

# **PARLIAMENT OF THE REPUBLIC OF FIJI**



## **PARLIAMENTARY DEBATES**

### **DAILY HANSARD**

**MONDAY, 25TH MAY, 2020**

**[CORRECTED COPY]**

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## MONDAY, 25TH MAY, 2020

The Parliament met at 9.31 a.m. pursuant to adjournment.

HONOURABLE SPEAKER took the Chair and read the Prayer.

### PRESENT

Hon. Josaia Voreqe Bainimarama, Prime Minister and Minister for iTaukei Affairs, Sugar Industry and Foreign Affairs  
Hon. Aiyaz Sayed-Khaiyum, Attorney-General and Minister for Economy, Civil Service and Communications  
Hon. Lt. Col. Inia Batikoto Seruiratu, Minister for Defence, National Security and Policing, Rural and Maritime Development and Disaster Management  
Hon. Parveen Kumar Bala, Minister for Employment, Productivity, Industrial Relations and Youth and Sports  
Hon. Mereseini Rakuita Vuniwaqa, Minister for Women, Children and Poverty Alleviation  
Hon. Dr. Mahendra Reddy, Minister for Agriculture, Waterways and Environment  
Hon. Cdr. Semi Tuleca Koroilavesau, Minister for Fisheries  
Hon. Faiyaz Siddiq Koya, Minister for Commerce, Trade, Tourism and Transport  
Hon. Osea Naiqamu, Minister for Forestry  
Hon. Jone Usamate, Minister for Infrastructure, Meteorological Services, Lands and Mineral Resources  
Hon. Dr. Ifereimi Waqainabete, Minister for Health and Medical Services  
Hon. Premila Devi Kumar, Minister for Local Government, Housing and Community Development  
Hon. Alexander David O'Connor, Assistant Minister for Health and Medical Services  
Hon. Veena Kumar Bhatnagar, Assistant Minister for Women, Children and Poverty Alleviation  
Hon. Vijay Nath, Assistant Minister for Infrastructure, Transport, Disaster Management and Meteorological Services  
Hon. Alvick Avhikrit Maharaj, Assistant Minister for Employment, Productivity, Industrial Relations, Youth and Sports  
Hon. Alipate Tuicolo Nagata, Assistant Minister for Employment, Productivity, Industrial Relations and Youth and Sports  
Hon. Jale Sigarara, Assistant Minister for Agriculture and Maritime Development  
Hon. Viam Pillay, Assistant Minister for Environment and Rural Development  
Hon. Joseph Nitya Nand, Assistant Minister for Education, Heritage and Arts  
Hon. George Vegnathan, Assistant Minister for Sugar Industry  
Hon. Selai Adimaitoga, Assistant Minister for iTaukei Affairs  
Hon. Dr. Salik Ram Govind  
Hon. Rohit Ritesh Sharma  
Hon. Sanjay Salend Kirpal  
Hon. Vijendra Prakash  
Hon. Major-General (Ret'd) Sitiveni Ligamamada Rabuka  
Hon. Ro Teimumu Vuikaba Kepa  
Hon. Ratu Naiqama Tawake Lalabalavu  
Hon. Niko Nawaikula  
Hon. Viliame Rogoibulu Gavoka  
Hon. Salote Vuibureta Radrodoro

Hon. Adi Litia Qionibaravi  
Hon. Mosese Dreca Bulitavu  
Hon. Anare Jale  
Hon. Ratu Suliano Matanitobua  
Hon. Ro Filipe Tuisawau  
Hon. Inosi Kuridrani  
Hon. Mitieli Bulanauca  
Hon. Peceli Waqairatu Vosanibola  
Hon. Ratu Tevita Navurelevu  
Hon. Simione Rokomalo Rasova  
Hon. Prof. Biman C. Prasad  
Hon. Lenora Salusalu Qereqeretabua  
Hon. Lt. Col. Pio Tikoduadua

Absent

Hon. Rosy Sofia Akbar, Minister for Education, Heritage and Arts

Point of Order – SO 80

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA.- Honourable Speaker, may I rise on a Point of Order?

HON. SPEAKER.- Point of Order.

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA.- Mr. Speaker Sir, I rise on a Point of Order, Standing Order 80 – Personal Explanation before we go into the Confirmation of the Minutes.

Mr. Speaker Sir, when I received the Hansard Report, I note that on page 710, the Honourable Prime Minister's speech and the sentence before the interjection by Members states and I quote: "...He should be in prison right now." That in relation to the previous sentence where he said and I quote: "I have been taken to task Honourable Speaker by yourself but he had not been taken to task for the events that transpired on 2nd November, 2000 up at the Camp."

Mr. Speaker, perhaps my personal explanation, the generations, our future members of parliament will have access to this. The Honourable Prime Minister understands the separation of powers and he knows that no one goes to prison except on the orders of the Judiciary and I ask Honourable Speaker, Sir, that the Honourable Prime Minister withdraws that statement and that it be expunged from the records of Parliament. Thank you, Sir.

HON. SPEAKER.- Honourable Members, I will look into this. I will not act on it immediately because it has just come up all of a sudden and the Hansard has been out now for a while. I will look into that separately.

**MINUTES**

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Thank you, Mr. Speaker, Sir. I move:

That the Minutes of the sitting of Parliament held on Friday, 27th March, 2020 as previously circulated be taken as read and be confirmed.

HON. A.A. MAHARAJ.- Honourable Speaker, Sir, I beg to second the motion.

Question put.

Motion agreed to.

## COMMUNICATIONS FROM THE CHAIR

### Welcome

HON. SPEAKER. - I welcome all Honourable Members to today's sitting of Parliament. I also welcome all those watching the live broadcast and the live streaming of today's proceedings from the comfort of their homes, offices and mobile phones. Thank you for taking an interest in your Parliament.

### COVID-19 restrictions

Honourable Members, as you are aware, I had made a ruling on 26th March, 2020 with respect to seating arrangements, voting by acclamation, opening of the bar and speaking protocols for the 19 Members seated in the gallery. All these measures will remain in place for the duration of this sitting week. I am just trying to adjust my focus to see who is sitting where. Some of you look better sitting there than when you were sitting elsewhere.

(Laughter)

### Reduce Paper Usage in Parliament

Honourable Members, please take note that from today's sitting, most documentations will be sent electronically. Hard copies will only be provided for the Order Papers and Minutes of Proceedings. All other documents including the uncorrected version of the Hansard Report and Standing Committee Reports will be provided electronically to Honourable Members. The objective of this strategy is to realise the Fijian Parliament's efforts towards an e-Parliament. This will also reduce the Parliament's carbon footprint and thereby ensuring our efforts in achieving SDG 13. Thank you Honourable Members.

