected to be 8.1 per cent of GDP, compared to around 2 per cent in 2013, which is a substantial increase.
- 2) Foreign direct investment into Fiji which is good, the more, the better. Remittances from Fiji nationals who are working overseas, the more, the better are the biggest contributors to our reserves. External loans borrowings, both private and public debt, in the last 5 years to the end of 2014, the external debt would have increased by over \$600 million. We know that US\$250 million or FJD\$470 million is due to be repaid in 2016. The devaluation of the Fiji dollar in 2009 over the last five years, our dollar continues to weaken against the US dollars by almost 40 per cent.

In summary therefore, Madam Speaker, our external reserves is very vulnerable and can very quickly and easily go from an unprecedented high to an unprecedented low. If we take out the effects of internal borrowings and evaluations, our reserves would have been only about \$600 million to cover less than two months of imports.

HON. LT. COL. P. TIKODUADUA.- We have been inconsistent for the last four years.

HON. RATU. K. KILIRAKI.- Madam Speaker, the fundamental concern is the hope that people of this nation can understand that there is nothing free in this world. For every service, there is a cost, and for that cost, someone will pay. Freebies, free tuition, free bus fare et cetera, Government indirectly recovers these costs by picking your pockets, the nation and the people through VAT and indirect taxes. Irrespective of whether you are employed or unemployed, a primary student or tertiary student, young or old, poor or rich, whether you buy school uniforms, sandals, exercise books, school bags, clothes, et cetera, that is where your pocket is picked.

Madam Speaker, Fiji has a relatively small economy, it boggles the mind to think of the huge \$650 million going to the Fiji Roads Authority (FRA) to repair and the maintenance of the roads, et cetera. A foreign company sub-contracting to three main companies, who in turn then sub-contracts to other smaller local companies. It is now a common knowledge that one of the three main companies went bankrupt.

The question, therefore, arises as to whether this entity is obligated by the Government and the people to show its financial statement and audited account to the public to scrutinise. The Government is so bent on preaching accountability and transparency and I would bet on my bottom dollar that this whole exercise would be just a mirror of the Auditor-General's concern as to the fraudulent and blatant misuse of public money. If the Government is honest, and has the public at heart, it should reveal how much the executives of FRA and the executives of the three main contractors are being remunerated. Is this another farce, may I ask?

Madam Speaker, the point I want to highlight is this. It was most unfortunate that our PWD workers who have families to support, bills to pay, payment commitments for their house loans were made redundant by this Government's policy to make way for this foreign company. A follow-up survey is in order to find out the effects of redundancies on the welfare of those affected. I am certain the results would have revealed that some were very much stressed, vulnerable to NCDs, resulting in early deaths, lost ownership of homes and property and social stigmatisation.

Comparatively, PWD used to have a much lesser budget at about \$80 million but continued to employ skilled and unskilled workers and most importantly, providing opportunities to young school leavers under the Apprenticeship Programme, which has been scrapped by this Government and FNU.

Madam Speaker, I am of the view that empowering the indigenous people in business is paramount for the equal distribution of opportunities in economic empowerment, especially so for the 60 per cent or so of our population, owing more than 80 per cent of our land and natural resources. For example, Madam Speaker, for the intended sale of Government assets and companies, indigenous aspirations and empowerment at a higher end in business must be given the first opportunity of offer to buy through existing entities like the Unit Trust of Fiji and Fijian Holdings Unit Trust.

Madam Speaker, at the community level, one of the major concerns in the Lau Group and the nation presently is the rural to urban drift, where the people of the group are moving away from islands in search of economic activities to meet their needs and to survive. It has been accepted by previous

governments that unless economic activities are created to involve the people in the rural areas, to provide the source of income, they will move to the urban areas in search of economic activities.

Seaweed farming as you know, Madam Speaker, was established in coastal areas in Fiji, including the Lau Group, to partly address this issue. Ono-i-Lau stood out as a success story, producing half of the seaweed production for Fiji for several years. At that time, the Government was supporting the islanders with farming materials and punts and ships to transport the dried seaweed to Suva. These support initiatives have been withdrawn, leaving the islanders to fend for themselves. The islanders feel deceived and neglected.

Seaweed farming needs the support of the Government, not only with the farming materials but with the market for the product and the transportation of dried seaweed to Suva. The freight charges by shipping companies providing subsidised shipping to the islands make it unprofitable to be in the business of seaweed farming. The islanders look to the Government to do what it should do to help the islanders. It costs \$10 to \$12 per bag to freight costs to Suva.

Complimentary to the seaweed farming in Ono-i-Lau, Madam Speaker, is the intended construction of a secondary school. These two developments may encourage a reversal of migration trend from urban back to the islands.

Madam Speaker, in regards to the initiative of the Fisheries Rural Service Centres that were established during the SDL Government, aimed primarily at taking the market to the remote rural areas:

- (a) Wainikoro Fisheries Rural Service Centre – Macuata.
- (b) Lomaiviti Fisheries Rural Service Centre – Levuka.
- (c) Vanuabalavu Fisheries Rural Service Centre – Lau.
- (d) Kavala Fisheries Rural Service Centre – Kadavu.
- (e) Lakeba Fisheries Rural Service Centre – Lau.

The concept of Rural Fisheries Service Centre was to take the market to the people in the remote rural areas and maritime islands by incorporating the marketing component to be responsible for the buying of all fisheries products from the people was a very noble concept which was progressing very well.

The current concerns and questions to be asked are:

- (a) What is happening to the development progress on those centres, which was aimed to provide the people with marketing opportunities?
- (b) Why does the marketing of all fisheries products stopped, especially for Wainikoro, Kavala and Vanuabalavu?

Two ice plants have been identified in the budget allocation for 2015, given the validity of the questions raised above, sufficient budget allocation for this maritime programme is required to sustain the programme. Unfortunately, the Extension Section of the Ministry of Fisheries is almost non-existent because of lack of technical and qualified staff. Two vessels are currently moored at Lami Jetty – *Tui Ni Wasabula* and *Bai ni Takali* in operable because of lack of qualified officers. These vessels are crucial to the success of the Fisheries Rural Service Centre servicing the maritime islands, as in the case of Ono-i-Lau as highlighted above. For any such programme to succeed, budget allocation must be sufficient and full commitment from the Government.

Aquaculture: Unfortunately, also aquaculture has been a failure in terms of its purpose to generate sustainable income in rural areas and as a source of protein. The causes have been identified as follows:

- (a) Lack of financing;
- (b) lack of capital development;
- (c) lack of qualified and skilled staff; and
- (d) lack of proper feed and seeds.
- (e) Lack of continuity in support and visitation.

I might add, Madam Speaker, in the aquaculture, fish has been fed with poultry feed. It is important for the rural population for the Government to revive this sector.

Mariculture: Madam Speaker, unfortunately, this potentially major income generating sector of the Fisheries Department is also struggling to survive and still a failure. Breeding grounds for shrimps and trials farms as Galoa is a failure. The bulk of the shrimps and prawns requirement for the tourist industry is imported thus denying the much needed foreign revenue. A very minimal volume is harvested locally by local suppliers.

The Government must get its act together and be committed financially all the way in engaging specialised and qualified staff to revive this sector of the fisheries sector. Indeed, Madam Speaker, this is a sector where rural people and villagers can participate in as business ventures and generating income.

As for the tuna component of the fishing industry, the main outstanding issues with the industry are:

- (a) Duty free fuel: In last year's budget (2014), it was announced that fuel for the fishing industry was to be totally duty free (previously duty was charged at \$0.06 cents per litre). Due to some administrative issues, not fully explained to the industry, the stakeholders are still paying duty at the rate of \$0.02 cents per litre. It is asked that the Government to revisit this issue.
- (b) It must be noted that payment of fuel is in foreign currency and consequently the price is dictated by the exchange rate.

As part of a special package to assist the fishing industry, the honourable Prime Minister during the year had approved for the industry to pay for fuel in foreign currency. This would save fishing companies as much as six per cent of their total fuel costs without any loss of revenue to Government, as the savings would come from exchange commission only. To-date, however, again due to some administrative issues unknown to the industry, the industry has still not been able to benefit from the assistance.

Madam Speaker, as for the subject of indigenous aspirations in the forest resource development. Lakeba and Cicia had extensive pine plantations on the island ready for harvesting. However, they are handicapped by accessing markets to sell their logs to. Unscrupulous businessmen take advantage of this situation to offer minimum prices when the pine logs are offloaded at the wharf. Shortly after Lakeba was given a license last year to harvest their pine trees, the Government then issued a license to a reputable hardware company to purchase pine logs from New Zealand. A case of *liu muri* at its worst, especially so when taken into consideration the

struggle and aspiration of a village community to generate some income from their investments that they had waited for many years to realise. It was most unfortunate.

Madam Speaker, I need to highlight here also the irregularities in the Fiji Mahogany Industry that needs to come to the fore – a multi-million dollar industry.

The irregularities of non-certified tree harvesting contractors by FHCL: The landowners, who are major stakeholders in the mahogany industry, are seriously concerned with the current engagement of certain tree harvesting contractors that are being identified by the Monitoring and Evaluation Unit of the Forestry Department for their abusive tree harvesting practices, non-compliance to 2010 FFHCOP and non-payment of outstanding fees from their previous engagements. Most of these companies do employ non-certified workers such as chainsaw and machine operators and they are being accepted into FHCL harvesting operations without any vetting or verifying process to actually determine their past performances and credibility. All tree harvesting companies must possess a well-documented profile of their operators certificates, including all machines and vehicles registered under the company.

Madam Speaker, for our land at Colo-i-Suva, which is now being declared as a forest reserve, may I ask whether the mahoganies will be harvested as originally planned; or is the Government going to compensate landowners on their rights to utilise the land when the land tenure expires, in anticipation of course of the much awaited Waila City development and the housing developments from Makoi and Kalabu in this respect.

With that Madam Speaker, I thank you for your indulgence.

HON. MAJ. GEN. (Ret'd).- J.K. KONROTE.- Madam Speaker, *ni sa yadra vinaka*, good morning, *namaste* and *as-salaam alaikum*.

Madam Speaker, I deem it an honour and privilege to address this august Chamber once more, to echo the sentiments expressed by my fellow colleagues on this side of Parliament, and to confirm my support and that of my Ministry to the 2015 Budget. Since the introduction of the 2015 Budget by the honourable Minister of Finance, who is also our Acting Prime Minister on Friday, 21st November, 2014, a lot has been said about it. In fact, the critics have had a field day. In fact, detractors and the critics have had a field day.

Madam Speaker, the 2015 Budget has been referred to as; “boring, unrealistic and not likely to satisfactorily meet the needs of all Fijians”. Yesterday, an honourable Member compared the Budget to a dream, before the last honourable Speaker (Honourable J. Dulakiverata) called it; “The Good, The Bad, The Ugly and The Deceptive”. Good Lord, what’s next!

I guess it is so easy to be overly critical and negative about something which is considered by all decent and right-thinking people to be good and worth supporting and fighting for ...

HON. GOVT. MEMBERS.- Hear, hear!

HON. MAJ. GEN. (Ret'd).- J.K. KONROTE.- In this case, it is the Budget for next year.

Madam Speaker, neither have I seen nor heard from any of those who have spoken negatively against this Budget any tangible evidence or proof to provide us with a viable, workable and realistic alternative. Talk is cheap, and may I appeal to all honourable Members of this august Chambers, let us give credit to where and when it is due.

HON. GOVT. MEMBERS.- Hear, hear!

HON. MAJ. GEN. (Ret'd).- J.K. KONROTE.- Madam Speaker, at this juncture, please allow me to speak in more detail on how the 2015 Budgetary Allocation is going to be fully utilised by the Ministry.

Madam Speaker, the 2013 Constitution guarantees under Sections 32 and 33, that every Fijian has the right to economic participation, a just minimum wage, social security, fair employment practices, humane treatment and work under safe and proper conditions.

Madam Speaker, to assist me and the staff in successfully implementing these obligatory ministerial core functions and attaining the desired outcomes, the 2015 Budget has provided the Ministry with a total allocation of \$15.7 million for the 2015 financial year. This is \$5.7 million more from the Ministry's 2014 Budget. An additional \$3 million is to be made available on request, to assist in the design and establishment of Fiji's modern Labour Market Information System.

Madam Speaker, this substantial increase is required to cater for the following activities:

- (a) \$2.95 million, to be utilised for a one-off payment to Christmas Island Veterans, who were deployed to participate in Operation GRAPPLE;
- (b) \$1 million, for the increase in the Workers' Compensation payment;
- (c) \$1 million, to help in the operations of the National Employment Centre (NEC); and
- (d) \$520,150, to help in up-skilling, capacity building and operation of the Foreign Employment Service, to facilitate the establishment of Labour Mobility arrangements under the New Zealand and Australian Recognised Seasonal Employer Schemes.

Madam Speaker, allow me to speak very briefly on Operation GRAPPLE. Between 1958 and 1960, about 300 of our servicemen from the Fiji Naval Reserve and the Fiji Military Forces were deployed to Christmas Island, as part of a British sponsored expedition called "Operation GRAPPLE." Madam Speaker, these brave sons of our beloved nation, Fiji, rose to the call to arms for God, King and Country, not knowing or realising the inherent dangers and consequences of deploying into an area which is heavily contaminated with nuclear fallout and radiation, following numerous detonations of atomic and hydrogen bombs by the British Military.

Regrettably, Madam Speaker, our personnel were used as guinea pigs in what I consider to be a ruse, to satisfy the ego and curiosity of scientists and defence officials, who should be held accountable for their actions. Not long after their return to Fiji, most of these personnel started to suffer from what was eventually diagnosed as some form of ailment related to nuclear radiation.

Madam Speaker, most of those brave men have died, and only a handful is left. For almost 60 years, they have endured and suffered in silence with their families because their pleas for help were ignored by the British Government and successive Fijian Governments. This Government, however, has decided to 'bite the bullet' and do what is right, not only for the survivors and their families, but also for those who have died.

HON. GOVT. MEMBERS.- Hear, hear!

HON. MAJ. GEN. (Ret'd).- J.K. KONROTE.- Madam Speaker, by its action, this Government has clearly demonstrated once again, that it is committed and unwavering in its desire and willingness to serve the people of Fiji, particularly those who are less fortunate. Madam Speaker, \$2.95 million has been provided as a token compensation for all who have suffered this great injustice. The Ministry is co-ordinating with the RFMF, the disbursement of this one-off payment as soon as administratively possible.

HON. MEMBERS.- *Vinaka.*

Workers Compensation: Madam Speaker, the 2015 Budget has allocated \$2.5 million for this activity, representing an increase of a million dollar. This increase is to cater for the Government's promise to look after its workers and dependents by doubling the death cover from the present \$24,000, and increasing the amount paid to those who are injured in the service of the State. In 2015, Government plans to completely overhaul Fiji's outdated Workers' Compensation system, and replace it with a no-fault system that is fairer and delivers payments more quickly. Again, this is testimony that the Government cares and that it will deliver on its promises.

The National Employment Centre (NEC): Madam Speaker, this Department within the Ministry was designed and established in 2009, to help unemployed Fijians find decent jobs which are commensurate with their qualifications and experience, locally and overseas. To-date, 38,275 unemployed Fijians have registered with the Centre, and attempts to find decent jobs for those personnel have been ongoing since. Approximately \$1 million has been allocated in the 2015 Budget to improve the service delivery and capability of this Department.

The Foreign Employment Service: Madam Speaker, this Department within the Ministry was launched in July 2014, to assist Fijians find employment overseas. To-date, it has facilitated the deployment of some our citizens, who have left to work in the United Arab Emirates, Canada, New Zealand and Papua New Guinea.

Madam Speaker, last week, the honourable Ratu Inoke Kubuabola, Minister for Foreign Affairs, was in New Zealand to negotiate the formalisation of a Memorandum of Understanding with his New Zealand counterpart, to enable Fijians to work in New Zealand under its Seasonal Workers Programme. Presently, the Ministry is in the process of finalising arrangements to send some 30 workers under an initial pilot scheme before recruiting more Fijians by the middle of 2015 to be employed in New Zealand under the country's Recognised Seasonal Employers Work Scheme.

Madam Speaker, the Australian Government has confirmed its intention to assist Fiji by offering and welcoming our workers under a similar Seasonal Workers Programme next year. These Labour Mobility initiatives and programmes are likely to provide employment for hundreds of Fijians in the not too distant future, and to assist the Ministry in recruiting and capacity building, an allocation of \$520,150 has been provided in next year's Budget for this activity.

Madam Speaker, the 2015 Budgetary Allocation of \$7.3 million for Policy and General Administration is to be utilised for funding the operations of the Corporate Service Unit, payment of the Minister's salary, and cater for the Ministry's two per cent increase in the Fiji National Provident Fund (FNPF) contribution from the employers.

Within this allocation is a provision of \$400,000 to cater for the Ministry's Apprenticeship Scheme which is jointly operated and administered with the Government Shipping Services and the Department of Government Printing. There are about 43 students who are undergoing various stages

of training under this Scheme. The Ministry plans to expand this Scheme into other Government departments because of Fiji's shortage of qualified and skilled tradesmen and women in the labour market.

Labour Services: Madam Speaker, \$3.8 million is allocated for the administration and operations of the labour services of the Ministry. Also, \$250,000 of this allocation is to be utilised for strengthening the capacity of the Compliance Service, to sustain and improve the Ministry's overall capability to monitor Government's policy and commitments to raise the National Minimum Wage from \$2 to \$2.32 by no later than 1st July, next year.

Madam Speaker, this is another Government initiative that will certainly improve a lot of workers in the Informal Sector and those workers who are not covered by the current 10 Sectoral Wages Regulation Orders. This revised National Minimum Wage will benefit about 100,000 workers nationwide, and will represent the second increase after the enforcement of Fiji's first National Minimum Wage Order since 1st March this year. The funding in this Activity also supports the Productivity and Wages Unit which provides and promotes workplace productivity and establishes wage-setting criteria for the market.

It will also help the Policy and Legal Unit for the formulation, analysis and provision of policy advice and includes Fiji's compliance issues under the ratified International Labour Organisations (ILO) Conventions.