## MAIDEN SPEECH – HON. F.S. KOYA

HON. SPEAKER.- Honourable Members, at this juncture I will now call on the Minister for Commerce, Trade, Tourism and Transport, the Honourable Faiyaz Koya to deliver his maiden speech. Honourable Minister, you have the floor.

HON. F.S. KOYA.- Thank you, Honourable Speaker. Honourable Speaker, Sir, Honourable Prime Minister, Honourable Leader of the Opposition, Honourable Ministers, Honourable Members of Parliament and fellow Fijians watching live in this Parliamentary session. *Bula vinaka* and a very good morning to all of you.

Honourable Speaker, Sir, this is a very special moment for me to stand in the same Chamber after only some short 16 odd months and I am happy to be back, Sir. Grateful to be part of this august House and also grateful that I can continue to serve all Fijians, Sir.

Honourable Speaker, Sir, I pay homage to the Honourable Prime Minister for giving me this opportunity and having faith in me to be part of the FijiFirst team during this enduring time.

I am also thankful to the Honourable Attorney-General and other fellow colleagues of the FijiFirst Party for their continued confidence in me. I must also thank my friends, my family for their continuous encouragement, love and support.

Mr. Speaker, Sir, as I acknowledge my late father, Siddiq Moidin Koya, I also treasure his values and principles that have been engrained in me and I will continue with respect to his legacy, Sir. Being away for about 16 months, Sir, from Parliament has given me a unique perspective and I have had the opportunity to reconnect with people in Fiji especially the grassroots and the business community. I have made an effort to gauge the pulse of the nation and what Fijians needed for a better Fiji. I come back to Parliament, Honourable Speaker, Sir, with a renewed conviction and a passion to serve the people of Fiji.

Mr. Speaker, Sir, at this point I wish to thank the former Minister for Industry Trade and Tourism, Honourable Premila Kumar and the former Minister for Transport, Honourable Jone Usamate for setting the momentum, Sir, and I am enthusiastic in progressing those policies and strategies of the FijiFirst Government.

Mr. Speaker, Sir, the world is facing an unprecedented test. There is no secret that the road to recovery will be long and difficult. Just as our forefathers battled measles, Spanish flu, COVID-19 is this generation's challenge. It is now our turn, Mr. Speaker, Sir, to prove that we are worthy of our forebears and that we are up to the task before us.

No sector of our economy and no Fijian is unaffected by COVID-19. Today the challenges we face are real. They are serious and there are many. These will not go away easily or in a short span of time. It will require tenacity, it will require hard work and it will require new ideas and there will be no return to what we may have known as business as usual.

Mr. Speaker, Sir, it is through the guidance and the leadership of our Honourable Prime Minister, we will come out of this crisis. There has been his decisive and firm action that has led Fiji to achieve this feat. He has led Fiji out of the woods and he will be the first to admit that there is still a lot more work that is required.

Mr. Speaker, Sir, despite what many may think, Fiji is not alone in having to adapt to the post-COVID world, but our challenge is greater than most, but it is greater than most because of our smallness, our vulnerability to the climate change and to geographical isolation. We therefore need to develop strategic and in-depth approaches to human development, to regional integration, digitisation, industrialisation, economic diversification and international solidarity.

Mr. Speaker, Sir, the Fijian Government has implemented a number of measures and economic stimulus packages to support Fijians. This was by lifting certain financial burdens from the shoulders of those who are most vulnerable. We are also re-doubling our efforts and working tirelessly to engage with stakeholders through the help of technology.

At present, Mr. Speaker, Sir, industries such as medical services, biotech, agriculture, food production and delivery and information technology are growing. Businesses in these sectors are seeing stronger demand and hiring more people.

Fiji, Mr. Speaker, Sir, has the potential to excel in many of these new and growing sectors. Whilst there will be industries new to us, for which we will have to build expertise and workforce, the FijiFirst Government's economic recovery strategies are widespread with training and matching displaced workers with new job at its core.

Mr. Speaker, Sir, the Ministry of Commerce, Trade, Tourism and Transport has undertaken extensive sectorial and one-on-one consultations with industry stakeholders such as the Fiji Commerce and Employers Federation, the Fiji Chamber of Commerce and Industry, Fiji Hotel and Tourism Association, the Fiji Fishing Industry, the Society of Fiji Travel Association and many more and this has led to the development of an economic recovery strategy which has been extensively considered across the whole of government machinery.

The recommended strategies will be based on principles such as raising domestic demand and confidence, encouraging our local Fijian made micro and small medium businesses such as one measure that was announced on Sunday by the Honourable Attorney-General, diversifying and expanding our manufacturing base and establishing industries for the future such as IT-based BPO, to name a few. Also enhancing our value chains and market access including bubbles, targeting marketing of key sectors and investment and also improving efficiency and the ease of doing business by adapting to better technology and electronic business and e-commerce.

Mr. Speaker, Sir, this is a whole of government approach and each Minister sitting here today is fully committed to achieving the goals that have been set.

Mr. Speaker, Sir, in addition to the economic recovery strategies, the Ministry in conjunction with the International Finance Corporation (IFC) has undertaken a business survey across the nation of about 3,500 odd businesses including micro, small and medium enterprises that have participated in this survey. The results of this particular survey will be released in the next few weeks and this will enable more targeted policies and initiatives.

Mr. Speaker, Sir, the Fijian Trade Policy Framework 2015 which takes us through to 2025 is going through a mid-term review this year and as for the tourism tax sector, we will have a successive plan with the Fijian Tourism 2021. These policy documents will take into consideration, Mr. Speaker, Sir, the new Fiji and the new way that business will be done. Mr. Speaker, we need to remember that we remain a young nation, but in the words of the scripture, if I may, Sir, the time has come to set aside childish and petty behaviour. The time has come to reaffirm our enduring spirit and to choose a better history to carry forward that precious gift, that noble idea passed on from generation to generation, and requires joint efforts, Mr. Speaker, Sir, to mitigate the pandemic's effect on jobs, businesses, international trade and economic growth and development, and prosperity. We, as Politicians, should lay the foundations for a strong and an inclusive recovery.

Mr. Speaker, Sir, for a moment, we must take a breather and think, may be it is God's or Bhagwan's or Allah's way or wish which has actually stopped this routine. COVID-19 has made the whole world come to standstill, and we need to stop and think how we do things and how we build a new and stronger Fiji.

Mr. Speaker, Sir, discrimination leads to nothing, separation in between the rich and poor means nothing and division between races means nothing. Absolutely nothing!

Mr. Speaker, Sir, this is why I say to everyone whom I meet - , "We are going to press the reset button." It is not just a reset button, it has to be re-engineering, it has to be re-designed, and innovative thinking that will bring Fiji back to its past glory - the pre-COVID-19 glory.

This is the time, Mr. Speaker, Sir, where this august House is required to come together, putting away differences for betterment of all Fijians. Let us make these decisions in the right way for people who actually look up to us, people who depend on us for guidance, and most importantly, the people who have chosen us to represent them here.

Mr. Speaker, Sir, I am grateful to be given this opportunity, again, to serve the people of Fiji and I am a faithful servant of the FijiFirst Government and the Honourable Prime Minister. I am happy to be back as the Minister responsible for commerce, trade, tourism and transport, as I am familiar with the Ministry.

Mr. Speaker, Sir, I believe this means, we play a crucial role during these testing times where we need to work with everyone. Now, is the chance for us to come together as Politicians and succeed, to say that a rainy day demands of us that we shelter and protect Fiji to weather the storm, rather than arguing about who gets to hold the umbrella.

Mr. Speaker, Sir, in closing, let me repeat the words of my late father, spoken in this Parliament some 50 odd years ago, in this very House. It still resonates today as a much-needed rallying call in this august House. He said and I quote:

“There is a complete lack of true nationalism within our society. I am not saying that there should be nationalism to the point of waging war on neighbouring countries or anything like that, but unless and until our community is welded together and finds itself in a position where it can and it should rely on its own efforts, pursue a policy of self-sufficiency, work out things with honour, I am sure we will simply go on as we have done in the past. The first and foremost thing for this country to do is to weld the community together.”

Mr. Speaker, Sir, we are leaders, we need to weld our communities together to make Fiji a better place. All Honourable Members in this august House need to rally behind the Honourable Prime Minister to achieve a united and a better Fiji. Mr. Speaker, Sir, I thank you for allowing me to deliver my maiden speech. *Vinaka vakalevu*, Sir.

(Acclamation)

HON. SPEAKER.- I thank the Honourable Minister for his Maiden Speech. Honourable Members, we will now proceed to the next Item on the Agenda.

### **PRESENTATION OF PAPERS AND CERTAIN DOCUMENTS**

HON. SPEAKER.- I now call upon the Attorney-General and Minister for Economy, Civil Service and Communications, the Honourable Aiyaz Sayed-Khaiyum, to table his Reports. You have the floor, Sir.

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, in accordance with Standing Order 38, I present the following Reports to Parliament:

- (1) Mid-Year Fiscal Statement 1st August, 2019 to 31st January, 2020; and
- (2) Report of the Auditor-General of the Republic of Fiji - Audit Report on Provincial Councils – Volume 3 (Parliamentary Paper No. 43/2020).

Thank you, Sir.

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

(Reports handed to the Secretary-General)

HON. SPEAKER.- Under Standing Order 38(2), I refer the following Reports to the Standing Committee on Public Accounts:



- (1) Mid-Year Fiscal Statement 1st August, 2019 to 31st January, 2020; and
- (2) Report of the Auditor-General of the Republic of Fiji - Audit Report on Provincial Councils – Volume 3 (Parliamentary Paper No. 43/2020).

HON. SPEAKER.- I now call on the Minister for Commerce, Trade, Tourism and Transport, the Honourable Faiyaz Koya to table his Reports. You have the floor, Sir.

HON. F.S. KOYA.- Thank you, Sir. Mr. Speaker, Sir, in accordance with Standing Order 38, I present the following Reports to Parliament:

- (1) Tourism Fiji - Annual Report 2013 (Parliamentary Paper No. 29/2020);
- (2) Tourism Fiji - Annual Report 2014 (Parliamentary Paper No. 30/2020); and
- (3) Ministry of Industry, Trade and Tourism - 2017-2018 Annual Report (Parliamentary Paper No. 28/2020).

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

(Reports handed to the Secretary-General)

Under Standing Order 38 (2), I refer the following Reports to the Standing Committee on Economic Affairs:

- (1) Tourism Fiji - Annual Report 2013 (Parliamentary Paper No. 29/2020);
- (2) Tourism Fiji – Annual Report 2014 (Parliamentary Paper No. 30/2020);
- (3) Ministry of Industry, Trade and Tourism - 2017-2018 Annual Report (Parliamentary Paper No. 28/2020).

HON. SPEAKER.- Thank you, Honourable Members. We will now proceed to the next agenda item.

### **PRESENTATION OF REPORTS OF COMMITTEES**

HON. SPEAKER.- I now call on the Chairperson of the Standing Committee on Social Affairs, the Honourable Viam Pillay, to table his Report. You have the floor, Sir.

#### Standing Committee on Social Affairs - Annual Review Report of the Ministry of iTaukei Affairs 2016-2017

HON. V. PILLAY.- Honourable Speaker, Sir, I am pleased to present the Report of the Standing Committee on Social Affairs on the Annual Review of the Ministry of iTaukei Affairs for the 2016–2017 financial year.

In accordance with its established Annual Report review process, the Committee examines annual reports of agencies, in order to investigate, inquire into, and make recommendations relating to the respective agencies' administration, legislative or proposed legislative programme, budget, functions, organisational structure and policy formulation.

As part of this process, the Committee received written and supplementary responses from the Ministry of iTaukei Affairs to gather additional information. This process has proven to be an effective means of gauging the progress of agencies that fall under the mandate of the Committee, whilst enabling the Committee to maintain a high level of scrutiny of these agencies.

The Committee undertook this review in accordance with Standing Order 109(2)(b), which mandates it to look into issues related to health, education, social services, labour, culture and media. The review looked at nine key areas covering the period from 1st August, 2016 to 31st July, 2017, conducted into the Ministry's administration, structure, budgetary allocation, programmes and activities, policies, challenges, highlights, priorities for the coming years and its implementation of the Sustainable Development Goals.

At this juncture, I also wish to thank the Permanent Secretary of the Ministry of iTaukei Affairs, Mr. Meleti Bainimarama, and his staff for their assistance in this review process.

I also extend my gratitude to my Committee colleagues, namely, Honourable George Vegenathan (Deputy Chairperson), Honourable Alipate Nagata, Honourable Salote Radrodro and Honourable Dr Ratu Atonio Lalabalavu for their contributions. Finally, I thank the Secretariat for the assistance provided during the Committee's deliberations.

On behalf of the Standing Committee on Social Affairs, I commend this Report on the Ministry of iTaukei Affairs 2016-2017 Annual Report to Parliament and request all Honourable Members of this august House to take note of the Report. Thank you, Honourable Speaker, Sir.