It will also help the Employment Relations Call Centre which is a one-stop shop for enquiries about any labour and employment issues. It will also help the Mediation Services within the Ministry which provides an alternative conflict resolution service that is completely free of charge, enabling quick resolution of employment grievances and disputes for all workers.

The funding will also help the Employment Relations Tribunal which is a "last resort" for dispute resolution which falls and establishes the adjudication process.

It will also help the Labour Compliance Service which is responsible for conducting employer and workplace audits; training and awareness for employers and workers; inspections; resolution of labour complaints and facilitation of grievances; control (attestation) of foreign contracts of service, investigation of employment agencies and prosecution of offenses under the Employment Relations Promulgation (ERP) 2007.

It will also help the Child Labour Unit, which conducts investigations and prosecutions into child labour cases; provides public awareness about child labour laws; and ensures that issues related to child protection are properly addressed.

Last of all, the funding will also help the Employment Relations Advisory Board which is a national tripartite peak body of representatives of the employers, workers and government which include other stakeholders. The Board advises the Minister on employment-related matters including policy advice and the international labour issues.

Madam Speaker, the National Occupational Health and Safety Service (NOHSS) is responsible for the promotion of safe, healthy workplaces nationwide. It comprises of four specialised units:

- (a) Training, Accreditation, Chemical and Hygiene (TACH) Unit;
- (b) Risk Engineering and Capital Projects (RECP) Unit;
- (c) Field Operations (FO) Unit; and

(d) Workers Compensation Service Unit.

An allocation of \$4.6 million is provided for the administration and effective functions of these Units.

In conclusion, Madam Speaker, the 2015 budgetary allocation for the Ministry will certainly enhance our ability to assist Government's aim, to reduce the level of unemployment from its present level of about seven per cent to five per cent by the years 2015-2016. Such an outcome will definitely boost productivity and undoubtedly, alleviate poverty to an extent.

Furthermore, Madam Speaker, the full and proper utilisation of the Ministry's 2015 Budget would most certainly enhance Government's overall aim of establishing and maintaining good industrial relations, decent, safe and productive work standards for all workers and employers in Fiji.

Madam Speaker, I commend and congratulate the honourable Sayed-Khaiyum, Minister of Finance, Acting Prime Minister and his staff for their hard work in preparing and providing the 2015 Budget, which I consider to be realistic, pragmatic, no-nonsense, inclusive and pro-development, pro-investment, and pro-prosperity.

It is definitely not a boring, a deceptive or an unrealistic Budget, but rather a good and people oriented Budget which will undoubtedly affect all Fijians one way or the other in a positive way. The 2014 Budget theme, "Turning Promises into Deeds" is most appropriate as it clearly demonstrates once again that this Government will deliver as promised.

Madam Speaker, I commend the 2015 Budget to this august Parliament with my endorsement and full support. May God Bless Fiji!

HON. CDR. S.T. KOROILAVESAU.- Madam Speaker, I rise briefly in support of the 2015 Budget. My comments on the Budget will deal mainly on the provisions provided on issues raised by Fijians that I had visited around Fiji.

Madam Speaker, let me state at the outset that the Budget delivered by the honourable Minister of Finance is not only inclusive of all sectors of our society, but also negate all the fears spread by some Members of the Opposition during their Election campaign.

HON. GOVT. MEMBERS.- Hear! Hear!

HON. CDR. S.T. KOROILAVESAU.- In fact, the misinformation during the campaign which is now proved baseless and not true won them some of the seats in this Parliament.

Madam Speaker, I personally believe that the Budget debate is a formality that is necessary to be fulfilled. In fact, most of the Opposition members are envy of this Budget to the point that some Members on the other side are already making approaches to the line Ministers for a bigger piece of the Budget pie. So much for their allegations and comments that the developments will only benefit the FijiFirst voters. In fact, some of the major investments is planned for areas that FijiFirst did not win any seats, especially in the Northern Division.

Madam Speaker, "Turning Promises into Deeds" is for all Fijians, especially the poor and disadvantaged. This Budget is inclusive and aims to improve the lives of all Fijians, irrespective of who they are and where they live.

Madam Speaker, you would have noticed that Government Members will not dwell for too long during their Budget deliveries, as there is not much else to say as the Budget speaks for itself. It is not only inclusive but also addresses the very issues that have been neglected over the last two to three decades, at least before 2006.

Madam Speaker, I now wish to speak on issues commonly discussed in the various parts of Fiji, especially in Rural Areas and Maritime Provinces.

Government Debt: Madam Speaker, in the islands, the agents of fear during the General Elections had misinformed villages, saying that Fiji will be annexed by China due to money owed by the Government. The Budget and financial plans clearly state that this is not the case and also Fiji is a sovereign State in charge of its own affairs. There are the challenges faced by us in this Parliament to try and correct this misinformation.

Sale of Assets: Madam Speaker, I think the honourable Minister of Finance has explained the facts – it is diversification of assets and not total sale. For example, in the islands, the agents of fear had stated that the inter-island ships will have to use Natovi, as Fiji Ports is now owned by a foreign company. I wonder how these agents of fear are sleeping during these nights, most probably peaceful as this could be normal in their lives.

Rural development, Madam Speaker, is a high priority. I am pleased that Government has given the appropriate allocation for its development. We have a Government that places special emphasis on provision of proper roads, electricity, water supply and income-generating opportunities in rural and maritime region.

Madam Speaker, the development of these basic amenities in rural and maritime islands will help to develop agriculture and increase agricultural production. I am confident that more young people will be interested to farm, if the basic necessities are provided. This is a very important issue to cane farming areas in the Northern and Western Divisions, where water and electricity connections are critical, to entice our young people to participate in cane farming and improve sugar production.

Madam Speaker, in Kadavu, there was a great fear that *iTaukei* land will be taken over by foreign nationals and the agents of fear had instigated that only village boundaries were secure, all land outside the villages will be leased out. This is evidently not true and the Government has provided allocation for developments of *iTaukei* land. This will allow landowners to develop their own land, contribute to national economy and improve their livelihood.

Education: Madam Speaker, there has been concern in the islands on the cost of boat transfers for school children. This is now covered in the grant per child allocation, as this will allow fairness to needier children in rural and maritime schools.

Madam Speaker, I am happy that the 2015 Budget will build on Government's decisive and bold investment in the education section in 2014, and continue to drive and give all Fijian students access to free, quality education at all levels.

The revolutionary investment towards building a smarter and more skilled Fiji and providing free education for both primary and secondary schools has provided to be one of the greatest achievements, of the Bainimarama-Government. Government will continue to build on this achievement.

Madam Speaker, the free education programme, free textbook programme and the free bus fare scheme have provided the much needed financial relief for parents, and its impact on the education of our children has been immediate. Enrolment in schools have increased and daily attendance has also improved. School facilities have been upgraded, with new investments in IT equipment, libraries and building upgrades. All these will lead towards the creation of an environment that supports good teaching and encourages learning.

Vocational Education and Training: Madam Speaker, Government, has over the years, placed special focus on technical and vocational training to prepare our students for demanding and well-paid jobs in vitally important skilled trades.

I am glad that the Government is taking a new approach to technical and vocational training in order to make up for the current shortages of workers in the booming sectors, particularly construction and prepare Fiji to develop a pool of qualified workers with skilled sets that industries require. This investment, Madam Speaker, will not only provide opportunities for employment in Fiji but can also build expertise that Fijian companies can use in the region.

Health: The Constitution also guarantees the right to health, and it is Government's responsibility to provide conditions and facilities necessary for quality health care service.

Capital Projects in Health: Madam Speaker, Government will also undertake a number of capital projects in 2015, some of which are already underway to modernise our health facilities.

Transport and Infrastructure: It is important to note that in 2013, Government made a critical commitment to improve the state of our roads, which had suffered from years of neglect. The Fiji Roads Authority has received substantial funding from the last two budgets, to plan, build and maintain good roads in the country. Investing in infrastructure like roads makes sound economic sense.

A good transportation system frees people to travel where the jobs are, helps everyone from large manufacturers to small farmers to take their goods to markets, attracts investment and reduces injuries and wear and tear on vehicles and equipment. We have seen much improvement all around the nation because our roads are better. However, more needs to be done. We still have a huge backlog to clear and we especially need to upgrade our bridges and jetties, in particular in the maritime areas.

Madam Speaker, reducing this backlog and meeting the increasing expectation for improved services will require a much larger investment this year. This is a critical year of investment in our journey to see much better roads, much better water systems and modern standards throughout the country.

Water: Madam Speaker, I am happy that Government will continue with its programme to ensure that all Fijians are provided access to clean and safe drinking water. It is a right guaranteed in the Constitution. The demand for water has been increasing, along with the increasing development, in the major urban areas of Fiji. It is critical to identify new water sources and undertake increased capital investment to cater for this demand.

Energy and Electricity: Government is also committed to improve access to electricity to those who are currently unconnected.

Housing: Madam Speaker, I am happy that the provision of affordable housing to all Fijians is a key priority for the Government and that initiative will continue as a priority. Government is aware of

the rising demand for housing in major urban centres and is allocating funds to encourage new land development for housing and construction of new homes for Fijians.

Poverty Alleviation and Social Protection: The Government is committed to protecting the vulnerable and the financially disadvantaged.

Youth and Sports: Madam Speaker, youth empowerment and development are important for the future of any country.

Urban and Peri-Urban Development: The Government is providing financial support for urban and peri-urban developments in partnership with municipal councils. This is apart from road improvements, traffic lights and other auxiliary services provided by the Fiji Roads Authority.

Rural Development: This is of a high priority on Government's development agenda. Government has placed special emphasis on the provision of proper roads, electricity, water supply and income-generating opportunities in the rural and maritime regions.

Sugar: Madam Speaker, Government is committed to ensuring that the sugar industry is modernised and shows a sustained increase in production and profitability.

Agriculture: A diversified and commercially oriented agricultural sector is important to ensure food security, employment and income-generation, expand our export base and develop the rural economy. The Ministry of Agriculture is provided with an increased budget for 2015.

Trade and Industry: Madam Speaker, a vibrant and competitive export sector creates a healthy economy by providing cash for investment, creating jobs, encouraging innovation and fostering a demand for a skilled workforce.

Tourism: Madam Speaker, as my *tauvu* on the other side has spoken on, it goes without saying that Fiji owes a great deal to tourism but there are many tourist destinations in the world, competing for the interest attention and dollars of the affluent travelling public. We are competing with them. Fiji needs to stay on top, and that takes promotion, market intelligence and high industry standards.

Disaster Management: Madam Speaker, Fiji is prone to natural disasters, and we must take all steps possible to prepare for disasters, so that we can save lives and limit damage to property. The consequences of not being prepared are simply unacceptable.

Regional and International Relations: Madam Speaker, a budget is provided for the operational expenses of the Pacific Islands Development Secretariat next year. The Government is committed to continue its peacekeeping relationship with the UN and do what it can as a nation, to ensure international peace and security is maintained. We can be very proud of our longstanding role in international peacekeeping, for which we have been favourably known and indeed acclaimed for.

Culture and Heritage: Fiji has a beautiful and diverse culture. It is an object of great pride for all Fijians and of great interest to our international visitors. All proud countries remember their history and cherish their culture and Fiji is no different. Protecting and preserving our heritage is an important aspect of safeguarding our cultural identity.

Madam Speaker, I beg to differ with the notion from the Opposition that Government finances must not be operated like a business. Nothing is further from the truth, Government must and had been run like a business and the profit has been the improved lives of the Fijian people.

HON. GOVERNMENT MEMBERS. – Hear, hear!

HON. CDR. S.T. KOROILAVESAU. – Madam Speaker to end, I support the Appropriation Bill and I thank you and the honourable Members for your indulgence.

God bless Fiji and all the people who have called this country their home. *Vinaka*.

HON. F.S. KOYA.- Madam Speaker, first of all I wish to thank the honourable Minister of Finance for a strong and forward looking budget that will benefit all Fijians. This is a budget that will enable and deliver promises made to all Fijians for a better future and a better Fiji.

As highlighted in the Budget Address by the honourable Minister of Finance, a vibrant and competitive export sector creates a healthy economy that attracts investments, generates employment, fosters innovation and creates demand for a skilled workforce.

Madam Speaker, in that regard, my Ministry plays a vital role of connecting the dots, developing an overarching trade policy, creating linkages between suppliers and markets, thus leading to a sustainable economy and trading environment.

Brief Overview of the Economy: Madam Speaker, as the honourable Minister for Finance has underscored in his Budget Address, Fiji is actually going through an unprecedented period of boom and growth ...

GOVERNMENT MEMBERS. – Hear, hear!

HON. F.S. KOYA. – ... which is reflected in all economic indicators, including the inflation rate, which according to the Reserve Bank stood at a low 0.3 per cent at the end of October 2014. Year-end inflation is projected at 1.5 per cent for this year.

There have been claims in this august Parliament that food prices have increased by 59 per cent since 2006 and I beg to ask my colleague the honourable Dr. Biman Prasad on how he has undertaken the analysis of food prices, which items he has included in his basket of necessities. The inclusion of high end products in the calculation of food prices will distort the analysis and mislead Fijians.

HON. GOVERNMENT MEMBERS. – Hear, hear!

HON. F.S. KOYA.- Madam Speaker, according to the Fiji Commerce Commission, on average, the prices of basic food items has increased between 30 to 35 per cent. Furthermore, the Domestic Private Sector and Foreign Investors' confidence has increased markedly. The Reserve Bank of Fiji business expectation survey of 2013 provides a strong indication of the investments in plants and machineries and buildings. Additionally, this is evident through the growth in new lending for investment purposes by 15.5 per cent between January and October 2014.

Coming to the tourism sector which is also buoyant with over 680,000 visitors expected for 2014, and the industry is expected to grow by approximately 5 per cent in the coming years, with expected revenue of FJD\$1.331 billion, which is the highest on record.

HON. GOVERNMENT MEMBERS. – Hear, hear!

HON. F.S. KOYA.- Madam Speaker, Fiji's trade with the world over the past five years has increased significantly. The average growth rate of trade is 12.76 per cent and exports have increased

by 11.5 per cent in the same period. Imports are on the rise, mainly to cover for the increased level of investment activity in Fiji. Investment related imports rose by 23.7 per cent in the years to September 2014.

Investment level in 2013 reached the highest by 29 per cent of the GDP, and this was done by private sector investment which represented 45 per cent of total investments. Total investments is expected to be around 26 per cent of the GDP or better. Over the years, the Fijian Government has put in place several reforms to improve the investment approvals processes.

Fiji, as compared to Pacific Island countries, has the most favourable tax investment incentives for the investors. It has the lowest corporate tax for companies in the region, has zero rated duty on import of raw materials and machinery and tax free regions in the northern part of the island and the maritime zones with few in the main island.

The honourable Dr. Biman Prasad had highlighted the drop in Fiji's ranking in the 2014 World Bank Report on Ease of Doing Business. However, he and the Report fail to acknowledge the changes made by the Bainimarama Government to remove red tapes or bureaucracy from the system. For example, the Report states that it take 10 days to obtain a Tax Identification Number. However, in reality, this process takes approximately 30 minutes. This is due to the highly efficient and streamlined processes of FIRCA or due to the Bainimarama Government.

(Laughter)

Madam Speaker, what the honourable Member of Parliament should question is the manner in which the World Bank conducts this study and the accounting and the law firms it chooses to consult. Most, if not all, law firms the bank picks, have a bone to pick with the Government, and are certainly not neutral. Often these firms who act as agents and advisors to foreign investors are part of the problem, employing delaying tactics to bump up their own fees, and conveniently pass the blame to our agencies.

The on-line registration system and payment system that the Ministry, together with Investments Fiji, should be launched soon. That will further reduce the time taken by all Tier 1 agencies - FIRCA, Companies Office, Reserve Bank, Department of Immigration and Investments Fiji, to give approvals within a maximum of three days. So I am not sure where my friend got his information from.

To put all this into context, China and India, two of the world's fastest growing economies are number 9 and 61 places behind Fiji. Madam Speaker, can the honourable Dr. Prasad explain why investors and large multinationals are clamouring to invest in those countries, given their poor ranking?

Madam Speaker, the 2015 Budget provides the needed impetus for further growth of trade, tourism and investment. Trade, tourism and investment are the driving force that keeps the Fijian economy going forward. I wish to elaborate on some of the key projects and initiatives that are being undertaken by my Ministry and how the continued budgetary support will enable the Ministry to achieve those desired results.

With respect to our trade commissions - \$3.1 million. Fiji has four strategically located Trade Commissions in Los Angeles, Shanghai, Taipei and Port Moresby. As Fiji is diversifying its markets, these Trade Commissions play a vital and a pivotal role in promoting Fiji's trade and investment opportunities. These Commissions are crucial in providing the link for Fiji and Fijian businesses in these markets.

China is the fastest growing economy in the world. Fiji's exports to China have increased by 696 per cent and investments from Chinese nationals have been increased from just four approved projects in 2009 to 19 in 2013.

Additionally, within the Region, PNG is a very important immediate market for Fiji, in terms of the size of the market. Bilateral trade has increased by 161 per cent for the period 2009 to 2013. However, the full potential is yet to be realised and we will soon open a Trade Commission Office in Port Moresby, which will further facilitate business to business and people to people linkages.

Madam Speaker, the MSG Trade Ministers Meeting has been allocated \$100,000 and the MSG Investment Roadshow and Trade Fair - \$100,000. The first MSG Trade Ministers Meeting was held in Fiji in May 2013 and the second one was held in PNG last week, which I attended. The MSG Trade Ministers provide direction and give mandate to the Trade Officials on trade related issues and the MSG Trade Agreement negotiations. The Ministers in PNG have committed to progressing and elevating MSG trade.

Intra-MSG trade has grown significantly. This growth has been approximately 300 per cent for the period 2005 to 2009. Fiji's trade alone, Madam Speaker, with the MSG countries has grown by 101 per cent between the periods 2009 to 2013. However, there is still potential for a lot more trade to flourish between Fiji and the MSG countries. Therefore, the MSG Trade Ministers, at the inaugural meeting, decided to convene a MSG Investment Roadshow and Trade Fair on an annual basis. The inaugural event was held in Fiji and 54 companies from the MSG region participated.

The second MSG International Roadshow and Trade Fair was held in PNG last week, as I have said earlier, 20 Fijian companies and a total of 68 companies from the MSG region participated in the event. Fijian companies were able to showcase their products and establish new relations with four different countries present - PNG, Solomon Islands and New Caledonia.

The next MSG Investment Roadshow and Trade Fair will be held in New Caledonia in September 2015. Apart from growing trade with the MSG region on the whole, New Caledonia is a lucrative market for Fiji to explore with its per capita disposal income on par with New Zealand. The continued budgetary support will enable the Ministry to work with the private sector to allow for maximum exposure at the event.

Trade Policy Framework, which has been allocated \$60,000: Madam Speaker, the trade policy is an integral national policy that seeks to elevate Fiji's trade performances and trade relations with the rest of the world. The trade policy provides a framework for an export-oriented, outward looking economy.

The underlying medium to long term vision of the policy is to develop Fiji into a vibrant, dynamic and internationally competitive economy serving as the hub of the Pacific. In order to achieve the status of the true hub of the Pacific, we need to focus on our potential and capitalise on the opportunities available.

It has been the Bainimarama Government's forward thinking policies in relation to trade that has enabled the manufacturing sector to develop. Madam Speaker, the honourable Dr. Biman Prasad's claims regarding the Government's trade policies in relation to import tariffs, were grossly misleading. In fact, 70 per cent of our tariff lines have rates below 5 per cent or are duty free.

HON. ROKO T.T.S. DRAUNIDALO.- Madam Speaker, I rise on a point of order. This side of the Chamber, especially the National Federation Party being the bastion of free speech, we do not wish

to raise ridiculous points of order. We have tolerated this for quite some time now. With references to the honourable Dr. Biman Prasad, Standing Order 62(1) states, and I quote:

“When speaking a member must not impute improper motives to any other member”.

Standing Order 58(2) clearly states, and I quote:

“Members must address all their speeches and observations to the Speaker.”

Madam Speaker, could you please request my fellow colleague and friend to refrain.

MADAM SPEAKER.- That Standing Order is very valid and I would like to ask the honourable Member to refrain from addressing Members directly.

HON. F.S. KOYA.- Madam Speaker, in response to some of the allegations made, the Fijian Government has maintained a standard tariff practice for the entire manufacturing sector.

This level of support has enabled the manufacturing industry to develop a strong base that is serving not just Fijians but the Pacific region and beyond. This is reflected in our trade figures within the region. Our policies have not created an inefficient sector that is lazy and not wanting to progress, but a sector that employs 35,000 workers (or supporting 140,000 livelihoods), created new investments and new export markets. The multiplier effect of a dollar spent on Fijian Made products is four times greater than the dollar spent on imported products.

There was reference by the other side, Madam Speaker, to the decision of the Fijian Government also to divest Fiji Dairy Limited (FDL) and to sell to a private company. In response to that, Madam Speaker, I wish to provide some context to those arguments.

Since Fiji Dairy Limited was sold to Southern Cross Foods, the following has resulted:

- (a) The Government has a savings of \$2million per year from farm gate subsidies, from 2009 to an entity plagued with mismanagement, corruption and inefficiency.
- (b) If the decision to sell was not made then, Fiji Dairy would have closed in three months, as farmers were de-stocking and reducing herd numbers.
- (c) Since the sale, the company has invested \$2.5 million and has committed \$4 million worth of investment for 2015 (apart from the \$10 million purchase price and \$17 million of debt that was taken over by the new owners).
- (d) Southern Cross Foods has also invested in extension services in a dairy technologist and a veterinary surgeon to assist all the farmers.
- (e) The company has installed two new chilling centres in Ba and Lautoka, whereby 74 new dairy farmers are now supplying milk to Fiji Dairy Limited, constituting approximately 30 per cent of the national milk supply. This move has included a stream of milk supply and has created \$700,000 worth of new income that was never there.
- (f) The inclusion of Ba, Lautoka and FDL’s own private farm in Waidina has increased the milk supply by 800,000 litres per annum. So plenty of milk for the other side of the Chamber.

- (g) Fiji Dairy Limited now supplies 82 per cent of the total liquid milk demand, which was 60 per cent in 2012 before Fiji Dairy Limited was sold.
- (h) The price of liquid milk has not changed in the past two and half years (since Fiji Dairy Limited was sold), the price is still \$2.73.
- (i) Directly, 500 families are benefiting from this industry and many more indirectly.
- (j) The company is exporting powdered milk to the Pacific market, namely PNG, Solomon Islands and Vanuatu.

Madam Speaker, my Ministry will lead the Fijian Government's efforts in ensuring that the vision of the Government is achieved and Fiji is able to confirm its position as the regional manufacturing, communications, transportation and logistics hub.

Madam Speaker, with respect to the National Export Strategy with a \$2 million allocation. The Bainimarama Government has put into action policies that have led to more business daring to take the risk to export. One such policy is the National Export Strategy.

The 2015 Budget provides a \$2 million allocation for National Export Strategy, which is an increase of \$500,000 from the previous year. This will allow for the continuation of the strategy with a focus to expand the base of recipients. Over the past eight years, the Fijian Government has supported 58 projects that have led to the creation of a total of 250 new jobs and raised exports by \$26.3million.

Madam Speaker, specifically with respect to the Textile, Clothing and Footwear Marketing Grant of \$100,000: The continuation of the \$100,000 marketing grant for the Textile, Clothing and Footwear Sector provides the sector leverage in establishing themselves in new markets and reinforcing their presence in the existing markets. Since 2009, the Textile, Clothing and Footwear Industry has focused on Australian and New Zealand markets and has had success in the United States of America and European Union markets. National Impact of the marketing grant assistance to the Textile, Clothing and Footwear sector has led to:

- (a) New employment – 543;
- (b) New investment in plant and equipment valued at \$21.9 million; and
- (c) Estimated export earnings of - \$8 million.

Madam Speaker, I will now move on to tourism. With respect to the Fiji Tourism Development Plan which has been allocated \$50,000, we are grateful for the budget provided towards the implementation of the Fiji Tourism Development Plan for 2015 to 2020. The Development Plan is not only a whole of Government matter but a whole of industry approach to the growth of the Fijian Tourism industry. Essentially, it is a 5-year national development plan for the tourism industry that will set the direction for all stakeholders to ensure the optimal use of Fiji's limited resources, whereby we minimise in waste redundancies and overlap.

The Plan is expected to achieve the following milestones by 2020:

- (a) Direct spend to reach \$2 billion;
- (b) Focus on quality and not quantity;
- (c) Total output by \$543 million per annum;
- (d) Direct tourist value-added by \$83 million per annum; and

- (e) Support an additional 9,800 jobs.

Madam Speaker, with respect to the Development Plan, the plan is to engage with the industry. We have done so from day one. Tourism is private sector driven and we will do so for that matter.

Next is the bone of contention from the Opposition – the \$12 million with respect to the Fiji International Golf Tournament. Madam Speaker, Fiji hosted its first professional golf tournament in August this year. This took vision and foresight on the part of the Government to take the leap and market Fiji in a whole new light.

HON. GOVT. MEMBERS.- Hear! Hear!

HON. F.S. KOYA.- The Government has a long-term agreement with PGA Australasian to host the Fiji International from 2014 through to 2018. To mark some of the successes (and I hope everyone is listening). It was:

- (a) Broadcasted to over 320 million households across 27 countries;
- (b) Created \$1.5 million of direct income;
- (c) Featured 120 professional golfers from 16 countries;
- (d) Gave Fiji the brand exposure on international media to the tune of \$25 million;
- (e) A total of 50 local suppliers provided services such as construction, catering, banking services, to name a few; and
- (f) 750 Fijians were employed, whilst 300 participated as volunteers.

Madam Speaker, one week of coverage to 320 million households. We cannot buy that for \$12 million.

Madam Speaker, the first tournament has been hailed a success, and the event will be even bigger, better and bolder in 2015, with more time for planning and organisation. The impact of the event will be more widespread in terms of coverage and benefit to all Fijians. The event is scheduled for October, which means more impact in terms of tourism

MADAM SPEAKER.- Honourable Minister, your time is up, I thank you for your presentation.

MADAM SPEAKER.- My advice honourable Members to oil your voice box as well before you come here so you can speak above all the noise that we are having in this august Chamber.

HON. RATU I. KUBUABOLA.- Madam Speaker, the honourable Acting Prime Minister, the honourable Ministers, the honourable Leader of the Opposition and honourable Members of Parliament, I would like to begin my remarks by acknowledging and thanking the honourable Minister of Finance for rolling out such a comprehensive and an all-inclusive budget. The 2015 Budget speaks clearly and supports our Government's mission to really make a difference in our national life for the sake of every Fijian.

Madam Speaker, foreign policy is one of the most important tools to ensure the steady development of a country and guarantee its competitiveness in this ever enhancing world. In other words, the success of Fiji's foreign policy directly corresponds to the achievement of Fiji's domestic priorities. Domestically and internationally, our policies must work in tandem to promote the Government's vision.

The theme of this year's budget "Turning Promises into Deeds" speaks volumes of our Government's promises made to all Fijians during the Elections campaign. If we are indeed serious

about delivering these deeds, we must collectively work together to achieve this through consultation and consensus. Budget 2015 is practical and it captures key issues to enable us to continue along a path to realise and harvest Fiji's true potential.

Madam Speaker, in comparison to other ministries, the Ministry of Foreign Affairs is relatively small in size. However, we are prominent in the contribution to put Fiji out on the international arena and mark its presence extensively in the world. We are the Ministry that takes Fiji to the world and the Ministry that brings the world to Fiji.

Whilst the Government of today is focussed on the road to repair its public finances and enhance economic growth, the role of the Ministry of Foreign Affairs is to spearhead the formulation and conduct of Fiji's foreign policy; add to the economic growth of Fiji and support the Government's initiative. The 2015 Budget sees an allocation of \$41.8 million to the Ministry of Foreign Affairs, an increase of \$1.6 million from last year. The Ministry is positive that already as a high achieving Ministry, we can definitely tweak our foreign policies for the better and that too with confidence.

The Ministry works closely with Investments Fiji to facilitate both local and foreign direct investments in improving Fiji's economic growth prospects.

At this juncture, I am proud to stress that the Ministry of Foreign Affairs have established formal diplomatic relations with 164 countries and we, at the Ministry, are extremely committed to extending our relations to the remaining 29 countries of the United Nations family.

Our list of achievements are plenty and time being of the essence, I would like to highlight some of the Ministry's key achievements over the last two years.

Madam Speaker, this year alone, we made international headlines, when 45 of our peacekeepers in Syria were captured by the Al-Nusra Front. I am proud to comment that our diplomatic influence with countries like Qatar was instrumental in the safe release of our troops. For the record, I wish to thank our Mission in Abu Dhabi for facilitating the diplomatic exchanges with my Qatari counterpart.

Since 2007, we have worked tirelessly to increase Fiji's reach and significance in the world. To-date, this included the establishment of seven new overseas missions, including South Africa, Brazil, Indonesia, Abu Dhabi, South Korea, Geneva and our newest mission in Shanghai, China.

In June this year, we opened the Fiji Mission in Geneva, being the only fully fledged mission from the region, which has established diplomatic presence in Geneva. The establishment of the Geneva mission enables the Ministry of Foreign Affairs to carry out the multitude of work with international organisations (such as specialised UN agencies) in Geneva that are relevant to Fiji's interest in the areas of health, climate change, ITC, trade, human rights, et cetera.

This year, our Mission in New Delhi managed to secure a \$70 million Line of Credit (LOC) with the Government of India, to help set up co-generation power-plant at Rarawai Sugar Mill – a project and monetary boost to the much needed sugar industry. I stress this, over and beyond the millions of dollars of Overseas Development Aid (ODA) that our 19 missions have raked in into the country. This alone is impressive and commendable.

The Ministry of Foreign Affairs is proud to have contributed significantly in moulding part of exciting history of Fiji. This year, the Fiji Mission in New Delhi was instrumental in bringing to Fiji one of the world's most brilliant, powerful and charismatic leaders, His Excellency the Prime Minister of India, Shri Narendra Modi, last month. May I add, the visit by the President of the People's Republic

of China, His Excellency Xi Jinping and former President of Indonesia, His Excellency Susilo Bambang Yudhoyono to the Fiji Islands.

Madam Speaker, we were honoured to have chairmanship of the Group of 77(G77) in 2013. This continues to be the x factor in the successful pursuit of Pillar 11 of the Charter. This is a 133 member developing country bloc of the Group of 77 and China. Fiji, as Chair of G77, played a key role in the increase in the reimbursement rate for Troop Contributing Countries in the UN Peacekeeping Operation Missions.

Madam Speaker, we have been allocated a modest budget of \$41.8 million. In the quest for transparency and our continued motivation and commitment to serving the people of Fiji, I now make remarks on this allocation.

The 2015 Budget provides a sum of \$1.3 million, of which \$800,000 is provided for the operational expenses of the Pacific Islands Development Forum (PIDF) Secretariat, together with a further \$500,000 towards hosting of regional meetings. This will set forth Fiji's foreign policy intent of being the leader of influence in the Pacific, through strategic mutual partnerships with all Pacific Island communities, and shall be reflected through Pacific Small Island Developing States (PSIDS) as the voice and safety net, reflecting the views of the ordinary Pacific Islander from groups of all tiers.

Madam Speaker, as part of Fiji's regional obligations, the Ministry also welcomes a sum of \$400,000 provided for the Melanesian Spearhead Group (MSG) meetings that are planned for 2015. Fiji's continuing engagement and active participation within the MSG has seen the Group taking on a prominent role in the affairs of not only the Melanesian sub-region, but the wider Pacific Region as well. The year 2014, is the take-off year of the "MSG 2038 – Prosperity for all" Plan in Melanesia. This captures our leaders' vision and aspiration to achieve stronger economic integration, and we hope that it will ultimately result in increased economic growth and welfare of improvements for the people of the MSG sub-region and the entire Pacific Region.

Madam Speaker, I also welcome the changes in taxes and duties, especially the import duty charges to protect the local industry. Following the successful Elections, the new political climate has heightened investor confidence. With respect to safeguarding Fiji's trade and economic relations, the Ministry of Foreign Affairs will contribute towards providing State support to Fijian enterprises and companies. It will assist with securing access to new markets and in development of traditional ones.

I also note with appreciation the funding of \$2 million for Disaster Risk and Climate Change Mitigation. My Ministry runs Fiji's Climate Change Division and through the Climate Change Division, my Ministry shall continue to advocate for global actions on climate change through international mechanisms such as the UN Framework Convention on Climate Change (UNFCCC), et cetera, and continue scientific research to combat climate change regionally and internationally.

Madam Speaker, this is a very critical year in the climate change fraternity. As we speak, Government representatives, civil society and Non-Governmental Organisations (NGOs) from all over the world are meeting in Lima, Peru, to discuss the 2015 Climate Change Agreement that will be a successor to the Kyoto Protocol. Fiji is also represented in the Conference of Parties (COP 20) meeting in Peru, proudly headed by the Permanent Secretary of the Ministry of Foreign Affairs.

Madam Speaker, recognising that we are responsible for our own development and in the pursuit of Fiji's foreign policy goals, my Ministry is continuously committed to achieving its national, regional and international priority goals and objectives. We envisage achieving this, through a fresh approach,

concentrating on new emerging and high-growth markets, yet maintaining our focus on our existent mature markets.

The major guiding document for Fiji's foreign policy, the Roadmap for Democracy and Sustainable Socio-Economic Development expires at the end of this year. The Ministry pledges to conform a new Foreign Policy Statement that is aligned with our vision, mission and goes to the heart and purpose of our existence. The Statement will outline the key elements of the Ministry's stance on the promotion of political and diplomatic relations, enhancing trade, investment and other economic relations, and collaborating on key global issues for a better Fiji.

Madam Speaker, Fiji is equally determined to continue to strengthen its leadership role in the region. In 2015, the Ministry of Foreign Affairs, in accordance with its mandate, will continue to focus on strengthening such leadership role in the PIDF and PSIDS.

Madam Speaker, peace and political stability in our Region and internationally will remain a priority. I favourably note the budget allocation of \$72.6 million towards Fiji's Peacekeeping Missions, and this further enhances Fiji's Foreign Policy directive to support UN peacekeeping operations. We are committed to maintaining security, promoting peace and stability in the ambit of our UN Charter. Putting aside the monetary considerations, our nation proudly accepts these challenges and commits to meaningful and significant contribution to promoting goodwill, peace and stability in troubled nations.

Madam Speaker, the Ministry of Foreign Affairs, through its Fiji Missions and Consular Offices, will continue to vigorously market with private sector, to capitalise on niche export market opportunities in non-traditional markets in Asia, North America and the Middle East.

Madam Speaker, a lot has been said about this Budget. While it is impossible to fulfil everyone's shopping list, we acknowledge that meeting the necessity of the country is a priority. We must realise that it is only through this Budget, we will be able to fulfil the promises made to the Fijian people.

Today, our country finds itself in a position of responsibility as a member of the international community. We are constantly reminded when we are invited to forums, that we are looked upon as leaders in the region, and it is my commitment to Fiji, as the Minister of Foreign Affairs, that the Ministry will continue to influence and forge strategic mutual partnerships with all Pacific Island communities. It is my pledge to continue promoting Fiji in our South Pacific Region and to the rest of the world, as a country of choice in economic trade, investment and preference.

This year's Budget is a positive aspect for the Ministry of Foreign Affairs. As the Minister for Foreign Affairs, you have my commitment to stay focussed on the areas I have outlaid. It is my pledge, that from this small ministry, I hope to bring to you some movers and shakers, who are dedicated to successful achievement of the ministry's and the Government of Fiji's vision, mission and purpose of continued global presence, economic growth, prosperity, research and development, and as a country of people's choice.

With that, Madam Speaker, I hereby commend the 2015 Budget for the endorsement of this august Chamber. *Vinaka vakalevu.*

HON. P. KUMAR.- Madam Speaker, I rise in support of the 2015 Budget, as delivered by the honourable Minister of Finance. However, before I go on to that, I wish to assure my friends that side that I am not going to spoil their mood.

With the theme of “Turning Promises into Deeds”, I congratulate the honourable Minister of Finance and his team for a Budget that promotes economic growth while addressing the needs of the poor and socially disadvantaged amongst us.