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

(Report handed to the Secretary-General)

HON. V. PILLAY.- Honourable Speaker, Sir, pursuant to Standing Order 121(5), I hereby move a motion without notice, that a debate on the content of the Report is initiated at a future sitting.

HON. G.VEGNATHAN.- Honourable Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

HON. SPEAKER.- I now call on the Chairperson of the Standing Committee on Justice, Law and Human Rights, the Honourable Alvick Maharaj to table his Report. You have the floor, Sir.

Standing Committee on Justice, Law & Human Rights -  
Review Report on the Office of the Prime Minister 2016 Annual Report (January-July)

HON. A.A. MAHARAJ.- Honourable Speaker, the Office of the Prime Minister is primarily responsible for providing sound policy advice and support to the Honourable Prime Minister and his Cabinet. It also engages with international and regional development partners, Civil Society Organisations and the private sector.

The Office of the Prime Minister 2016 Annual Report (January-July), was referred to the Standing Committee on Justice, Law and Human Rights for review and to table the Report on its findings back to Parliament.

Gathering from the Annual Report of the Office, 2016 had numerous highlights, which included the provision of support services to the Honourable Prime Minister in achieving the 10 Pillars of the Office's strategic priorities that ranges from good governance to improving health services for its staff.

In reviewing the Office of the Prime Minister Annual Report, the Committee noted that few of the key achievements were on the re-prioritisation of the Small Grants Scheme funded projects and the introduction of Merit Based Policies for the organisation that paved the way for an innovative workforce and service delivery for the Office.

The review also highlighted a few pertinent issues, which the Committee discussed extensively with the Office of the Prime Minister and is covered in this Report. These pertinent issues include the:

- Office's administration of the Prime Minister's Small Grants Scheme in terms of addressing key areas, which relate to meeting the social and economic needs of the people and in turn, contribute to the achievement of the Sustainable Development Goals;
- Funds allocated towards the Rotuma Subvention Fund for Development;
- Programmes listed under the Private Office of the Office the Prime Minister and the activities conducted during the reported period;
- Overall activities conducted by the Office in achieving the 10 Pillars of the Ministry.

The Committee was also mindful of the requirements of the Standing Orders of Parliament with respect to the principles of gender equality. Therefore as part of the deliberation, it was encouraging to note that the Office has made strides in responding to gender-related issues, by having community consultations, whereby awareness and information dissemination regarding gender issues were undertaken.

The Committee Report will also provide certain recommendations that the Committee has put forth for consideration by the Office of the Prime Minister. These recommendations focus on the continuation of the commendable services and assistance provided by the Office of the Prime Minister through the Small Grant Scheme and the continuation of initiatives that promote the combat against non-communicable diseases.

At this juncture, it would be amiss not to acknowledge the Honourable Members of the Justice, Law and Human Rights Committee, Honourable Rohit Sharma (Deputy Chairperson), Honourable Ratu Suliano Matanitobua, Honourable Dr. Salik Govind and Honourable Mosese Bulitavu, for their deliberations and input, the secretariat and the representatives of the Office of the Prime Minister for their cooperation, which assisted the Committee in its work.

On behalf of the Committee, I commend the Committee's Report on the Office of the Prime Minister's Annual Report 2016 (January-July) to Parliament and seek the support of all Honourable Members to take note of the recommendations by the Committee.

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

(Report handed to the Secretary-General)

HON. A.A. MAHARAJ.- Mr. Speaker, pursuant to Standing Order 121(5), I hereby move a motion, without notice, that a debate on the content of the Report is initiated at a future sitting.

HON. M.D. BULITAVU.- Mr. Speaker, Sir, I beg to second the motion.

HON. SPEAKER.- Honourable Members, the Parliament will now vote.

Question put.

Motion agreed to.

HON. SPEAKER.- I now call on the Chairperson of the Standing Committee on Economic Affairs, the Honourable Vijay Nath to table his Report. You have the floor, Sir.

Standing Committee on Economic Affairs -  
Annual Report of the Reserve Bank of Fiji Insurance 2018

HON. V. NATH.- Thank you, Honourable Speaker, Sir. The Standing Committee on Economic Affairs is pleased to report to Parliament, its findings and recommendations on the Reserve Bank of Fiji Insurance 2018 Annual Report.

In the year 2018, the Fijian insurance industry remained sound, reporting a strong combined solvency position. It was noted that the insurance industry's combined gross premium grew by 7.5 percent which was supported by growth in both, life and general insurance sectors. Further to this, the insurance termination improved over the years with a total of 13,970 terminations compared to 14,315 in 2017.

The insurance industry's combined gross premiums grew by about 7.5 percent to \$347.9 million in 2018, supported by growth in both, life and general insurance sectors. A marginal pick-up in the contribution of the industry to Gross Domestic Product (GDP) was also noted, with gross premiums as a percentage of GDP registering at 3.4 percent compared to 3 percent the year before.

The Committee commends the Government's initiative of replacing the Compulsory Third Party Policy with the Accident Compensation Commission Fiji (ACCF).

The Committee was informed that since the launch of the FijiCare Micro Bundled Insurance Product in 2017 for cane farmers, the cover was extended in early 2018 to the dairy farmers, copra farmers and rice farmers with the premium as low as \$52 per annum or \$1 per week. The product was further extended to civil servants and social welfare recipients which brings the total number of bundled insurance holders to \$120,671. The Committee is concerned with the increased rate of accident being recorded and the volume of vehicles on our Fiji roads. For the safety and security of the vehicle owners, the Committee feels that compulsory motor vehicle insurance must be considered, similar to that in some states of Australia and India.

In terms of Sustainable Development Goals (SDGs), the insurance industry continues to play a significant part in SDG 1 and SDG 8 - as it continues to develop products that go hand in hand with poverty alleviation and increasing economic growth.

Finally, I would like to thank the Committee Members who were part of the team that produced this Report, namely, Honourable Veena Bhatnagar, Honourable George Vegnathan, Honourable Ro Filipe Tuisawau, Honourable Inosi Kuridrani, Honourable Jale Sigarara, Honourable Viliame Gavoka. I also take this opportunity to acknowledge and thank the Parliamentary staff who have given us invaluable support.

On behalf of Standing Committee on Economic Affairs, I commend the Reserve Bank of Fiji Insurance 2018 Annual Report to Parliament.

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

(Report handed to Secretary-General)

HON. V. NATH.- Honourable Speaker, Sir, pursuant to Standing Order 121(5), I hereby move a motion without notice that a debate on the contents of the Report is initiated at a future sitting.

HON. V.K. BHATNAGAR.- Honourable Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

HON. SPEAKER.- I now call on the Chairperson of the Standing Committee on Public Accounts, the Honourable Alvick Maharaj to table his Report. You have the floor, Sir.

Standing Committee on Public Accounts -  
Consolidated Report on the Whole of Government Audit Reports for  
2010 to 2013 Financial Year

HON. A.A. MAHARAJ.- Thank you, Honourable Speaker. Honourable Speaker, I am pleased to present the Committee Report on the Whole of Government Audit Reports for 2010, 2011, 2012 and 2013 financial year. This Consolidated Report was compiled by the previous Public Accounts Committee and was appointed in this last Parliament Term (2014 to 2018). The audit of all Government Ministries' and Departments' financial statements for each of these four years was done by the Office of the Auditor-General. It is important to highlight that the Public Accounts Committee has reported back to Parliament on the Whole of Government Audit Report for the Years 2014, 2015 and 2016.

Also to note, Honourable Speaker, that each of these Reports contain at least 32 Reports from different agencies and ministries. Therefore the Audit Report of 2010, 2011, 2012 and 2013 contain a total of 128 audit reports.

Currently, the Committee is scrutinising the Whole of Government audit reports for the years 2017 and 2018 which contain 64 audit reports. In line with the instructions from Honourable Speaker on Wednesday 13th February 2019, for all pending reports before Committee from the last Parliament term to be reported back to Parliament, and this encouraged the Committee to finalise this Report and bring it back to the House for consideration.

It should also be noted that other factors contributed to the delay and the timely submission of this Report back to the Parliament. The bi-partisan Report summarises the audit finding of the 16 audit reports and wishes to advise that the 2010 to 2013 Audit of Government Ministries and Departments was the only Report that was pending from the last term and it is a privilege to present this outstanding Report. Many issues that are contained in this Report may have been resolved and may not occur today, but for transparency, good governance and accountability purposes in all public sector entities, including Government Ministries and Departments, it is important and appropriate to provide an oversight and report how these entities effectively manage and utilise its budgetary allocation on its planned activities for each of these four years. In that regard, the Committee is grateful to submit this Report to Parliament, given the time that this Report has been pending before the Committee.

However, it is worth noting that due to a much higher standard of accountability in a decade, the internal Financial Management Information Systems (FMIS) is now being used much better, and internal accounting standard for individual entities and Ministry is notably improving. It should also be noted that the Fiji financial standards are improving and the recent release of the 2018 Audit Report reads well as compared to many of the issues identified in this Consolidated Report. For this rapid improvement, I congratulate all those involved.

In politics, it is often easier to find faults than it is to praise. Certainly, there are issues that the Office of the Auditor-General and Standing Committee on Public Accounts will find, reflect on and work towards resolving. This work will be ongoing and that is why this process is very important.

I take this opportunity to thank all Ministries and Departments for participating in the public hearings that were conducted before the formulation of this Consolidated Report, and most importantly, for clarifying many of the issues involved and my sincere appreciation extends to Honourable Members of the previous Standing Committee on Public Accounts who contributed to the scrutiny process, formulation and finalisation of this Report.

I also acknowledge the Parliamentary staff for their ongoing diligence in their work through the details. In particular, I thank the Oppositions MP's of Standing Committee on Public Accounts for being sensible about many issues raised and for recognising the importance of reading them in the context of time. This considered approach is acknowledged and appreciated. With those few words, I now table the Consolidated Report to Parliament.

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

(Report handed to the Secretary-General)

HON. A.A. MAHARAJ.- Honourable Speaker, Sir, pursuant to Standing Order 121(5), I hereby move a motion without notice that a debate on the contents of the Report is initiated at a future sitting.

HON. A.M. RADRODRO.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

### **MINISTERIAL STATEMENTS**

HON. SPEAKER.- Honourable Members, I am informed that the Ministerial Statements scheduled for today, has a request that it be made tomorrow, and I have agreed to that. So there will not be a Ministerial Statement today.

### **CONSIDERATION OF BILLS**

HON. SPEAKER.- Honourable Members, I have been advised that there are no Bills for consideration today.

Honourable Members, on that note, we will take the morning tea adjournment and refreshments are served in the Big Committee Room. We adjourn.

The Parliament adjourned at 10.19 a.m.

The Parliament resumed at 10.52 a.m.

**REVIEW REPORT – REPORT ON ANNUAL REVIEW OF THE  
iTAUKEI TRUST FUND BOARD 2017**

HON. SPEAKER.- Honourable Members, I now call upon the Chairperson of the Standing Committee on Social Affairs, the Honourable Viam Pillay to move his motion. You have the floor, Sir.

HON. V. PILLAY.- Honourable Speaker, Sir, I move:

That the Parliament debates the Report of the Annual Review of the iTaukei Trust Fund Board 2017 which was tabled on 1st April, 2019. Thank you, Honourable Speaker, Sir.

HON. SPEAKER.- Thank you. Is there a seconder?

HON. G. VEGNATHAN.- Honourable Speaker, Sir, I second the motion.

HON. SPEAKER.- I now invite the Chairperson of the Standing Committee on Social Affairs to speak on the motion.

HON. V. PILLAY.- Thank you, Honourable Speaker, Sir. The iTaukei Trust Fund Board was established by the Fiji Government to foster advancement of the indigenous Fijians and the Rotumans by promoting initiatives that will better their standard of living, enhance appropriate cultures, traditions and values. The objectives of the Board are to:

- Provide funding for undertaking promotions and sponsoring programmes on iTaukei culture, language and the study of ethno-history and ethno-geography;
- Provide funding to help develop the management, leadership and entrepreneurial skills of the indigenous iTaukei and Rotumans;
- Sponsor research into languages, art and culture of the iTaukei and Rotumans and the better understanding and the preservation of their heritage; and
- Undertake any other purpose approved by the Board to be beneficial to the iTaukei and Rotumans.

As at 31st December, 2017 the Board had a full complement of eight members. This enabled the formation of three sub-committees to scrutinise papers before final consideration by the Board. Through this, standards were established to ensure transparency, access to independence, professional advice and code of conduct. The three sub-committees include the following:

- Investment and Finance;
- Culture and Heritage; and
- Governance and Human Resources.

Furthermore, the major achievements of the Board in 2017 were:

- The Fijian Dictionary Projects including the iVolavosa App. The App was completed and the android version was launched on 19th December, 2017.
- The curriculum on traditional leadership and governance titled “*Sauvaki ni Vanua*” was approved and registered by the Fiji Higher Education Commission as a Certificate 3 level course.