Madam Speaker, I also thank Government for its impressive effort in the last eight years in laying the foundation for the economic stability and growth. The healthy reserves, the low inflation rate, tax compliance resulting in increased tax revenue and growing exports means we, as a nation, have much to look forward to. These results were achieved in the phase of economic bans by donor agencies and the efforts of some sectors of our community to paint a bleak picture of the Government. Unfortunately, some of them are honourable Members of this Parliament.

The growth achieved over the past eight years was in stark contrast to the dire predictions made by many, including so-called experts from the media and political parties. At every turn of the Government since 2006, these keyboard warriors (sometimes two in one), took to the media or hid behind blog sites. Basically, running around like headless chicken shouting, “The sky is falling, the sky is falling”.

Madam Speaker, some of you may remember the story of Chicken Licken. Why I want to share this story is because there would be a lot of stories shared in this august Parliament, and I will be failing in my duty if I do not share my story. Madam Speaker, the hen thought the sky was falling because an acorn fell on its head. So it ran around in circles, gathering ducks and drakes to go and tell the king that the sky was falling. That it is all doom and gloom. Well, the sky has not fallen. Definitely, not on our beloved Fiji, Madam Speaker. In fact, the sky is shining brighter on Fiji than ever before since the 2014 General Elections, Fiji has become the flavour of the world.

Madam Speaker, my response and support of the 2014 Budget is based on the Government’s commitment to having economic policies that are sustainable, viable, relevant, and geared towards material gains for all. My support of the Budget goes beyond affirmation to a deep and abiding commitment within the various sections of my Ministry under the Local Government, Housing and Environment, towards improving economic performance, and to promote areas of potential growth for a peaceful and prosperous Fiji.

Madam Speaker, this Budget is a result of a wide and intensive consultation with the private and public sectors, and also the key stakeholders. It is a mature and a responsible Budget. Let me repeat, it is a mature and responsible Budget. In fact, Madam Speaker, as I was watching the various student groups, our future leaders who have walked through this Chamber on parliamentary tours, I felt that they displayed greater maturity and responsibility than some in our present company. So, in those children, there is hope for all of us, sometimes in the future, for mature and responsible representation of the people.

Madam Speaker, on a related note, I commend the Parliament Secretariat for making this supreme Parliament accessible and open to our children and youth.

HON. MEMBERS.- *Vinaka!*

HON. P. KUMAR.- Madam Speaker, the Budget bravely and in a timely fashion concentrates on the development and expansion of our work programmes and the concentration of our resources into education and health.

Madam Speaker, may I at this juncture, acknowledge the recognition of the importance of the sectors covered by my Ministry to our overall development that warrants Government's approval of the sum of \$60.4 million.

Madam Speaker, the upcoming reforms in the Civil Service towards a more dynamic and performance focused cohort of civil servants is vital to meeting the Budget aspirations. This will mean we adopt best practices, processes and policies to utilise our resources for optimum returns. Let me outline some of these specific areas of these under my Ministry.

Madam Speaker, my Ministry is reviewing its current laws on processing timelines to ease the time and cost of doing business. To promote small to medium business, ventures in this section will benefit from the current recommendation for a new fee structure under the Business License Act, the Environment Management Act, Town Planning Act and the Sub-Division of Land Act. In addition, we will work with the National Fire Authority (NFA) to review the fee structure for the fire safety compliance with all the stakeholders to support the growth of small businesses.

My Ministry will coordinate this with the Municipal Councils to ensure the "one-stop shop" concept to ease business start-ups. Included in this will be a targeted exemption approach in the fee structure to enable the growth of small to medium enterprises. And if anyone wants to use municipal markets for preaching, they can contact me, I will ask my CEOs to allow that as well.

(Laughter)

Madam Speaker, after some of these initiative highlights, let me turn to some of the other specifics of my portfolio; Local Government, Housing and Environment in that order.

Department of Local Government: Madam Speaker, the Government in its national Budget has provided for the Department of Local Government a total of \$19 million. Government has provided a new funding of \$10 million for the re-development of Albert Park. Much has been said about this, but let me say, this will be a joint project with the Suva City Council. Albert Park is a historic site, and amongst the most recognised and iconic in Fiji. It is timely that we give this grand old site a proper makeover. It is a site that carries many memories for our people, yet we have neglected it over the years. In terms of its value to our people, it has been overlooked by past governments, but we are putting right that wrong.

Madam Speaker, I thank the honourable Minister of Finance for this budget initiative in the allocation of \$1.2 million for the new municipal market at Laqere, Nasinu. This will be of great value to the large population in the Suva-Nausori corridor. A lot has been said about the road-side markets, but this is just the start, and definitely we will come to all those places mentioned by the Opposition, because that is already in our plans.

Our cities and towns are the face of Fiji and we need to invest in enhancing its image and the quality of its services, amenities and environment. In 2015, \$3 million is allocated under the Challenge and Investment Fund to assist municipal councils to undertake capital projects. This reflects well, Madam Speaker, on our Government's continuing commitment to improve effective service delivery at municipal level. Government will support small municipal councils to ensure the effective service delivery to ratepayers. Government has shown its commitment through its budget allocation of \$150,000 to subsidise CEO salaries for Rakiraki, Tavua, Savusavu, Levuka and Lami Town Councils.

Madam Speaker, we thank the Government for its grant allocation of \$3.4 million to the National Fire Authority (NFA). This will allow the continuation of government-supported Capital

Constructions, purchases of fire services equipment and provision of ambulance services. With this funding, the NFA is extending its fire services in Seaqaqa in line with the new Town's Development Programme, aligned to Government's "Look North Policy."

Department of Housing: Madam Speaker, the provision of affordable housing to all Fijians is a key priority of the Government. Government is aware of the rising demand for housing in the major urban centres. It is allocating funds to encourage new land developments for housing and construction of new homes for Fijians. Government's policy will ensure that Fijian residents have access to affordable residential housing.

Madam Speaker, my Ministry is thankful to the Government for the allocation of \$27.7 million to the Department of Housing for the planned housing projects, and Government grants for the public and social housing.

Madam Speaker, I also thank Government for the vision to encourage home ownership, particularly for the first-home buyers, resulting in the continued allocation of \$10 million. This will go a long way in securing the foundation for our first-home buyers.

Madam Speaker, I am sure that these beneficiaries have realised that one of the fundamental dreams of home ownership, through the efforts of this Government and that will remain a fact for them regardless of diff from the opposition of political gimmick and the likes "having a roof of over your head" is not a gimmick.

Madam Speaker, let me highlight another first under the FijiFirst Government. I am pleased to submit to this Parliament that new funding of \$1 million is now available for housing assistance, to help Fijians re-build their homes if burnt down in a fire without insurance. The rebuilding programme complement the initiative done by the Ministry of Social Welfare which offers immediate relief to such victims. The assistance is available to Fijians with a household income below \$20,000, with proper lease titles, but no insurance.

Department of Environment: Madam Speaker, \$8 million is allocated for the operating and capital programmes for the Department of Environment. Out of this, \$1 million is continued funding for the construction of the waste transfer station in the Central Division, in order to improve waste management in the Suva-Nausori area. Waste from the municipal councils will be collected and sorted here before being transported to the Naboro Landfill. This investment is critical to move towards waste recycling.

The environment sector of my ministry will be reviewed on their main areas of service and delivery. As a priority area, linked to the Local Government and Housing, I am interested in innovative ways of utilising our resources, including looking at local and traditional knowledge systems in the management of our environment.

This will include invitations to stakeholders including aid agencies and non-government organisations for a series of consultative forums on the environment, in line with my mission to move things away from our headquarters. On such matters, we will explore means of having these forums in traditional settings around Fiji.

Department of Town and Country Planning: Madam Speaker, the budgetary provision for the Department of Town and Country Planning is \$3.9 million.

Madam Speaker, \$2.2 million is allocated to the continuation of the New Town Development Programme, being undertaken by the Government to relieve the urban pressure in our main urban centres.

In conclusion, Madam Speaker, there is a call for us to work together, to advance the national interest and to adhere to the highest standards of collective and personal conduct in order to achieve the aims of this Budget.

Yesterday, the honourable Dr. Biman Prasad floated the idea of a Government of National Unity. You cannot find a Government of National Unity here and there. To have one, I believe you will have to have that environment, the goodwill and I urge the Opposition Members, our good friends to come on board, let us take this country forward.

HON. RATU I.D. TIKOCA.- Thank you Prime Minister!

(Laughter)

HON. P. KUMAR.- This gentleman has got no respect, Madam Speaker. He knows very well that our honourable Prime Minister is away overseas. He should learn more from us.

(Laughter)

We have enough excitement in this Chamber to satisfy us all, except those who are in dreamland while we engage in constructive engagement with the Budget.

Madam Speaker, I must express my dismay at the continued foot dragging and petty politics from the Opposition bench. As we enter the festive season, I hope that we will commit, as Members of Parliament to make it a productive place where all Fijians realise Fiji's full potential and opportunities. Towards a future that is bright for the sectors under my Ministry, and indeed for Fiji as a whole. One where the sky is shining, Madam Speaker and not falling down.

I am confident, Madam Speaker, that this Government, with the strong and able leadership of our Prime Minister, and the effective participation of the business and civil societies, we can make a difference and help shape the future for all Fijians. On this note, you have the firm commitment of my ministry and its departments.

Madam Speaker, also, on this note, I reiterate my support and commitment for the Bill before this august Chamber.

HON. DR. B. LAL.- Madam Speaker, honourable Members of Parliament, good afternoon and *bula re*.

I rise to speak in support of the 2015 Budget that was delivered on 21st November, 2014. Firstly, I thank the honourable Minister for Finance for his people-centered, development-centered and heart-winning budget that he presented.

HON. GOVT MEMBERS.- Hear, hear

HON. DR. B. LAL.- In my maiden speech to this Parliament, I had shared a short story on the title "the stone on the road." The moral of the story was: "There are two kinds of people; Talkers and doers.

(Chorus of interjections)

Talkers merely talk while doers do the job”. I start today to say once again that FijiFirst is the party that will do the job.

HON. GOVT MEMBERS.- Hear, hear!

HON. DR. B. LAL.- It is an action packed party. The Budget had the theme “Turning Promises into Deeds”. We promised the people of the nation and here, this Budget is fulfilling in our manifesto and here this Budget is fulfilling that promise.

Madam Speaker, in my story, I had stated that there was a huge stone lying in the middle of the road. Many people went past it, complaining but took no action. Finally, a youth came along and pushed, and pushed until he managed to get the rock out of the road. Madam Speaker, similarly many governments came into power, saw early childhood education struggling like a snail, ignored it, and their terms ended. Then like that wise boy, the FijiFirst comes into power and immediately takes action to assist and improve the Early Childhood education.

(Laughter)

Madam Speaker, the boy had to push hard to remove the rock. Madam Speaker, PUSH simply means “Pray Until Something Happens”. The prayers of ECE have been heard and I congratulate the FijiFirst Government for providing the right medicine and not just a band aid solution.

Madam Speaker, I will limit my speech to Early Childhood Education (ECE) or kindergarten which comes under the Ministry of Education, Heritage and Culture. I am sure that the honourable Minister for Education and the honourable Assistant Minister will discuss other educational issues in detail.

The FijiFirst has prioritized ECE, you and I did not have much opportunity to attend kindergartens. We had very limited number of ECE centers 40 to 50 years ago. Far too many students enter school unprepared. When unprepared children begin school, they tend to fall further and further behind. Today, all children entering school need to be ready to succeed. Why should ECE be limited only to well-off parents? Why should the average Fijians struggle to send their children to kindergartens?

Madam Speaker, very high proportion of learning takes place from birth to age six. It is time when children particularly need high quality personnel care and learning experiences and need to be experienced. This is where FijiFirst cares for all, regardless of where you live or how much you earn. Every child has the right to education, not only primary and secondary, but also for ECE.

ECE has helped in the cognitive development of the child by improving school performance, raises mathematic and language abilities, sharpens thinking and attention skills, reduces special education placement and lowers school dropout rates.

ECE helps in social and emotional development by improving and strengthening interactions with peers; decreases problem behaviour; encourages more exploratory behaviour and helps adjustment to the demands of formal education.

Long-term positive results and cost savings of Early Childhood Education shows that it increases lifelong learning potential; achieves better academic outcomes; lowers rates of misbehavior, crimes and wrongdoings; and greatly parents who work.

Research has found that those who attended preschool or ECE had higher earnings, were more likely to hold a job; committed fewer crimes and mistakes and were more likely to graduate from high school than those who did not attend preschool.

The Budget for 2015 shows:

- (a) A Salary Grant for ECE (Early Childhood Education) Teachers of \$3.3 million;
- (b) Tuition Grant for pre-school of \$1.4 million; and
- (c) Building Grant for Early Childhood Education of \$150,000.

This will bring much of relief to the parents and School Committees. The provision of other Grants will parents and Committees to:

- (a) Uplift the image of their schools or kindergartens;
- (b) Purchase relevant teaching materials that will help teachers in providing necessary training;
- (c) Will purchase enough colourful books and toys to retain attention and interest of the kids;
- (d) Provide a better pay for their teachers;
- (e) Provide some refreshments for these tiny kids; and
- (f) It will really help our mothers in stop doing the fundraising to pay the monthly pay for their teachers.

The future looks bright, since parents will not have pay for any fees, they will all now be motivated to send their children to an ECE Centre. Fiji should see a large influx of ECE children in the next two years. In the next three years, all children entering year one in a primary would have ECE experience. It is highly likely that more ECE centres would be built in the next or three years. It will also help us strengthen our teacher training programmes.

In conclusion, I once again say thank you to FijiFirst for the investment in ECE Education. This Budget has made our kids, parents and every Fijian proud. The investment will surely assist in making Fiji a normal base society.

Madam Speaker, let me quote a very, very famous quote which says:

“When a House falls down, don’t look at the roof, look at the foundation. It is the foundation that tells you how strong the building is”

(Laughter)

HON. B. LAL. – Through this Budget, we are strengthening the education at the base and foundation. Definitely the education tree will be a strong one.

Madam Speaker, I strongly support the 2015 Budget.

(Laughter)

MADAM SPEAKER. – Thank you very much for that lively presentation honourable Brij Lal. Honourable Members, I would like to thank you very much for your patience. We have quite a number of Members to present their responses after lunch, and I thank you that you have agreed that we will shorten our lunch break to one hour. When we resume, we will complete the list for today.

We will now break for lunch.

The Parliament adjourned at 2.00 p.m.

The Parliament resumed at 3.05 p.m.

MADAM SPEAKER.- Good afternoon honourable Members, we will continue with our presentation from this morning.

HON. RATU. N.T. LALABALAVU.- Madam Speaker, the acting Prime Minister, Members of the Cabinet, Leader of the Opposition and fellow honourable Members., I also rise this afternoon to make my contribution regarding the debate on the Appropriation Bill that is before this august Chamber.

In so doing, I will be making my speech on probably two or three observations. These observations have kind of made me feel that this is a Budget that does not have that invested confidence. Apart from that, as previously indicated by my honourable colleagues on the other side of the Chamber, the honourable Government Whip, and the honourable Minister for Labour, this Budget is inclusive, so on and so forth.

However, in terms of the word “inclusive”, Madam Speaker, I beg to differ with the descriptions that the other side of the Chamber is making on this Appropriation Bill, and from the outset, I would like to quote from page 296 of today’s copy of the *Uncorrected Daily Hansard*, especially paragraph four, and that is to do with honourable Dr. Biman Prasad’s speech yesterday. I will quote from the fourth paragraph which says, and I quote:

“A national Budget is a central political process. It is not only a process which lays down the expenditure and income of the Government, but provides a platform for longer term vision of our country, political credibility and confidence from the future.”

That to me is how I would like to suggest that we should observe and see this Appropriation Bill. It is not just the income and expenditure, but more to do with the way it will reach the people and the Government as a whole. And as such, Madam Speaker, from the outside as well, I would like to dwell on this label of inclusiveness, as responded by my colleagues on the other side of the Chamber.

I would like to take us back to a recent trip made by the honourable Prime Minister to Vanua Levu, especially to Nabouwalu, when he landed in Bua. This was immediately after the Swearing In of Members of this august Chamber, and what was reported has been said by the honourable Prime Minister is that:

“I will try and think careful as to how development would be considered under my Government to people of Vanualevu,”

Something along those lines, Madam Speaker.

“.... because you did not vote for me”.

Madam Speaker, as I have indicated from honourable Dr. Biman Prasad’s outline of what a Budget is, I think it is important that I make a rebuttal on this, not only in my position with my fellow colleagues from the North in this august Chamber by winning our seats so to speak. But more so, as citizens of this country and taxpayers as well, this is where the equal citizenry comes into play.

I would like from the outset as well, Madam Speaker, inform this august Chamber that for us in the North, including Lau to make out the Tovata Confederacy, we have been around for quite some time. We have embraced Christianity and that has moulded our life. Even we believe that the Holy

Spirit manifested itself in saving the North of Fiji from the Tongans in the late 1860's. Just this year, the Catholic celebrated 150 years anniversary of the coming into Fiji of catholicism.

Madam Speaker, the North or Tovata Confederacy has produced great leaders; former Governor Generals and Presidents of this country, former Prime Ministers, former Army Commanders, former Ministers, Senior government officials, you name it, some are even on the other side of the Chamber, and never, ever have we uttered this word, in taking oath of our duty, of this Chamber, that we will think twice about people who never voted for us when it comes to development. I do not know where the honourable Prime Minister was coming from, but all I want to say, in wearing the other hat, as a traditional leader. We, or probably a biblical verse that goes like this; "man does not live on bread alone". As tax payers, as citizens of this country, come what may, but we will live, we will continue to live and do our duties for this country as required of us, especially in this Chamber.

Madam Speaker, there is a saying that goes, "what goes around, comes around." I would like to repeat that: "what goes around, comes around." The FijiFirst Party has won absolute. I like to hear the flowery words they use, "that this is the only party, this is the first party", everything is first. However, this is the honourable Prime Minister's first budget and he is not here. We understand that he has duties to perform, but again

HON. LT. COL. P. TIKODUADUA.- Madam Speaker, I rise on a point of order. I think a point of order similar to that was raised and you had ruled on the suggestion by the honourable Roko T.T.S. Draunidalo, with regards to relevance and making reference directed at individuals. I have been sitting here listening to the initial address of the honourable Member, and I think it has, apart from the issue of inclusiveness, dwelt outside of the issue that we are debating in terms of issues relating directly to the budget.

MADAM SPEAKER.- I would like the honourable Member to maintain the ruling that we refrain from addressing a person directly, in this case the honourable Prime Minister. Be general in your presentation.

HON. RATU N.T. LALABALAVU.- Madam Speaker, perhaps, if I may qualify why I am saying this in my opening address. Firstly, it has to do with the Prime Minister's Government. It is the FijiFirst Party's first budget in this august Parliament and he is not here. Why I am mentioning his name is simply because he has decided that that is more important than this. Secondly, when it comes to the Committee of Supply where we will discuss about Head 1, we will be raising issues regarding the Office of the President. This side of the House is not privy to information on what is happening out there and he will be talking about some headings that reflects on the Office of the President. Those are the reasons why I am raising this. Apart from that, Madam Speaker, as I had indicated, "what goes around, comes around" because we believe in a living God who has taken us through more difficult times than this.

Madam Speaker, let me now turn to the subject that the honourable Minister of Finance had included in his Budget Address regarding the development of Momi, and also that of the honourable Prime Minister which he often used during the Elections campaign to hoodwink the Fijian landowners. The case of land swap or exchange, in particular, relates to Denarau and Momi. If the honourable Minister of Finance is to be believed, the exchange of land in these two developments were illegal and not in the landowner's interest.

At the early stages of Denarau Island, a company known as EIE International Corporation was the developer of substantial parcels of land, more islands surrounding Denarau Island which belonged to the three *yavusas* of Nadi. The title to the land around Denarau Island comprised of freehold land,

State land and native land. EIE, through its Manager, Mr. Andrew Thomson, who is now in Laucala Island had invested a substantial sum of money to develop the island on this side of the Pacific region, a first class integrated destination resort which will be unique to Fiji and the Pacific as a whole. It stands there manifesting itself both in the Pacific as one of the jewels of tourism development in this region.

At the time of development, due to the various land titles that existed on and around the island, it was strongly and firmly envisaged that there was a need to rationalise and organise such parcels of land to provide a simple and coherent structure beneficial to all parties. The concept of recognising the title to the parcels of land has and had become known as the land swap or land exchange.

Land exchange between native land owners, the State and freeholders was nothing new nor radical. Since the enabling legislation then was the Native Lands (Amendment) Ordinance of 1895, through the years this had evolved. Maybe it is now part of Section 9 of the Native Lands Trust Act. So in the case of Momi, the end result was a resort development of significant investments with long term benefits for both landowners and the country. The fact that the very same critics in our efforts to get Momi going, with the land swap did not deny either party, less than they gave, have themselves in recent weeks, especially the honourable Prime Minister, restarted the Momi Bay Development, using the very same land swap they criticised us for before the Elections.

The Government should make it clear as who is, or who was misleading the people. The two major developments only had land swaps done, and both the honourable Prime Minister and Minister of Finance did have information or knowledge of these land swaps or exchange, but chose not to refer to them, even in the maiden speech of the honourable Minister of Finance in this august Parliament.

Some of the well-known cases of exchanges or swap of land between native owners and freeholders using the provisions of the Native Lands (Amendment) Ordinance 1895 are as follows:

- (a) Mataqali Natabucola, Labasa and the FSC – NLTB Reference 4/91485;
- (b) Mataqali Namaqumaqua, Serua - freehold – NLTB Reference 4/12208 Case File: C/19497;
- (c) Native landowners and the Roman Catholic Church – NLTB Reference 8/13/1;
- (d) Mataqali Qelegele, Tokatoka Nabukavatu; and
- (e) FSC at Sanasana, Cuvu, Nadroga

The intention, Madam Speaker, is not merely to accommodate the wishes of both parties, but more importantly to ensure that the land swaps or exchanges were at the best interest of the native owners, which reaffirms Section 4(1) of the Native Lands Trust Act, Cap. 134, which provides that the control of a native land shall be vested in the Board, all such land shall be administered for the benefit of Fijian owners.

Madam Speaker, I now take us to the sugar industry. There is a significant reference in the Budget to the sugar industry and as always, it is difficult getting a fix on exactly where we are with this ailing enterprise, the backbone of our economy.

Tourism is the number one income earner, but we all understand that it is unstable because it depends on the political climate of the country at any point in time.

If you listen to the honourable Prime Minister and his Permanent Secretary, you will get the impression that the industry is on the way up. It sounds good but the honourable Minister of Finance has said in his Budget address that TCTS is very good. I think it is eight or probably 10 tonnes of

sugarcane to one tonne of sugar. Again, what the honourable Minister failed to explain as well was how the industry has been struggling all these years to reach where it was before in terms of the overall sugar cane production. Maybe the honourable Members on this side would be elaborating more on this but I would like to quote from a news report on 10th November in a fair trade development and the Manager concerned, Mr. Mohammed Habib painted a picture which revealed a real crisis.

Fiji will have to produce probably 3.5 to 3.6 million tonnes of sugar annually if it is to survive. Last year, Fiji production was 1.8 million tonnes. He said “Fiji has to double its production in the next three years to be viable.” He also revealed that out of the 80,000 acres of cane land, only half was used for farming and this was not done effectively. I read from the honourable Minister and the honourable Prime Minister that works are being done to help improve this. But again, for this Budget, we need to inform the people, inform the nation that the backbone of our economy is struggling and we need to put all our hands together there.

The interesting thing about this industry, Madam Speaker, is that, when the *coup* was carried out, they were doing their cleaning up campaign and all, they even mentioned the issue of the sugar industry being highly politicised. So highly politicised. But then, the industry was producing almost 300,140 tonnes. That was during the National Farmers Union (FNU) and the Fiji Sugar Cane Growers Association, and all that. They have been labelled as politicians and heavily involved in the Sugar Industry, but when they were pushed out, the production fell heavily to 131,506 tonnes in 2010. Lately, they are still struggling to go beyond 180,000 tonnes.

Madam Speaker, we need to get serious about how our sugar industry is being run and we need to do that now.

My time has lapsed, I thank you for your indulgence, Madam Speaker.

HON. A.A. MAHARAJ.- Madam Speaker, I rise to show my full support to FijiFirst National Budget 2015. As the honourable Member just mentioned, yes, this is our first Budget and one of the biggest Budget ever presented in the Parliament of Fiji and what a phrase to describe one of the biggest Fijian centered Budget ever in the history of Fiji “Turning Promises into Deeds”.

I would like to thank the honourable Minister of Finance for providing the people of Fiji such a diversified 2015 National Budget. Neither any government in the past has been able to generate such a huge revenue, nor has it been able to allocate such a huge amount of \$653 million for infrastructure development.

I request the Shadow Minister for Finance to be more vigilant and research properly when he presents his speech in this Parliament for this period and after 2018, as yet again a Shadow Minister. The figures he spoke about in his speech are not accurate. It was very interesting....

HON. DR. B.C. PRASAD.- What goes around, comes around.

(Laughter)

HON. A.A. MAHARAJ.- It was very interesting to see the members of the Opposition had to resolve to the National Federation Party leader who expressed his interest to join Government of the day in his speech to respond to the Budget address and to enlighten everyone that they do not have any capable member for the position of Minister of Finance had they won the 2014 General Elections.

HON. MEMBERS.- Oh!

MADAM SPEAKER.- Order, order.

HON. A.A. MAHARAJ.- It would have been much better if an accountant in the party was given the opportunity to respond to the honourable Minister of Finance. That would have led to more scrutinising of the figures and governance in the Budget rather than having an economist class in the Parliament.

Any interesting and capable Budget is not just the Budget for a year but it is indeed a platform for future growth of the economy and the country at large. The Budget in the past has always been the Budget for a year and the future of the country was always left on future budgets. So instead of long term achievements by the budget, it was always narrow and streamlined to a period of one year.

This is one of the reason why past governments have not been able to speak on consecutive economic growth, unlike the Bainimarama-led Government which has been showing sustainable economic growth for the past four years and will continue to show it in the next four years, and years to come.

The criticisms from the public have been extremely valuable and fruitful and some very constructive, but all along the comments have been that this is an excellent Budget. It is very important not to just see the critics about the Budget but to see who are these people, as there is always a handful of people who are never satisfied. Times have gone when the Opposition's objective was to oppose but it is time to change and support and give positive contributions towards the National Budget for the betterment of the country.

I would like to quote from my maiden speech, Madam Speaker; "all roads to be tarsealed, all roads to be sealed in Fiji."

Madam Speaker, with your permission, let me quote from the 2015 National Budget Address by the honourable Minister of Finance at para six on page 237 of the Uncorrected copy of the *Daily Hansard* of Friday, 21st November, 2014. I quote:

"Government is providing a capital grant of \$653 million to the Fiji Roads Authority next year to this critical investment. This is a significant increase of \$179.1 million from this year's allocation".

The whole of Fiji can see how serious the FijiFirst Government is towards development of the country. It is very easy to criticise this investment but to all those are criticising - please go and talk to those people whose roads have been sealed for the very first time in the history of Fiji.

HON. GOVT MEMBERS.- Hear, hear.

HON. A.A. MAHARAJ.- They would be able to respond to the importance of such a huge development and investment. Leaving the whole sum of \$653 million aside, has any government, even invested \$179.1 million towards the road development in the past?

Let me again quote from my maiden speech, Madam Speaker, which is at para 3, page 88 of the Uncorrected copy of the *Daily Hansard* of Wednesday, 14th October, 2014. It says and I quote:

"To have a say and mould Fiji into a country where we have tarsealed roads and concrete footpaths with street lights".

Madam Speaker, with your permission, may I again quote from the Budget Address by the honourable Minister of Finance on page 238, first paragraph of the *Daily Hansard* of Friday, 21st November, 2014. It says and I quote:

“Government next year will launch an initiative to put up street lights all around the country near villages, police posts, shops and market places”.

I ask this question, Madam Speaker, which government in the past has given so much attention in modernisation Fiji, yet it is interesting to see the Opposition members questioned such a development? As questioned by Opposition members, that it is an abuse of taxpayers’ money then let me remind them that previously the Budget used to ensure that village roads are the only roads that used to be sealed and not the road leading to the village.

The Fijians staying along the roads that lead to villages were also taxpayers, so why were they neglected? For the very first time, FijiFirst policies will ensure that not just village roads but roads leading to villages will also be upgraded and sealed. Such example, is the highway from Dreketi to Bua. The budget allocation this year shows that the honourable Prime Minister is committed to help those who even did not vote for FijiFirst. I believe the Opposition should not take things seriously when our honourable Prime Minister goes around joking with Fijians.

The Shadow Minister for Finance said, “eight years of negligence”, but it is not eight years, Madam Speaker, it is 40 years prior to 2006, that these roads have been neglected. Some roads in Macuata are upgraded for the first time since colonial error, and let me assure this Chambers that the road in Dreketi would be one of them as well. Your sentiments about such a huge investment on road is no surprise but I wonder, had the National Federation Party (NFP) ever formed a government in the past, those gravel roads today would have been degraded to muddy roads.

(Laughter)

Recently, I along with honourable Minister for Infrastructure visited Dreketi Irrigation, where Fijians were fetching water from drains as drinking water. I would like to ask this august Chamber, Madam Speaker, what wrong has this Government done to give Water Authority of Fiji \$239.2 million, to ensure that every Fijian is getting clean water for drinking? Yet, if anyone wants to question the motives of FijiFirst in providing all citizens with clean drinking water, then go and drink a glass of water from the drains in Dreketi and you will understand the motive of this.

HON. GOVT. MEMBERS.- *Vinaka*.

This reminds me, Madam Speaker, that for the first time, Labasa is now receiving fully treated water for drinking. All those years, no previous government has ever done anything to treat the water in Labasa, when they were aware of the fact that water in Labasa was only chlorinated and not fully treated. It is through the initiative of the FijiFirst Government that fully treated water is finally supplied in all taps in Labasa.

Madam Speaker, why can the Opposition not understand the basic fact that when we have electricity in our house, why do we deprive those in rural areas from getting power supplied to their homes? Due to the scattering of houses in rural areas, the quotation always used to be high and farmers and ordinary Fijians can ill afford to pay their contribution. However, this new incentive by the Government will ensure that the burden of paying their contribution is significantly reduced, so that we can achieve our aim of lightening up all the homes all around Fiji.

Madam Speaker, the education sector has been allocated \$556 million, an increase of \$30 million compared to 2014. FijiFirst was criticised about free education, free textbooks, free bus fare, as vote-buying tactics. I would like to emphasise, that this is a long term policy of our Government, to ensure that a child, once gets enrolled in Year One, is assisted throughout his/her schooling years until he/she graduates in Year 13. This is what we call “building a better future”.

Being flexible on the use of school grants would ensure investment in the school library and IT infrastructure. This is another example of investment in youth and future of this country. Similarly, babies born with rugby balls have been replaced these days by babies born with technology, and a budget of \$800,000 has been allocated to provide learning devices for the children who are born with technology.

I, Madam Speaker, was the student loan scheme student back in my Fiji School of Medicine days, so I would like to ask, “Why do students like myself not considered by Government back then to increase the number of scholarships so that all student loan scholarship students could get scholarships?”

HON. OPPOSITION MEMBER.- You didn’t qualify!

(Laughter)

HON. A.A. MAHARAJ.- There has to be a cut-off line when such policies are made and, Madam Speaker, they themselves were not able to do it back then, then why question the Government now?

HON. A. SAYED-KHAIYUM- *Vinaka.*

HON. A.A. MAHARAJ.- Furthermore, Madam Speaker, investment in Toppers Scheme will ensure that not only the best and top students are awarded scholarships, but also that these students invest their skills and knowledge back into the country after graduation.

Madam Speaker, \$4 million grant for the construction of FNU Campus in Labasa comes very timely whereby parents in Vanua Levu can save a lot since not all students would have to travel to Viti Levu for their tertiary education.

HON. GOVT. MEMBERS.- *Vinaka.*

HON. A.A. MAHARAJ.- Madam Speaker, it is very pleasing to see that \$8.1 million has been allocated to recruitment and more so, retaining doctors and nurses. No Government in the past has had the initiative to retain health professionals. I would also like to bring to the attention of this august Chamber, the \$2.7 million allocation to hire 91 other health professionals, as they play a very important role in the health service delivery. Such an investment will surely ensure that all Fijians will receive better health services.

To conclude, Madam Speaker, I believe that this is one of the best Budgets delivered ever in Parliament, and I show my full support towards the Budget.

HON. RATU S. MATANITOBUA.- Madam Speaker, the Acting Prime Minister, honourable Cabinet Ministers, the honourable Leader of the Opposition and my fellow colleagues; I stand before you to respond to the honourable Minister of Finance’s presentation on the 2015 Budget. My response will be focussed on the Ministry of Youth and Sports allocation.

The 2015 Budget is an ambitious Budget. For the first time, this young nation is looking at an expenditure of \$3.3 billion against an estimated revenue of \$3.1 billion. The Budget is a continuing attempt of the Government to show the people of Fiji that they have the people's interest at heart. The Budget is an attempt to show that their Election promises are being turned into deeds. Madam Speaker, I submit that this Government is going down the path that will bring Fiji into bankruptcy.

(Laughter)

HON. OPPOSITION MEMBERS.- Hear, hear!

HON. RATU S. MATANITOBUA.- The people of Fiji should ask themselves the question, "Where is the money for all these deeds coming from?" We are being told that a number of key Government assets will be sold and we are also being told that the sale will ensure the effective management of these companies. To that, I would like to ask, "What has been the outcome of all the efforts aimed at improving the deliveries of these companies?" Our local people have been educated and trained to manage these companies, yet we are depending on overseas personnel to come in and make these companies more effective.

What are the real reasons for selling those assets? Are there some form of payback for some of those, who have been assisting Government during their term as Interim Government? I challenge the Government to come clean on this critical matter.

Madam Speaker, I would like to make some comments on issues regarding our youths in the 2015 Budget. First, I thank the Government for the allocation of \$16.7 million, which is an increase of \$6.3 million from the 2014 Budget. However, I think there are serious gaps in how Government places the importance of our youths, against the Budget and programmes that are planned for 2015. Government is saying that the youths are our most precious assets, and to this we all agree, Madam Speaker. However, the question is, how is that statement reflected in the 2015 Budget? The allocation for the Ministry of Youth and Sports is merely .005 per cent of the total national budget for 2015.

Madam Speaker, I beg to say that if Fiji's youths are the most precious assets of this country, then the Ministry of Youth and Sports should be given an increase in their allocation, which should be accompanied with more programmes such as development and training. For example, Government should consider setting up training institutions in all provinces in Fiji, if they are serious about the youths as being the most precious asset in this country. The Government should invest more sports facilities in all our regions to cater for most of the sporting activities that our youths and the people of Fiji participate in, including beach volleyball, hockey, basketball, et cetera.

Madam Speaker, I would also like to talk about the negative impacts of the Decree which extended the trading hours of night clubs and bars to as late as 5.00 a.m. Madam Speaker, this has a major impact on not only the youths, but to the people of all age groups. There was little consideration given to this impact of extending the opening hours of nightclubs and bars on the people of Fiji, including our youths. Without parental guidance, some of our youths appear to think that it is their right to enjoy the offerings of nightclubs and bars. I call on the Government to consider reviewing this Decree.

On another note, Madam Speaker, I also note the impacts of the telecentre which has been openly promoted by Government especially in rural areas. Whilst it is bringing updated information about their relatives, the latest news in the world, et cetera, it is also bringing closer to our rural communities open information that has tempted the people to be glued to the internet all day long, Madam Speaker. The youths are spending too much time in the internet shops, in Games Centres, and this is affecting

their education, behaviours, as well as their family lives. Madam Speaker, the end result in these negative behaviours, is that there will be continuing social problems which stand to increase lawlessness, and impacting the valuable family sharing times.