- In collaboration with the iTaukei Institute of Language and Culture, two new comics of Fijian folk tales *Drevulakata* and *Dimailagi* were illustrated as comic print productions.
- To conclude, the iTaukei Trust Fund Board managed to fulfil its legislative objectives in 2017. We commend the Board for the positive impact made on the indigenous communities through the language, culture and heritage programmes. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Chairperson. Honourable Members the floor is now open for debate on the motion. Honourable Anare Jale you have the floor.

HON. A. JALE.- Thank you, Mr. Speaker Sir. I thank the Standing Committee on Social Affairs on its Report. The reports by the Standing Committee of Parliament are very important, Mr. Speaker Sir, because they are indicators of performance of organisations and departments. I think it is important that the Report should capture the performance of those organisations/departments as far as the delivery of key result areas. The monitoring mechanism in place to see that the plan of Government captured in the National Development Plan are featured and achieved.

For Parliament it is important also that we are able to review the resources that we are providing these departments and organisations, whether they are being put to good use or not and I feel that these reports should also capture this.

There are nine areas in the Report that this Committee reported on. I am not going to talk about all of those. It talks about administration, policies and the challenges and highlights that this Board has gone through during this period of the report. This is a report on a Board, Mr. Speaker, and I feel that the report should have captured the governance aspect of this Trust Fund Board. I would have expected this report to have covered the things like the board members and how they are performing, who are they, are they the right people to be in the board because it is very important for accountability and transparency that we have the right people in place to manage the affairs of Government and also the use of the Government resources.

A few recommendations that were included in page 7 of the Report, Honourable Speaker Sir, says that there is a shortage of specialised skills in language and the heritage areas. The question is, how long has this problem been in place? What is the recommendation by the Committee to be able to address the shortfall and this need? The Report did not capture anything of that nature. The aim for the Reports of Committees when we identify areas to be improved, there needs to be some recommendations on what is to be done. That will be very helpful too, Honourable Speaker, Sir, in particular for those organisations and departments. I know that I was in Government before. The Report of this Committee are scrutinised by departments very carefully so that we can learn from and do what are necessary to be done.

On page 7 also, Honourable Speaker, Sir, it says that the challenges the Board faces in terms of investment opportunities are citing the need to review the iTaukei Trust Fund Act 2004 to confirm with the Trustees Act 1948. The problem that they saw as highlighted in the Report are that they cannot make an investment in any company that has not provided any dividends in the last five years and also that the Board is not able to invest in companies that have negative social impacts on families and societies.

Again, Mr. Speaker, Sir, I would expect Committees to have come up with some sort of solution in this Report. My remarks, Honourable Speaker, Sir, should be seen as something to improve in how we address our role as Committees of this Parliament. Thank you very much, Mr. Speaker that is my contribution.

HON. SPEAKER.- I thank the Honourable Member. I give the floor to the Honourable Adi Litia Qionibaravi.



HON. ADI L. QIONIBARAVI.- Thank you, Sir. The Honourable Speaker, Honourable Prime Minister, Honourable Leader of the Opposition, Members of Cabinet and Honourable Members of the House.

I would like to contribute to the debate this morning on the *iTaukei Trust Fund Annual Report for 2017*. First, I would like to thank the Chairperson of the Committee and Members of the Committee for the Report before the House.

The Trust Fund, Mr. Speaker, Sir, the Fijian Trust Fund was a creation of the *Bose Levu Vakaturaga* at its meeting in 2001. It first started as a trust with the objective of ensuring the autonomy of the *Bose Levu Vakaturaga* or the Great Council of Chiefs (GCC). It also ensures the promotion and protection of indigenous culture and heritage, Mr. Speaker, Sir. I know that this was changed in 2017 when it was administered under an Act of Parliament.

The Committee has noted on page 6 of their Report that the core business of the Fund is to enhance, enrich and promote the quality of life, culture, leadership, entrepreneurial knowledge and skills of *iTaukei* and Rotumans.

It has moved away from the initial focus of the establishment of the Trust Fund. It was supposed to look very closely into how indigenous Fijians or the first people of the nation can protect and promote their tradition and culture. I note the various activities that have been carried out by those that are managing the Fijians Trust Fund now.

The *Bose Levu Vakaturaga* in ensuring that the Trust Fund has investment funds to enable it to carry out the initial objective of the Trust had provided that 10 million shares in Fijians Trust Fund and that allowed the Fijians Trust Fund its initial seed capital to finance the objectives of the Trust Fund.

The \$20 million shares in Fijian Holdings that was funded by Government was divided between the Trust Fund for \$10 million and the remaining 14 provincial councils shared the \$10 million shares in Fijian Holdings. It was the \$10 million shares in Fijian Holdings that was transferred to the Fijians' Trust Fund that created an initial seed capital to allow the Fijians' Trust Fund to carry out or implement programmes to ensure the attainment of the first objectives of the Trust Fund.

Having said that, Mr. Speaker, Sir, I note the programmes that had been implemented by the Trust. Whilst I commend the fact that the Trust Fund has not been removed by the Military Government at that time, it is continuing to be in existence and is contributing to the preservation of the culture of the first people of this nation in some small way, contributing to Fiji's obligation of the United Nation Declaration on the Rights of the Indigenous Peoples (UNDRIP). That Declaration is the affirmation of the fundamental human rights of the indigenous people of Fiji to manage their own resources and institutions. To me, I view it as a form of a lip service to the need for our people to continue to appreciate our culture, our tradition and the apex of the Fijian administration or the Fijian people in the *Bose Levu Vakaturaga*.

Unfortunately, the building that was paid for by the Fijian Trust Fund is no longer the hallmark of our country. A lot of intricate work was carried out to ensure that the BLV Complex in Draiba came out the way it was, utilising fine tradition and culture, handicraft and choices of timber, to ensure that the tradition and culture is represented in the *Vale ni Bose Levu Vakaturaga*.

We understand that Expression of Interest has been put out in the reconstruction of that complex. Mr. Speaker, Sir, whether it will become and be preserved again for the Great Council of Chiefs, we do not know. We do not know whether some consultations has been carried out with the Fijian people on their views into the type of structure, the reforms or the new *Vale ni Bose Levu Vakaturaga* will look like. It is unfortunate that this has not happened.

I note the continuing good performance of the Fijian Trust Fund and I would like to congratulate the Chief Executive Officer and the members of the Trust Fund, the employees. I note, Sir, that a lot of emphasis has been put on the continuing education - improving the education qualifications of those who are working in the Trust Fund. Whilst I appreciate that, I would like to ask this Honourable House that the Fijian Trust Fund should do more work to ensure that the indigenous people - the first people of this nation continue to value, appreciate and promote matters about our tradition and culture.