I submit, Madam Speaker, that Government should consider some of the Decrees and policies that have negatively impacted, not only youths, but all age-groups. I submit that Government should consult more with the people of this nation in what is best for the people. These Decrees and policies were made by the Interim Government when they gave themselves the powers to do anything they wanted. However, we are now under democratic rule, and it is only proper that Government should consult widely and listen to what the people want, and do what they are saying, Madam Speaker.

In ending my submission, Madam Speaker, the 2015 Budget, in my view is an over-ambitious budget which only serves to show the people of Fiji that they can fulfil their promises. But, in fulfilling their promises, they stand to bring our nation to bankruptcy.

HON. OPPOSITION MEMBERS.- Hear! Hear!

Before I resume my seat, I wish your good self and all honourable Members of this Parliament a very Merry Christmas and a prosperous new year.

HON. A. SUDHAKAR.- Madam Speaker, the Acting Prime Minister, honourable Sayed-Khaiyum, honourable Ministers, honourable Members of the Government side, honourable Members of the Opposition, guests and all the people of Fiji who are keenly following these proceedings and await the outcome of the national budget debate. *Bula* to you all!

Thank you Madam Speaker for allowing me to make my address on the Budget delivered last Friday by the honourable Minister of Finance. First of all, let me congratulate the honourable Minister of Finance for presenting to this Parliament a wonderful Budget which has been dubbed by my colleagues as the “mother of all budgets”. I call this Budget ‘the spanner’ which is designed to fix this country for the better.

Some people within this Parliament have labelled this Budget as ‘boring’. Unfortunately, they are not here. It may sound boring to some people who believe in fairy tales and Hollywood scripts, Madam Speaker, but our Government does not believe in fairy tales or movie scripts. It believes in putting words into action and that is exactly what this budget intends to do and that is what makes this Budget very interesting. Apart from some old politicians and some new ones with old habits, the Budget has been generally welcomed by the general public.

Madam Speaker, milk and lamb chops are not the only ingredients to make a healthy society.

(Laughter)

A good Law Reform body, an efficient Judiciary, and effective Criminal Prosecutions Department, Independent Commissions, a good Justice Department and a safe and secure living environment are other ingredients which are essential to make a good nation.

Madam Speaker, the Attorney General’s Office is an important institution to this country. A total of \$11.3 million has been allocated to the Attorney General’s Office of which \$500,000 is provided for Drafting of Laws and \$450,000 is provided for the Revision of Laws.

Madam Speaker, many times courts recommend changes to laws, but those recommendations are not followed for one reason or another. With this allocation, our Government will be able to accommodate those recommended changes made by the honourable Judges.

The Land Sales Act will be amended, which is an encouraging move to restrict sale of residential land to foreigners. The intention of the move is clearly to make things easier for Fijian home buyers. The adjustment to Stamp Duties by the Finance Minister, by increasing Stamp Duty for foreign home buyers is also encouraging since it should help achieve the aim of stabilising high residential property prices for Fijian home buyers.

Madam Speaker, I have not been able to buy a house for myself because of its exorbitant price, which was caused by high foreign demand.

HON. MEMBER.- Soon you will get a house.

HON. A. SUDHAKAR.- Thanks.

(Laughter)

In one instance, Madam Speaker, a house which was priced at \$350,000 few years back has now a price tag of \$600,000. In addition, a budget of \$4.4 million is allocated to enable the Legal Aid Commission to provide legal assistance to those who cannot afford high costs of legal services.

We are currently in the process of opening offices in Taveuni, Korovou and Tavua. This should not only make access to legal services to the poor people easier, it might also just cause fewer lawyer jokes from being invented, especially about lawyers charging their clients too much money.

Judiciary is the important third arm of the Government. This year, Madam Speaker, a total of \$40.4 million is provided to the Judiciary. This is an increase of over \$4.4 million from last year. The budget caters for salaries of judges, magistrates, tribunals and hardworking professional court staff who manage the court calendar and assist the judges.

Proper maintenance of court facilities are also important. Madam Speaker, \$11.7 million has been provided to boost the court system and judicial services in Fiji, and \$7 million is provided for the extension of Lautoka High Court to provide better services to the people of the Western Division. This will allow additional court rooms and more judges to tackle the backlog of civil, family and criminal cases.

Madam Speaker, \$1 million is allocated to relocate the Ba Magistrates Court to higher grounds. The court's current location is prone to flooding. Every time there is a flood, significant damage is caused to files and court records and cases have to be reheard. I have had personal experience of this and have had some of my cases reheard because flood damaged files were unreadable. With the relocation of the court, this should be a problem of the past.

In addition, about \$1 million has been allocated to build new court facilities in Nasinu, Taveuni and Nabouwalu. Also an increased allocation of \$400,000 is given to continue court sittings in Rotuma, Kadavu, Gau, Koro and the Lau Group. People living in these isolated parts of Fiji should be able to have access to courts. The Small Claims Tribunal has been allocated a total of \$900,000.

Madam Speaker, poor women who wait outside crowded court houses for hours to have their maintenance cases or child custody cases heard will no longer consider this budget boring, as some of

the Members of the Opposition might want to suggest. The poor farmer, with a claim of less than \$5,000 who is able to access the Small Claims Tribunal, will not consider this budget deceptive, and the person whose house has burnt down and has his file lost somewhere in the backlog will not consider this budget ugly.

Office of the Director of Public Prosecutions: Madam Speaker, is also an important part of governance. Investor confidence will rise when there is a secure society with respect for law and order. Another integral part of a safe society is an effective criminal prosecutions department. In this modernising world where cyber-crimes and human trafficking is on the rise, our public prosecutor must be well equipped to tackle these new challenges. In this regard, our Government has allocated \$5.7 million to the Office of the Director of Public Prosecutions, which is an increase by \$189,000.

There is also provisions made for Independent Commissions: Madam Speaker, the budget is designed to assist and benefit all Fijians, regardless of race, ethnicity and religion, which is probably why it has not gone down well with some members of the Opposition.

A total sum of \$10.2 million has been allocated to fund these Independent Commissions. Those are:

- (i) The Human Rights and Anti-Discrimination Commission.
- (ii) The Accountability and Transparency Commission.
- (iii) The Fiji Independent Commission Against Corruption (FICAC).

Only the Bainimarama-Government had the political will to establish an Anti-Corruption Unit such as FICAC. We might not have lost \$220 million in the National Bank of Fiji saga and over \$60 million in the Commodity Development Fund saga if other governments had such foresight and wisdom to establish such a Commission. Only this Government has the will to establish an Anti-Discrimination Commission, in a country which has previously been infested by racial discrimination, this is a positive move. Regardless of what some members of the Opposition would like, our Government is committed to providing service without favoritism and racial bias, and that is probably why this budget has left a sour taste with some Opposition Members.

Ministry for Justice: This Ministry is also an important area of governance. This year, the Government has allocated a total of \$4.8 million to this Ministry. The Office of the Registrar-General is responsible for the registration of births, deaths and marriages and the issuance of marriage licences. The Ministry of Justice is making a major effort to bring its services closer to the people and make its processes and systems more user friendly. This will surely benefit Fijians living in remote places in Fiji.

Many times, companies are wound up and receiving orders made against individuals. It then takes years for the first meeting of creditors to be called to distribute assets and satisfy debts. The Office of the Official Receiver is responsible for proper administration of bankruptcy and execution of court orders. With this budget, the Offices of the Official Receiver and Registrar General should be able to do their jobs more efficiently. I wonder if the creditors would find this Budget deceptive as labelled by some.

Security forces: Madam Speaker, this is another important aspect of governance. As I said in my maiden speech, people are able to sleep peacefully in their homes today, because the law and order situation has improved and it is set to improve further with the increased allocation to security forces including the Police and the Military. A total budget of \$103.3 million has been allocated to the Republic of Fiji Military Forces (RFMF). The Fiji Police Force has also been allocated a total of

\$120.5 million, with an increase of \$8.7 million. Our men and women in uniform are not only responsible for protecting our borders but have also shown extreme courage and conviction in providing internal security, especially after the events of year 2000. With an increased budget, we should feel safer on the streets and in our homes, from both external and internal threats.

What I find surprising is that there has been a lot of criticisms of the Budget from the Opposition, with very few constructive ideas. Many of these honourable Members, during their campaigns had spoken about making lives of underprivileged better. Now when we have given the nation a Budget which hopes to achieve that, the Opposition still has a problem.

Of course, not everyone can be pleased but the Government has concentrated on the priority areas. It is in fact a miracle budget which the Minister of Finance has been able to achieve, where there has been so many incentives given without any major rise in taxes, particularly income and business taxes. The smokers and drinkers and those who are fond of expensive perfumes might want to differ from me.

This is not a Budget which is designed for “Robbing Peter to pay Paul” as my colleague the honourable Bulitavu had said. Instead, it is designed to give “John and Jane” what they rightfully deserve ...

(Laughter)

... and the honourable Minister of Women, Social Welfare and Poverty Alleviation will vouch for that.

The theme of this year’s Budget is “Turning Promises into Deeds”. It is therefore, of no surprise that our Government is continuing with the great work. Some commentators have labelled this Budget as “bad, ugly and deceptive”, but have never been on the governing side of the Parliament. Therefore, they should not be giving ideas to others who are also not on the governing side. The Opposition would do better by taking lessons from smarter people like our esteemed honourable Minister of Finance on how to make a beautiful budget.

(Chorus of interjections)

This Budget was not made with overnight thoughts, but was based on the first ever public budget consultation and forum. The Opposition does not seem to be able to properly hear and see the good parts of this Budget, and how I wish some allocation in the budget had been made to provide visual and hearing aids to the Opposition Members, to enable them to hear and see what good we have done.

With those words, Madam Speaker, I pledge my full support to this Budget and encourage the Members of Opposition to put their opposition’s hat aside for a while and support this Budget because it is designed to build a better a Fiji.

(Laughter)

HON. R.N. NADALO. – Madam Speaker, I rise to contribute to the Budget debate and from the outset, let me express my support for the 2015 National Budget announced by the honourable Minister of Finance on Friday, 21st November, 2014. I also wish to take this time to congratulate and thank the Minister and his team from the Ministry of Finance for delivering what I see as a consistent and responsible budget. Consistent enough not to spring any surprises, and responsible enough in

recognising the need to continue to enhance and build on our productive capacity that will deliver a prosperous future for all.

Madam Speaker, the 2015 budget, like the last two to three budgets before, essentially places greater emphasis on infrastructure, health, education and social transfers. It comes as a no surprise that the economic growth has been consecutively positive in the last four years, an unmatched feat at least in almost a decade. This implies that when Governments prioritise and place greater emphasis on the productive capacity of an economy, growth is almost a natural outcome.

Madam Speaker, for a focused input into the 2015 National Budget debate, my contribution will be confined to a few areas of service namely:

- a) Infrastructure;
- b) Forestry;
- c) Fisheries; and and my once long-time love
- d) Tourism

(Laughter)

Madam Speaker, from my personal observation, in light of the growing population and economy over the last 15 years, the expanding demand placed on an almost stagnant supply of infrastructure has been enormous, to the extent of straining the infrastructure. Anecdotal indicators that confirm this observation includes condemned bridges, deteriorating road conditions, dilapidated school buildings, on-going water supply problems, and other infrastructural shortcomings. These infrastructural shortcomings directly threaten Fiji's productivity, competitiveness, ultimately growth and future prosperity. Hence, I am pleased to note the increase in budget allocation, particularly the capital expenditure provision for the Ministry of Infrastructure and Transport by 3 per cent, the Water Authority of Fiji (WAF) and Fiji Roads Authority (FRA) by an enormous 117 per cent and 40 per cent respectively.

Madam Speaker, the Government's massive allocation for substantial upgrade and addition to the existing stock of infrastructure in this Budget (and the three previous budgets) indicates the Government's commitment to correcting the infrastructure deficit in an effort to ensure Fiji's sustainable and prosperous growth in the future.

Fisheries and Forestry: Madam Speaker, the fisheries and forestry sector represents a traditional Fijian economic activity and a priority growth area for the modern Fijian economy. I am glad to note that the total allocation for the sector has increased by 13 per cent from the 2014 levels, with much of the increase directed towards capital expenditure that will promote the sustainable development and management of Fiji's fisheries and forestry resources through better utilisation and conservation.

I believe this is crucial for Fiji, if it is to realise its natural potential as well as achieve greater social, economic and environmental benefits for both the current and future generations. The continuation of the Reducing Emissions from Deforestation and Forest Degradation (REDD) programme and the Marine Resource Inventory Survey will ensure better planning and sustainable management of Fiji's fisheries and forestry resources going forward.

Madam Speaker, I also commend the initiative to assist farmers who plan to venture out into their own aquaculture farms, similarly, the continuation of grants to the Fiji Pine Trust that is aimed at strengthening landowners participation in the forestry sector.

Tourism: Madam Speaker, this is an industry that I hold dearly. Having been involved in the industry for close to 30 years, this is an industry that enabled me and many others like me to put food on the table and see our children through school and university. I swell with pride seeing how the industry has grown over the years and its resilience in the face of uncertainty and weak global outlook.

Madam Speaker, while the allocation for Tourism Fiji has been maintained at \$23.5 million consistently for the last six years, it is a wonder that tourism activity outcome does not conform to that stagnant trend like the input into this sector. This speaks volumes about stakeholders and the people involved in the industry. In the last six years, visitor arrivals have grown on average by close to three per cent annually, while tourism earning have grown by around 8 per cent annually over the same period.

Madam Speaker, yielding a higher output or tourism outcome from the same input resources for the last six years speaks highly of the efficiency and productivity of the tourism industry as a whole. Importantly it implies and validates the “work smarter approach” that is core value of this Government’s way of doing things and its commitment to take the industry to new heights. This resilience and unique performance of Fiji’s tourism industry over the last six years has translated into stable prosperity for much of the tourism belt, rural township and the communities.

To conclude, Madam Speaker, the underlying objectives of this budget is no secret. It is a blueprint that is focussed on strengthening the economy and will ensure our prosperity as a nation tomorrow. This is a budget that invests in the future and a budget that epitomises our vision as a Government and the reasonable and achievable destination that we want to lead Fiji towards. *Vinaka vakalevu.*

HON. O. NAIQAMU.- Madam Speaker, I rise to support the 2015 Budget and outline some of the key initiatives and programmes of the Ministry of Fisheries and Forests. Our overall objective is a sustainable development of our natural resources and everything we do as a Ministry, is designed to enhance the responsible use of the precious national assets.

Before I move on to the details, I wish to commend the honourable Minister of Finance and his officials for a budget document that is far from boring. It is readily accessible, easily understood and is a blueprint for the coming year that builds on the Government’s reforms of the past eight years. It is appropriate to our needs, physically responsible and continues the Bainimarama-Government’s programmes of service delivery that has been a hallmark of our term in office. It is also a budget in which a large cross section of the community was able to provide its input. Widespread consultations were conducted with the various stakeholders in the economy, notably the private sector, to get their views of where the budget should take us, as well as being a responsible Budget, appropriate to Fiji’s needs. It is an inclusive blueprint that meets the aspirations of the nation as whole.

Madam Speaker, Fisheries and Forests over the years (2007 to 2014) has continued to receive an increased share of the Government’s spending and 2015 is destined to be an exceptional year. Of the \$23.2 million that we have been given to carry out our vital role, there is a 34 per cent to 66 per cent capital and operational mix. The 34 per cent is assigned for the administration of 25 Public Sector Investment Programmes (PSIP) aimed at generating returns for Government. This is equivalent to an increase of 4 per cent in our capital budget for 2015 when compared with 2014.

Honourable Members, will be aware that my Ministry looks after two important natural resources that helped grow our economy. Fish are highly migratory species and can be harvested in a shorter timeframe when compared to trees – a “standing” resource that takes longer to harvest. The

way in which we manage and develop these resources are also different. Fisheries and Forests also holds and immense cultural and traditional value to the Fijian people and it is therefore, paramount that any development takes into account the needs and aspirations plans of present and future Fijians. We must always be responsible in sustainable development, with an eye to the future, rather than merely exploitation of these resources in the present.

Madam Speaker, I will now focus on the budget provisions for our Public Sector Investment Project (PSIP). Of the 25 PSIP mentioned earlier, four new projects will be introduced in 2015. They are in line with the Government's intention to identify projects that can give us quick returns to supplement those that provide us with returns over the longer term.

Let me begin with the forest subsidy for value adding machines. A new project with a budget provision of \$550,000, this project is designed to enable the active participation of landowners, the grassroots in the maritime islands and the interior of Viti Levu and Vanua Levu. It does this by offering assistance in the collection and sale of pine resin to Callison Pacific Limited for export. The company currently has an arrangement with Fiji Pine Limited and discussions with the pine extension owners in the maritime islands and interior of Viti Levu and Vanua Levu is on the way. All demands for this product equates to about one million tonne, out of that, Fiji has been able to contribute around 0.19 per cent. The production level in Fiji since its inception in April 2013 equates to a volume of about 1,900 tonnes at a value of \$1.4 million.

Madam Speaker, with this innovative low cost and labour intensive method, the sap is cleared from the standing trees as early as eight years after planting, and a tree can be tapped for 10 to 12 years. It is imperative to note that whilst it assists in the log-drying phase of the logging cycle, it provides an alternative and substantial revenue base.

Madam Speaker, the direct benefits expected to be derived from this project is substantial. This includes direct monetary returns through the establishment of an alternative livelihood source, employment, establishment of other SMEs and an improvement in the general standard of living of those engaged in this project. It also contributes to some extent, to the Government's overall effort to alleviate poverty. Pine resin tapping now employs 500 people of which 70 per cent are young people and 50 per cent are women. Callison Pacific targets of establishing 5 million plastic bags for tapping would further increase the current employment level to between 2,500 and 3,000 people. The forecast for this industry looks very bright. After just a year and a half in operation, pine resin is a flourishing forestry commodity, promises long term stability and continuity and is guaranteed to provide us with financial returns.

Let me give you an example of the monetary benefits that trickles down to the community in the case of the expected pine resin harvest in Lakeba. The scheme there covers 1,700 acres equating to 1.8 million trees with a production volume of 780 tonnes and with a buying price of \$1,100 per tonne, anticipated total income for the people of Lakeba is \$865,000. The return on investment is such that \$1 invested in this project has the potential to generate a little over double the principal amount.

My Ministry will be subsidising freight costs on the transportation of machine and equipment and subsidising the carriage of the products to the main land for further processing. Discussions are already underway with the relevant stakeholders such as the Department of Fisheries for the use of the vessel *Bai Ni Takali* and with Callison Pacific and Fiji Pine Trust for the appropriate training to enable the people of Lakeba to obtain the necessary skills to make this a sustainable source of revenue.

Madam Speaker, the second project I wish to elaborate on is the Food Security Programme for Aquaculture with a budgeted allocation of \$300,000. The population of Fiji is increasing and approaching the one million mark. Food security is an issue that we need to be address now to ensure that there is enough fresh and healthy food available for our population.

The freshwater aquaculture project has been identified by Government as an income generation activity, which will assist in improving the livelihoods of Fijians, create employment and reduce poverty. Furthermore, the adverse impact of climate change, especially unpredictable weather patterns will have an adverse effect on capture fisheries which is where most of our food fish is sourced now. In order to combat the impacts of climate change on capture fisheries, aquaculture will give us an alternative source of fish, especially freshwater aquaculture.

Madam Speaker, in 2015 we will be expanding our effort to develop existing species and take them to a commercial level. Tilapia and prawn markets are available locally and abroad. There are suitable flat lands and good freshwater sources in the country for fish and prawn farming. Fiji is now recognized in the region as the leader in aquaculture but only through developing infrastructure and improving fisheries stock can we keep our competitive edge. In order to achieve this, there is a need to financially assist farmers so that they can venture into aquaculture. The majority currently lack the capital to start their fish farms and there are very few lending institutions willing to provide loans for fish farming because it is a new and upcoming sector.

Madam Speaker, the expansion of fisheries services to Rotuma next year with a budget allocation of \$800,000 for the construction of a fisheries station, staff quarters and ice plant is an initiative that directly meets the need of the people of Rotuma.

The Fisheries Department has completed preliminary feasibility study of sites at Rotuma for the installation of the ice plant. The site selected is Ahau Government Station, because of the presence of the large sheltered and deep bay for easy access for all vessels, sizes and the natural protection it provides from inclement weather conditions.

For the people of Rotuma, this project will vastly improve the marketability of the fish they catch, the benefits include job opportunities, income generation and general economic development to curb the drift of islanders to the main land.

Forests: There are a number of issues that require attention and we are addressing them. Economically, we have banked on the pine and mahogany industries to cushion the impact of the reduction in volume from the natural forest but our logged-out forest are heavily degraded and have been left in such a poor state, that it will take a lot of time for them to grow back to the original status and generate income again.

Madam Speaker, the budget allocation of \$300,000 for afforestation in 2015 will assist in addressing this most crucial development challenge. Further to this, Madam Speaker, is the provision of planting of more than 76,000 for a Sustainable Mangrove Restoration Project. This will be complemented by donor funding from the International Tropical Timber Organisation (ITTO). These target areas are prone to climate change and flooding, and include areas in the Rewa Delta and identified communities in the *Tikina* of Nakelo in Tailevu.

Madam Speaker, my Ministry has also allocated \$286,000 for the upgrading of our ICT infrastructure, an increase of more than 100 per cent when compared to the 2014 Budget. This funding is split into two components; the capital purchase of \$635,000 and an operational expenditure of \$191,000. This Budget ensures that appropriate upgrading is undertaken at our 43 stations and

substations nationwide, to improve internet connectivity, upgrade ageing software and hardware, develop appropriate application and procure more advanced technology. All these will enhance the efficiency of our service delivery to our customers.

Madam Speaker, the need for good governance of our forests, soil and water conservation and the retention of biodiversity remains the cornerstone to proper forest management. There are many uses of the forests and its resources, but the most prominent being the harvesting of commercially attractive tree species for timber. I, therefore, commend Government for funding nine new positions in the Department of Forests. These additional positions improve our ability to monitor and assess the harvesting of our forestry resources, the replanting effort and community extension support.

In addition, Madam Speaker, my Ministry has also been awarded ongoing budget funding in 2015 for projects such as the Pine Maritime Woodlot, Multi-Species Hatchery in Caboni, Gau Ice Plant and the Upgrading of the Colo-i-Suva Forest Park. These are projects that commenced in 2013 and 2014, but are yet to be completed and to be fully operational in 2015. Funding for these projects totals \$1.75 million for next year.

Madam Speaker, these are just some of the Budget allocations for my Ministry next year. There are further 16 ongoing projects, which time does not permit me to mention but which are in the Budget documents for honourable Members to peruse. They are all designed to elevate the performance of the Ministry, and enhance its vital role in our economy and in the lives of ordinary Fijians.

Madam Speaker, I commend the 2015 Budget, *vinaka vakalevu* and thank you.

HON. RATU S.V. NANOVO.- I rise, Madam Speaker, to thank the honourable Minister of Finance and his team for the presentation of the 2015 Budget that was presented on Friday, 21st November, 2014.

In my Budget address, Madam Speaker, I will try and analyse as to how this Budget has impacted on the three areas that I would like to focus my speech on, namely:

- (a) the whole of Fiji's economy;
- (b) my shadow Ministry, which is the Ministry of Employment, Productivity and Industrial Relations; and
- (c) the maritime provinces.

Now, I will look at how this has Budget affected the whole of Fiji's economy. The Budget that has been presented can best be described under the following categories:

- (a) Pro-rich and anti-poor;
- (b) Too optimistic and deceptive;
- (c) Lacks good governance; and
- (d) needs close monitoring in order to serve its purpose.

On those four categories, I would like to elaborate further on the first category, that is, pro-rich and anti-poor. Madam Speaker, the Budget is pro-rich and anti-poor in the sense that majority of the revenue collected is from indirect taxes rather than from direct ones. This means that majority of the poor sections of our community are funding the day to day running of the Government by paying indirect taxes on all the goods and services they do consume.

The rich, on the other hand, Madam Speaker, have been enjoying the reduction of their tax bill from the 32 per cent that they used to pay, to the 20 per cent that they are paying for the last two or three years. So, at the end of the day, the rich get richer and the poor get poorer, a typical situation that we want to eradicate from our society.

The second category is that, the Budget is too optimistic and deceptive. I do not think that the Government side has learned their lesson from what transpired in the same document that was presented last year. The document was, again, well presented, but it did not have much substance at the end of the year, because it did not fully achieve what it was intended to achieve, especially in generating the additional revenue through the sale of divesting of shares in Government shares.

In the 2015 Budget workout, the Government again, put in place the sale or divesting of shares of Government assets, as it was placed last year, to generate the required additional revenue. We are now approaching the end of this year, and there is not much movement in this area. The question to ask ourselves is; what guarantee do we have that these sales can take place next year?

The above question arises because the sales could not take place this year, and there was no mention in the documents of why it did not happen. If the sales can go ahead next year, then well and good, and if not, the following scenario will emerge from our table of revenue and expenditure:

- (a) The total expected revenue of \$3.1 billion will be decreased by \$507.3 million (the cost of assets to be sold) to \$2.6 billion, increasing the total deficit from \$213,854.3 million to \$721,154.3 million or 8.7 per cent of the Gross Domestic Product (GDP), which is totally unacceptable.
- (b) The reduction of total revenue will bring about the Government's inability to meet its financial commitments, hence further increasing its total Government debt.
- (c) In the past seven or eight years, the Government debt has been on the increase all the time, and if the above happens, then that will be the highest debt accumulated in any one year, which will be very detrimental to our economy. Therefore, if the above scenario happens, then the whole of Fiji have been deceived by this document by the Government by giving us a well presented Budget which cannot achieve its intended outcomes at the end of the day.

The third category is that, it lacks good governance. For the last seven years, the Budget presentation has been well presented but the problem normally arises in its implementation stages. In all the budgets presented in the years mentioned above, it has been noted that our overall debt level kept on increasing, and the same will also be expected in next year's Budget. The main reason behind the ever-increasing our debts year in and year out in those years was because the Government was not able to stick to the Budget that it had drawn up for itself and this was very much evident in the last seven years, as clearly outlined in the Auditor's Reports. Therefore, there is an urgent need for the Public Service Reform in order for them to safeguard the Budget that had been presented.

It is pleasing to note that the Government is planning to do these reforms next year, and it is hopeful that the service provider in this area should be selected after going through all the necessary tender procedures, to ensure that they can produce the required outcome of the programmes rather than just wasting public finances again in another futile exercise, hence increasing the debt level further.

The fourth category is that, Budget needs close monitoring in order to serve its purpose. This again, Madam Speaker, relate to the selling or divesting of shares of Government assets and this exercise can only take place through one of the following three mediums:

- (a) To reduce the Government debts, therefore, reducing the Government total debts commitment of the day; or
- (b) The returns of the assets owned keeps on decreasing or not meeting its required original targets; or
- (c) Discharging that particular asset will enable the Government to acquire a far better off asset with very much improved returns.

However, Madam Speaker, on the other hand, the Government should not sell any of its assets if the intention of selling these assets do fall in one or two mediums:

- 1) The return of the current assets fulfils the original target that was intended; or
- 2) The proceeds from the sale of the assets will satisfy the short term commitment needs of the Government.

Madam Speaker, in the 2015 Budget, the Government intends to sell three of its well performed assets namely; Airport Fiji Limited (AFL), Fiji Electricity Authority (FEA) and Ports Authority of Fiji (PAF). The intention of the sale is to further reduce the Government debt to an acceptable level which in turn can bring about a favourable growth rate in the economy. The move can be seen as a move in the right direction, but the question that will keep on coming is that, whether this move can be avoided because of the following reasons:

- (a) The assets to be sold are well performing ones and they also act as monopolies in our economy.
- (b) If the assets are brought by foreign companies and being monopolies in our economy, their drive would be to maximise their profits in Fiji without any consideration to the local communities, and therefore, the price of the commodities they produce can be very high which the local community will find it hard to consume.
- (c) Once the assets are sold, the Government debts would be reduced but the demand for the “freebies” from our population will keep on increasing because we have already started giving out the same as well as their other various demands.

Government will find it hard to balance the demand and the ability to afford it and therefore, Government debt will keep on increasing in order to satisfy its voters. If it is not careful, it will continue in that line of action until such time that the people demand will be far much greater than what the Government can generate and therefore, the debt will increase to a level that will be too much for the Government to absorb and can reach a stage where the Government becomes insolvent.

As an alternative to the above, Madam Speaker, the Government at all cost must try:

- (a) To stop the outright selling of all its assets that build up over the years, because it will not only decrease its current asset base, but it will also be very expensive to replace them at this time.

- (b) But if there is an urgent need for Government assets to be sold, then the Government must ensure they can only discharge that through one of the three mediums already mentioned above, and the first offer of refusal must be given to our local companies with broad-based share holdings because the benefit of the sale will be spread to all the major sections of our communities, and not to the only few individuals as we have witnessed in the last two years or so.

Madam Speaker, I will now touch on the impact this Budget will bring on my shadow Ministry, the Ministry of Employment, Productivity and Industrial Relations. From the 2015 Budget presentation regarding the Ministry, it is noted that they have put in place so many initiatives that will finally address the unemployment problems that we are currently facing, and we do thank them for that.

In the middle of this year, the unemployment figure quoted by this Ministry was 30,000, and 12,000 of that were university graduates. The workforce was there but there were very limited opportunities around where we can find employment in. This is one of the main problems in Fiji today that need Government intervention, and I think what they are doing at the moment, we hope we can be satisfied with their actions right now.

HON. GOVT. MEMBERS.- Thank you!

HON. RATU S. NANOVO.- Madam Speaker, one of the areas that we have to really focus on in order to increase employment is the creation of the Minimum Wage Rate. Currently, the Minimum Wage Rate enforced by the Government is \$2 per hour, and by 1st July, 2015, it will increase to \$2.32 per hour. With the new Wage Rate, the Government is hoping to provide employment to 100,000 workers. On that new Wage Rate, and to work for 45 hours per week, the gross pay would be \$104.40, and after FNPF deductions, the employee will be left with \$96.05, which is still very much below the poverty line. If the above work out is correct, then the targeted number of 100,000 to be employed under this new Minimum Wage Rate may be too hard to be realised, because before, at the rate of \$2 per hour, 30,000 people were still unemployed and with the \$2.32 per hour, an increase of 16 per cent will automatically attract 100,000 workers, which I doubt very much.

As an alternative, Madam Speaker, the Minimum Wage Rate should be worked out based on the sectors of the economy, because different sectors will require different skills requirements, experiences and responsibility, and the minimum wages for different sectors would be encouraging enough to attract the right people to that particular sector. If the sectoral minimum wage rate was already in place, I am sure that some of the 30,000 who are currently unemployed would have been employed by now.

It is also noted from the Budget Address, the apprentice scheme will also be re-introduced again from next year. Madam Speaker, for the scheme to be successful, it is suggested that once the apprentices graduate, the employer who takes them in for employment should be incentivised, through tax exemption for four years, the duration of their apprenticeship. This will motivate school-leavers to join the apprentice scheme because they know at the end of their training, they will be provided with employment. The employer, on the other hand, will also be motivated to provide employment to these apprentices once they graduate because they will be provided with the tax exemption initiative. At the end of it, this innovation will be well received by both parties because it creates a win-win situation to both the stakeholders involved.

To improve an increase employment relation further with the outside world, Madam Speaker, the Government is requested to be open and transparent in its dealings with the International Labour Organisation (ILO).

They should accept the ILO Mission to Fiji and their terms of reference for the proposed mission, in order that the plight of workers in Fiji, who are being deprived of their basic rights can be addressed and improved.

Madam Speaker, the other local stakeholders of this mission have signed the required Memorandum of Understanding (MOU) and we hope that at the end of this Budget session, the Government, through the honourable Minister for Employment, Productivity and Industrial Relations, will also sign the said MOU.

We are also pleased to note that democracy has closely crept into our country once more, and in order to restore the same to its entity, we, on this side of the Chamber, will demand that the essential National Industries Decree be abolished because it restricts workers (in Fiji Airways, Telecom Fiji, FINTEL, FEA, FBC and municipal councils) of their rights to be represented by industrial unions, and in doing so, have their terms and conditions of employment eroded without any recourse for job protection.

This is discriminatory, and contrary to Section 26 of the 2013 Constitution which guarantees equal rights for all citizens. Getting people to be employed in large scale will be very hard to achieve, and this can only be possible through firstly, providing the right climate of employment locally, and secondly by closely adhering to the International Labour Organisation Rules of Engagement.

Last, but not the least, Madam Speaker, I would now touch upon as to how the 2015 Budget Speech has impacted the maritime provinces. After going through the 2015 Budget, Madam Speaker, we noted that an allocation of slightly above \$5 million from the Ministry of Maritime Development to meet the development costs in the maritime provinces of Kadavu, Lau, Lomaiviti and Rotuma.

We thank the Government for that, especially over 50 per cent that will be directed to our *Naitas* from the Lomaiviti province. The balance of the budget, amounting to \$3.3 million is earmarked for infrastructure development in Kadavu, Lau and Lomaiviti. Sorry, I am not including Rotuma because I know it has already been done.

HON. MEMBERS.- Hear, hear!

HON. RATU S.V. NANOVO.- In the maritime provinces, Madam Speaker, as you may know very well has been neglected for some long time and the Budget allocated to us this year is very much below what was expected, in relation to all the development works that are required to be carried out in these three provinces.

All the roads in these three provinces badly needs upgrading, Madam Speaker, to all weather standards in order to fully serve their purpose. Unfortunately, at this stage, many of these roads can only be utilised in good weather while others, especially in Gau, cannot be used at all.

Madam Speaker, jetties on the islands also need repairing, especially at Vanua Balavu and Vunisea, and we are waiting for a promised jetty that was supposed to be built at Nabukelevu-i-Ra in Kadavu.

Madam Speaker, looking at what is needed to be done on the ground and in relation to the amount allocated (around \$3.3 million), may be insufficient and request the honourable Minister for Infrastructure and Transport, if he could also assist the maritime provinces in this area.

HON. RATU I.D. TIKOCA.- Hear, hear!

HON. RATU S.V. NANOVO.- To conclude, Madam Speaker, we thank the honourable Minister of Finance once again for the Budget presented, but I tend to find it hard to swallow because if it is not going to work, Government will put more burden again to our future generation in paying off this huge debts in the years ahead of us.

In view of that Madam Speaker, I do not support this Budget.

HON. V. NATH.- Madam Speaker, I whole heartedly support the Budget presented before this Parliament, and in doing so, I would like to take this opportunity to congratulate the honorable Minister of Finance for the commendable effort put in the preparation of the 2015 Budget, in particular the generous allocation for the education sector.

Madam Speaker, in my Budget response, I wish to speak on four topics namely:

- (a) Education spending;
- (b) Teacher recruitment;
- (c) New Initiatives in Education and Return to Examination System in schools; and
- (d) Culture and Heritage

Madam Speaker, firstly on education spending. The Government has made a remarkable allocation of 17 per cent of the 2015 National Budget to the education sector, investing in the future of our children. This size of the budget allocation for education sector speaks loud and clear about the educational focus of this Government. This Budget also underlines this Government's commitment to the people of Fiji for a better future. This Government's emphasis on education has never been so clear and unequivocal.

The old motto of teachers "Child our Hope" can now be better emphasised with the statement "Today's Children are the future of tomorrow." This is what this Government is committed to do. Providing for our children's education and well-being simply means providing for our future and the future of Fiji as a nation.

Madam Speaker almost 50 years ago, Fiji was blessed with the setting up of the University of the South Pacific which was able to accept for enrolment our secondary school graduates who gained tertiary education locally and were able to enhance academically. Many of these graduates form a large number of members of this august Chamber today. Our Government has been able to allocate and contribute sufficiently large sums of money for the running of this premier tertiary institution - USP in the region and we must commend this Government for improving on the allocations of the past governments.

Madam Speaker, we all must be proud that through this Government's effort no longer poor parents can assert that their children are unable to achieve tertiary education. Our Government has allocated substantive funding to all three tertiary institutions in the country, namely the University of the South Pacific, Fiji National University and the University of Fiji.

Secondly, teacher recruitment: Madam Speaker, good teachers are an integral part of educational institutions. The Government, in this Budget, has made its stand clear on teachers and their recruitments. Career in teaching has no ceiling and all teachers have the opportunity to improve themselves as they mature in practice. Excellence in teaching is achievable by all teachers should they strive to succeed academically and professionally.