When I spoke on the same subject, I think in 2018, I had pleaded with the House that the Honourable Minister for Fijian Affairs, the Honourable Prime Minister, consider establishing or perhaps, we can begin with the Nadave Development Centre in Taro near Bau. We should consider establishing tertiary studies to be undertaken by our people, so that our people understand who we are - why do we have *mataqali*, why do we have *yavusa*, their roles, their responsibilities. That can be better done if our people go through some form of tertiary education that will allow them better understanding of the Fijian way of life, Sir.

We are a distinct people, the first people of this nation and we need to continue to protect our identity. We understand that we are living in Fiji, we value varied multiracialism, Honourable Speaker, but first of all, we need to ensure that our culture and our tradition are protected and understood by our young people, so that we continue to have our separate identity.

Mr. Speaker, Sir, I note that there are some forms of training being carried out - *Vuli ni Sau ni Vanua*, et cetera. While that is good, Sir, the root of a problem needs to be addressed and the problem is that, we need to do more for our people, for our younger Fijian - the first people of the nation, Sir. We need to ensure that they understand and they value, and that can only be done if we have a tertiary institution to ensure that they come out with certificates, diploma, degrees, even PhD.

I am saying this, Mr. Speaker, Sir, because in New Zealand, the Maoris are doing it. They have established the *Whanau*, where Maoris learn about themselves. The intellectual capacity - *Na vuku vakaitaukei, kemuni na turaga kei na marama*, it needs to be captured and appreciated and it can only be done if we have an institution that teaches all those to our young people.

I would like to suggest that the Ministry considers Nadave, that development centre in Taro, near Bau, to start off the training sessions for our young people who want to know more, who want to value, who want to understand and who will want to continue to promote their identity, Mr. Speaker, Sir.

Therefore, I endorse the comments that have been made by my honourable colleague this morning, the need to do more. We are told that there are eight Board Members, we are not told the qualifications of the Board Members. Are they equipped? Do they have the passion to enable the programme of the Fijians' Trust Fund realise its initial objectives that was set out by the *Bose Levu Vakaturaga*?

I am pleading with the Honourable Prime Minister, *Kemuni* the Honourable Minister for Fijian Affairs, we need to review...

(Honourable Members interject)

HON. SPEAKER.- Order!

HON. ADI L. QIONIBARAVI.- ... the programme of action with the Fijians Trust Fund. And I would like to ask that we acknowledge the decision of the BLV in 2001 to establish the Trust Fund with those noble objectives. We cannot just put it aside. The BLV is going to remain as an institute that is revered and respected by the first people of this nation.

There are more to be said, Mr. Speaker, Sir, but I will end there. I think some of my colleagues would like to contribute to this motion, and I thank you for the opportunity, Sir.

HON. SPEAKER.- I thank the Honourable Member for her contribution to the debate.

I now give the floor to the Honourable Prime Minister. You have the floor, Sir.

HON. J.V. BAINIMARAMA.- Thank you, Honourable Speaker. I thank Honourable Viam Pillay for the motion.

Honourable Speaker, the Fijian Government has outlined in its 5 Year and 20 Year National Development Plan (NDP), the key development priorities which include the protection and promotion of unique Fijian cultural heritage for sustainable development. The iTaukei Trust Fund Board plays a pivotal role in ensuring the advancement of the iTaukei and Rotuman by promoting initiatives that will ameliorate the standard of living and enhance appropriate cultural traditions and values.

As alluded to in the TTFB Annual Report, 2017 has been a good year, for iTaukei Trust Fund Board in terms of fulfilment of its legislated objectives, particularly the various projects on language, culture and heritage developed in that year. Some of these programmes, Mr. Speaker, are worth noting, such as the research on some of traditional funeral practices, focussing on the impact of these practices on the cultural, economic and religious wellbeing of indigenous Fijians. Other practices have been translated into *vosa vaka Viti* and submitted to the iTaukei Affairs Board for dissemination and awareness.

The curriculum on traditional leadership and governance titled, “*Sauvaki ni Vanua*”, has been approved and registered by the Fiji Higher Education Commission as a Certificate III level course. The 14-week course, Mr. Speaker, is written and taught in the iTaukei language. The offering of the course at the Centre for Appropriate Technology and Development (CATD) at Nadave started in November.

As the course targets the successors of traditional leaders, the first class of 23 consisted of successors from the Tailevu and Rewa Provinces. A cohort of students made up of schoolteachers and a number of the Ministry of iTaukei Affairs staff, undertaking the Diploma in Vernacular Studies continued with a total of six courses.

In collaboration with the iTaukei Institute of Language and Culture, Honourable Speaker, two new comics of Fijian folktales - “*Drevula Kata*” and “*O Dimailagi*” are being illustrated as comic print productions, and Illustrator, Tuilevuka Ledua, was retained for the work.

In collaboration with the iTaukei Institute of Language and Culture, three new short bilingual books for children have been published – *Le Sagsaga* is written in Rotuman and in English while *Kusima* (Enjoying Fish) and *Kakana Dina e na Makete* (Root Crops at the Market) are written in iTaukei and English. The books, Honourable Speaker, will be launched and sold. They are a result of the Information Text Awareness Project run in collaboration with the International Development in Oceania Committee (IDOC) of the International Literacy Association (ILA).

A consultant, Mr. Fergus Clunie, continues the researching of the ring-ditch fortification at the Waidamudamu Heritage Site located in Laucala Beach Estate. The final report is expected to be available and will include guidelines and recommendations for the formation of a heritage exhibition site.

In partnership with the Sainsbury Research Unit (SRU) at the University of East Anglia in the UK, two members of the staff were part of the Fijian Heritage Team invited by the SRU to the UK for a two-week study visit on international awareness on Museology Practices. On their return, Mr. Speaker, the staff collaborated with other Fijian Museum team members to create an exhibition titled, “*Kamunaga*”, a study of *tabua*. The exhibition was launched by His Excellency, the President of Fiji on 15th June, 2010. Due to its relevance with the wider Fijian community, it has since been opened to the public.

Also, in partnership with the SRU, our field workers' network was established. The network would be an important part of the research that will inform exhibitions at the planned cultural centre on the intangible cultural heritage or the uniqueness of each vanua in Fiji.

An active citizens' approach to the training of field workers representing the nine *tikina* was conducted for the group of field workers who represented the nine districts of the *vanua* of Rewa. A canon Digital Single Lens Reflex (DSLR) camera with accessories was bought to assist in the documentation of field data. Funding for projects held in partnership with the SRU received a grant of \$20,521 from the UK Arts and Humanity Research Council through the SRU.