Student-teacher ratio should be improved wherever possible. Although this is largely based on affordability, our Government is now beginning to implement a long-term target to improve this ratio. Starting from 2015, the Ministry of Education will recruit 206 teachers for Secondary schools and 142 for primary schools. This is only the beginning and the Government will bring further improvements to this ratio wherever possible in years to come. The Government will appoint administration staff and remove teachers presently doing administration work back to classrooms. This initiative is labelled as “re-claiming our teachers”.

Madam Speaker, there is another side to this - the employability of newer teachers marching out from training. Hiring more teachers next year also means employing more teachers as the Government attempts to gradually improve the ratio. Better student - teacher ratio in both primary and secondary schools has the ability to improve learning and teaching at all levels and has the capacity to produce better students, whose ability to handle learning in higher institutions has dramatically improved.

The Government's approach to improve the disadvantaged schools is commendable. A tailor-made approach is being put into place through re-configuring the way the grant structure will work under the free-tuition initiative. The Ministry will be able to take into account the location, size and resources of each school when deciding the grant payment. Some of the schools in the interior of the country and maritime zones which have had fewer teachers in the past will surely gain from this initiative. By and large, most schools will have full complement of teachers and will thus be able to provide better learning for their students.

New Initiatives in Education and Return to Examination System in schools: Madam Speaker, the abolition of the examination system in the past was met with mixed feelings by most stakeholders in education. Some felt the action was premature whereas others considered that the disadvantaged outweighed the advantaged. The truth about the success of the examination system has been found and this Government feels that examination plays a vital role in the learning and teaching process. This must be retained.

This Government has come out with a plan that examinations be re-introduced in the Years 6 and 10. These are external examinations. These are crucial years in the early life of a young learner and examinations in those years is likely to make an impact in their grappling with learning tools and testing their understanding of subjects. The approach to teaching is also being changed primarily to achieve coverage of syllabus in two terms only. The third term will be used to undertake structured remedial classes only. This is likely to afford the students better opportunity to prepare for examinations and achieve excellence in their performance.

Madam Speaker, on the other initiatives, kindergarten teachers are only paid 70 per cent of their salaries by the Ministry, the balance of 30 per cent is the task of the committees. Sometimes committees have been unable to meet their part. In 2015, from Term 2, the Ministry will pay 100 per cent salary of the teachers in kindergartens and free education grant will be extended to all approved kindergartens.

Madam Speaker, the Government is also addressing the health of school children in Year 1. All school children will be provided with 250 millilitres of milk on a daily basis. The Government will make the following changes to our examination and assessment policy from Year 6 to Year 10:

- (a) All school-based annual examinations will be replaced with final examinations that will be prepared by the Ministry of Education. This will ensure that students from all over Fiji will be sitting the same exam, which will be 100 per cent syllabus-based and the marking intensity will be the same across all schools in Fiji.
- (b) A marking criteria will be provided by the Curriculum Development Unit (CDU) and the Examinations Office, where all teachers will be marking the same exam.
- (c) Answer scripts for examinations in Years 6, 10, 12 and 13 will be marked by a different set of examiners appointed by the Ministry.

Madam Speaker, despite having exams for Year 6, all students will progress to Year 10. However, following Year 10, students will have to choose which stream they wish to further their education in - Higher Education Stream or Technical Education Stream. Those with less marks in the subject area plus less aptitude, will either have to undertake Technical Education Stream or repeat Year 10.

Madam Speaker, we are not only a multiracial society but indeed a multi-cultural one. Many societies in the world today are desperately searching for their lost culture and identity. We are indeed proud that compared to them, our culture is intact and well preserved today. However, this Government is determined that we ought to do a lot more to safeguard our rich cultural and natural heritage. In order to enhance the Government's effort within the Education Ministry, a Department of Heritage and Arts has been entrusted with the responsibility of seeing this through. Promotion of our cultural diversity is just as important as educating our children. All communities must be presented with an opportunity to learn and discover about other communities and share with. This learning and discovery about others culture will give them the opportunity to understand each other better and appreciate and accommodate others with open arms.

Madam Speaker, a lot can be achieved by creating national sites for international status and world recognition. Raising proper profile of our community's connection to the land, ocean and our identity and traditions are likely to play an important part in integrating our society and presenting a wholesome picture of who and what we are, not only to our people but to the rest of the world.

In the past, culture has been put to some use in the national educational curriculum. A lot more will be done so that culture can form the basis of a subject or part of a subject for the purpose of formal education in schools. The Ministry of Education will explore the possibility of this so that our rich culture can be further investigated, with a view to enhancing its use and protecting the rights of those who work in developing our culture further.

Madam Speaker, let me conclude by saying that the Ministry of Education will explore all avenues to ensure it achieves the set deliverables set for 2015.

Madam Speaker, I commend the 2015 Budget.

HON. CAPT. T.L. NATUVA.- Madam Speaker, I rise today in this august Parliament to lend my support to the 2015 Budget. Let me extend my congratulations to the honourable Minister of Finance and his team for articulating a vision in this year's budget presentation which seeks to support our Government's pro-poor, pro-growth and pro-development approach, to enable a better quality of life for all Fijians.

Madam Speaker, it would be remiss of me if I did not acknowledge the fact that Fiji's economy over the past six years has seen consecutive, uninterrupted and real economic growth. This is one of the longest sustained periods of growth for Fiji since Independence. We must not forget that during this period of sustained growth, the world economy experienced the Global Financial Crisis. However, it is testament to the past governments fiscal management and sound financial policies that there was no major impact to the Fijian economy. The 2015 Budget will continue to build on this solid foundation which augurs well for all Fijians moving forward.

Madam Speaker, I wish to focus my comments this morning in relation to the budget allocation that has been provided to the respective Departments under my portfolio.

The Ministry of Immigration, National Security and Defence is tasked with the coordination of Fiji national security effort, through the formulation of effective implementation of policies, legislation programmes and initiative related to maintaining enhancing our security and defence.

The Ministry of Immigration, National Security and Defence has been allocated a budget of \$2.5 million. This allocation will enable the Ministry to operate and deliver its normal services, inclusive of policy advice and implementation of the various legislations under the Ministry. It will also enable the Ministry to conduct the National Security and Defence Review in 2015.

The review will ensure that civilian oversight and democratic control mechanism are established for the security and defence sector. The end product of the review process is that Fiji will have a new national security policy, a Defence White Paper, Police White Paper and the Immigration White Paper.

This will ensure that we are able to identify and plan for the challenges that may impinge on our national security over the next five to 10 years. It may also allow us to clearly map out the required strategies to mitigate the challenges by building the required capacity and capability for RFMF, Police, Immigration and other security stakeholders.

The Department of Immigration has been provided with a budget allocation of \$4.6 million. The Department is responsible for providing an efficient and effective immigration Service through the administration and enforcement of the Immigration Act, 2003, the Passport Act, 2002 and the Citizenship Decree, 2009.

The Department has received an increased allocation for the integrated border management system of \$45,000, which will provide for the maintenance of two new servers to be installed in Nadi. This will ensure continued access to immigration data required to facilitate the arrivals and departure to maintain the integrity of our border through the identification of passengers who may be at risk in terms of security.

The Department has also been allocated \$75,000 for operating a safe house. This will ensure that the safe house is adequately maintained and staff are in compliance with the United Nations High Commission of Refugees Convention on how irregular migrants and those who may be victims of trafficking or people smuggling are housed and treated before they are returned to their countries of origin.

The Fiji Police Force: Madam Speaker, safety and security of all Fijians is paramount to the Government and the Fiji Police Force has the important responsibility to keep the people of Fiji safe by maintaining law and order, protecting property and upholding the rule of law.

Madam Speaker, \$120.5 million has been provided to the Fiji Police Force. This represents an

increase of \$8.7 million, in comparison to the 2014 allocation. The increased funding in this operating budget is for the appointment of new officers to address manpower shortage in border police. An increased funding in the capital budget is primarily for the construction of new police stations, new police posts and renovation of living quarters.

Madam Speaker, our focus on allocation for capital construction and capital purchase as the increase given to Police is to enhance their capacity to deliver their services and provide the necessary equipment for them to conduct their work effectively.

Madam Speaker, \$4.1 million is allocated for capital construction for the Police Force in 2015; \$2.4 million is provided for the construction of the new Valelevu Police Station. This will enable the station to meet the expanded police responsibilities required to serve a rapidly increasing population in the Nasinu area, which is almost 90,000 people in the 2007 census and continues to grow to-date.

Other stations for constructions are: Nakasi Police Station; Namaka Police Station; and Vanua Balavu Police Station.

Madam Speaker, \$710,000 has been allocated for the construction of the Beqa Police Post, which will enhance the accessibility of the police services to the islands, and also Yanuca, given the development in the area. This is part of Government's intention to have accessibility to police services for all Fijians, in particular those in the rural and maritime areas.

Madam Speaker, \$500,000 has been provided for renovating and extending police stations and police posts for Nadi, the Police Special Response Unit in Nasinu and Lautoka Police Station. This will ensure that police officers are provided with a safe and conducive environment to enable them to conduct their duties to the best of their ability.

Madam Speaker, \$2.64 million is provided for capital purchase. This allocation will allow the Police Force to enhance its ability to detect and investigate crimes through the use of technology through the following purchases:

- (a) Back-up generator in quality assurance system for the Fiji Police Forensic Science Services.
- (b) Communication equipment to modernise their system from analogue to digital multiband platform.
- (c) Traffic management equipment, standard protective equipment for police officers, special operation equipment for search and rescue and natural disasters and other police operations.
- (d) Purchase of analytical forensic chemistry equipment and digital imaging laboratory, to provide a strong capability in toxicology analysis, trace evidence analysis and arson case sample analysis for improved detection and conviction rates and also allow for better investigation capabilities.
- (e) Last but not least, the upgrading of the Criminal Records Information System, to allow better data accessibility and facilitate the information sharing.

Madam Speaker, the Police have been facing mobility problems over the past years. The securing of more vehicles for police, in particular for rural areas is currently being consulted between

the Ministry of Immigration and Defence and the Ministry of Finance. We hope to get more vehicles in the next four weeks.

Madam Speaker, this capital purchase are in line with Government's intention to lift the standard of policing in international best practices by improving their operation readiness and effectiveness.

Madam Speaker, I would also like to thank the honourable Minister of Finance for the allocation of \$28.2 million for the full implementation of the Job Evaluation Exercise for the Police. This has been an outstanding issue since 2004 when the Job Evaluation Review should have been implemented with other pay increases for the Fiji Police Force. The full payment of this entitlement is to ensure that the Fiji Police Force remains committed and motivated as they will now be paid relative to their duties they are required to conduct.

Madam Speaker, before I speak on the budget allocation for the RFMF, I would like to reply to only some of the issues raised in this august Chamber by the honourable Roko Tupou Draunidalo during yesterday's session.

Firstly, the honourable Member has referred to a continued increase in the RFMF Budget since 1986. Madam Speaker, if the honourable Member will note, in general, the budget expenditure across all government departments has increased since 1986 and this is not solely confined to RFMF. For example, the Ministry for Education budget in 1986 was \$69.9 million, as compared to \$541.5 million in 2014. For the Ministry of Health, their budget in 1998 was \$88.1 million, as compared to \$222.5 million in 2014. These Ministries will also receive increases in the 2015 Budget of \$47.3 million for the Ministry of Health and \$30.7 million for the Ministry of Education.

Madam Speaker, the fact is that the World Bank Statistics of Fiji Military expenditure compared to GDP indicates a steady decrease from 1.6 per cent of GDP in 2010, to 1.3 per cent of GDP in 2013. This is similar to the Defence expenditure prior to the 2000 *coup*, which is 1.2 per cent of the GDP. Comparatively, on average, democratic countries around the globe peg their military expenditure at the average of two per cent to 2.4 per cent of GDP. Therefore, Fiji's military expenditure is well below the average global level.

Secondly, the notion that the RFMF is solely responsible for the *coup* that occurred in Fiji is an error. In fact in 1987, in 2000 *coups* were instigated by disgruntled elements including some of our chiefs, some church leaders, who were able to influence certain members of the RFMF to support their cause.

Madam Speaker, the RFMF has been the Fijian government vehicle to support and participate in global peace and security initially. Since 1978, our service men and women have participated in peacekeeping operations in troubled spots around the world, including Lebanon, Sinai, East Timor, Bougainville, Solomon Islands, Sudan, Iraq and the Golan Heights. In fact, Madam Speaker, Fiji is known for our ability to play rugby, our tourism industry and peacekeeping. It has lifted our profile internationally, and has allowed us to be able to punch above our weight in various international forums.

Madam Speaker, our exposure to international peacekeeping and foreign diplomacy has translated into a chairmanship of the G77, membership of the Non-Aligned Movement (NAM) and chairing such bodies like the International Sugar Council. That, Madam Speaker, is what I mean by punching above our weight.

Madam Speaker, passionate to our commitment to global peace and security, it is well known to the international community that the RFMF was willing to go to Iraq and the Golan Heights when no other military force around the world wanted to.

HON. GOVT. MEMBERS.- Hear, hear!

HON. CAPT. T.L. NATUVA.- Madam Speaker, peacekeeping also brings revenue back to government, as an example, from 2007 to 2012, just for the deployment to Sinai, brought approximately \$35 million in revenue to Government. The RFMF is here to stay, and for the future.

Madam Speaker, the RFMF has also played a significant role in national development. As an example, the 230 projects that have been implemented by the RFMF engineers from 2007 to 2012, worth \$37 million, bettering the lives of many Fijians, in particular those living in rural areas.

Also, the RFMF has also built foot bridges for our maritime islands in the Lomaiviti Group, Naitasiri and other provinces, Bemana Catholic School, a total of about 350 projects.

The RFMF completed a number of roading projects also in Kadavu, Naitasiri, Nadroga, Ra, and in the other 14 Provinces in Fiji.

The RFMF is also about to commence with upgrading works for the Rotuma Hospital. The RFMF has also been an integral part of the efforts to assist all Fijians during and after natural disasters over the years.

Madam Speaker, the Fiji Navy, despite its limited resources, have been able to contribute effectively to monitor our EEZ of over 1.5 million square kilometres over the last eight years, in the absence of the support of the New Zealand and Australian Governments. Furthermore, the Fiji Navy has played the central role in search and rescue efforts over the years, resulting in many lives being saved.

HON. MEMBERS.- *Vinaka!*

HON. CAPT. T.L. NATUVA.- Madam Speaker, I believe the honourable Members in this august Parliament should seize the opportunity that His Excellency the President urged us to take up, that is to work together for a good Fiji, and all Fijians. Therefore, we should continue to work towards a better future, and not dwell on the past.

Madam Speaker, the primary responsibility of the RFMF is to ensure it upholds and defends at all times the security, defence and the well-being of Fiji and all Fijians. The RFMF has also been the tangible expression of our foreign affairs policy, through its significant contribution to United Nations Peacekeeping Operations in troubled areas around the world.

Madam Speaker, a total of \$7.5 million had been provided to the RFMF, to complete the infrastructure development of Black Rock Project, the benefits of which I have highlighted this morning.

Madam Speaker, the RFMF has also received an overall increase of \$552,000 for the renovation and infrastructure development of RFMF building at Queen Elizabeth Barracks, Sukanaivalu VC Barracks in Labasa, and the Force Training Group in Nasinu. The upgrading and renovation projects are aimed at improving the RFMF infrastructure and amenities, in order to support the expanded RFMF

programmes and establishment. This had not eventuated over the past eight years due to our priority given to rural development projects in Fiji.

Madam Speaker, with the current state of buildings, moral and operation effectiveness of the Force will be adversely affected, if not repaired or upgraded. The improvement to infrastructure will remain one of RFMF's top priorities for the next three years.

Madam Speaker, the RFMF has received increase in its operational budget for the following major activities, and I will only mention a few:

- (a) \$50,000 for the survey of charts for navigational purposes;
- (b) \$49,000 to Travel and Communication that will lead to the increased tempo of work with RFMF they will undergo locally, and the need to communicate with troops deployment in peacekeeping duties; and
- (c) \$200,000 for the Maintenance of Spare Parts to ensure that vehicles are operational.

Madam Speaker, the Budget allocation to RFMF will ensure that they are able to conduct their national roles effectively, whilst being able to meet our peacekeeping operations.

Madam Speaker, in relation to the comments by the honourable Members of Parliament, it is a slap in the face of church devotees to expect Government to fund their activities from this Budget. The free-will offering given to churches should be sufficient to cover their expenses. In fact, I would encourage churches not to continue to preach from the church, and stress that they preach in streets and house to house for their outreach programmes. This is in order to take their message of hope to the people of Fiji so that we can address the many social ills we now face.

Madam Speaker, to conclude, in order to continue Government positive growth outlook for 2015 and beyond, the provision of safety, security and stability will create the necessary environment to attract investment for development and real opportunities for our people to prosper.

With a total of \$230.9 million provided to the Department of Defence, Government is ensuring that the organisation entrusted with our security and defence remain efficient and effective enough to meet current and emerging challenges.

Madam Speaker, this Budget is the Budget that is supportive of grassroots development, it is a Budget that will foster economic growth, support the Government Vision for a knowledge-based society, and one that will be socially empowered. This is a Budget true to its theme, "Turning Promises into Deeds".

Madam Speaker, on that note, I reiterate my support for the 2015 Budget.

MADAM SPEAKER.- I thank the honourable Timoci Natuva for his response to the Appropriation Bill, and I thank you all honourable Members for your patience, sitting all this time until now.

That brings to end today's Batting Order. Firstly, I thank all honourable Members for your support for a global event that we are observing today by wearing the orange ribbon that you have on. The event is a very important one. It marks 16 days of activism for the Elimination of Violence Against Women. In this respect, the Parliament, in partnership with UNDP, is organising a special event in the Small Committee Room, and you have all received invitation on that. Please bear with us for just a

few minutes to be with us to conclude our support for this particular global event, as soon as we move out of here.

Thank you all very much and may you have a nice and restful evening.

The Parliament is now adjourned until 9.30 tomorrow morning.

The Parliament adjourned at 5.24 p.m.