The iTaukei Trust Fund Board, Mr. Speaker, became the implementing partner in Fiji for the British Council Active Citizens (AC) Programme. The AC is the British Council Global Social Leadership Training Programme that build skills in cultural awareness, problem-solving and mentored community engagement. At the core of active citizens, it is the methodology that combines empowerment in connectivity and global awareness with community development to social action projects.

In terms of investment, Mr. Speaker, the ITTFB is currently working on a business enterprise framework which targets the development of resources such as forestry, land and other resource sectors.

Mr. Speaker, Sir, this Government has been driving development with respect to culture and heritage, leaving no one behind as part of our goal in the National Development Plan. I thank you.

HON. SPEAKER.- I thank the Honourable Prime Minister. The Honourable Niko Nawaikula.

HON. N. NAWAIKULA.- I thank you, Honourable Speaker. What the Honourable Prime Minister was reading out then was some of the outcomes of the iTaukei Trust Fund Board. He was talking about the *kamunaga* (which is a study), he was talking about *Kusima* (which is a short story), he was talking about *Drevulakata*. You might remember, Honourable Speaker, you know, when we were young, *Drevulakata*, *Drauniivilevu* and *Drauniivilailai*, and after all these years (I am going to turn 60 this year), they have only managed to write one book on *Drevulakata*. I am asking myself, "What about the many *drevulakatas* in our society?"

The Honourable Prime Minister appears to be saying this is in line with the Government's 5-Year Plan to protect and promote unique Fijian culture. How contradictory? How ironic can you be? If the Prime Minister wants to be serious on that, he should go and look at UNDRIP. It will guide his Government on what to do if he is serious about the protection and promotion of the uniqueness of Fijian culture. So, that is total hogwash coming from the Prime Minister, to be saying that on the one hand, but they are not even supporting it. This is an independent institution, it is not even government and I ask, "Why is it coming here?"

The iTLTB does not present its Annual Report to the Parliament for the basic reason that it is unique, it is part of the cultural autonomy of the Fijian people. They report here, they do not bring it here. So, it is ironic, it is contradictory for the Prime Minister to be saying that, on the one hand and to be terminating the Great Council of Chiefs on the other, and to be nationalising the provincial councils.

So, you cannot say that you are promoting and protecting the uniqueness of the Fijian culture if you are saying this and on the one hand you are cutting that out. You are forbidding us talking in our mother tongue here. So, let us be frank. But Honourable Speaker, Sir, there are other comments that I wish to say in relation to this and the point that I wish to say is that, this institution has not done enough. Sure there are these things here and it feels like the Fijian culture is a dead culture. The Fijian culture is not a dead culture, we are living our culture. We do not need researchers like this, we need to teach our people to live it. How do we do that? You introduce this into the educational curriculum so that they know it.

We do not want it written so that you can come back and read it, it is not an academy. We are living it and the fear for us is that, very soon if we do not do enough, we will lose it. We will lose our language, we will lose all the idioms and the stories of the *meke*. So, I ask the Fijian Trust Fund whether they have taken into account all the history of our tradition, for the main fact that it is oral tradition. If you do not go to each village and write down all the *meke*, all the idioms, all the old stories, all the songs and all the dances in the village, you will lose them. That is why I am saying that the Fijian Trust Fund is not doing enough. You need not do research. Firstly, you take a stocktake. If they care to go to the intellectual properties conferences overseas, they will advise them first and foremost to take stock because oral tradition is oral, if you do not write it down, if you do not record it, it will be lost. That is the fear that we have and this is not addressing it.

(Chorus of interjections)

HON. N. NAWAIKULA.- It is not addressing it here, it is not doing enough. If you look at the mandated objectives of the Trust Fund, it says this that they are to: Provide funding for the undertaking, promotion and sponsoring of programmes on Fijian Language, et cetera. But here in Parliament, we are forbidden to say anything. So, how can we be serious in relation to that? You do not promote *iTaukei* language if you forbid us here to speak our mother tongue.

It goes on to say:

- To provide funding to boost the drive to invigorate and sustain at impact level, the management, leadership and entrepreneurial skills of the indigenous Fijians and Rotumans;
- To sponsor research into languages, art and culture of Fijians and Rotumans.

So, I am saying that this institution is not doing enough. I have asked time and again who will go out to the village communities to write down their songs, dances. Is it the responsibility of iTLTB, no? Is it the responsibility of the iTaukei Affairs Board, no?

HON. A. SAYED-KHAIYUM.- Yes.

HON. N. NAWAIKULA.- But we have, here that it is their responsibility but they are not doing it. Where is the archive of the stories; where is the archive of all the *meke*, where is the archive of all these?

HON. ADI S. ADIMAITOGA.- You go to the Ministry and check.

HON. N. NAWAIKULA.- There is nothing in the Ministry.

(Chorus of interjections)

HON. SPEAKER.- Order, order!

HON. N. NAWAIKULA.- Honourable Minister, you go to the Ministry, there is nothing there.

(Hon. Government Member interjects)

HON. N. NAWAIKULA.- There is nothing in the Ministry, there is no record there. We have heard it over and over again - *Drevulakaka*, *Tubuna*, *Drauniivilevu* and *Drauniivilailai* - only two. If you go to the villages they have their own *drevulakaka*, they have their own stories, they have their own *meke* which by now they are gone. So, that is the serious point that I wish to say here, Sir, you are not doing enough.

The other point that I wish to raise is on the actions by this Government, to interfere with the purpose of this honoured body, the Trust Fund. The Trust Fund was established in 2004 and very clearly the Act that established it said: The purpose of the Fund are: to establish a Trust Fund for Fijians and Rotumans to provide financial autonomy to the *Bose Levu Vakaturaga* to an income for the purposes of the Fund and related matters. That is the purpose: to provide for the cultural autonomy, and here you have a Government that passed a law to take that away, to cut out the *Bose Levu Vakaturaga*, to cut out a link and that is in total breach of indigenous rights.

There are two rights, you have to protect culture, and the Government must do all it says, and if the Government does not do that, you go and read ILO, C169. Every time it sets out, this is right to protect culture and second to that, the Government will do its best endeavours to do that, and here, it has not done that. Firstly, it terminated the Great Council of Chiefs and then it terminated its source of income from here, and the breach that I am saying here is that if they care to read the rights, you have to get the prior informed consent of the indigenous people before you change any legislation. This was not done in that way. Indigenous people were not consulted, indigenous people did not consent to the nationalisation of this institution.

Now, by nationalisation I mean Government now decides who sits on those boards. It has taken away our right to self-determination to decide for ourselves. That is the breach of UNDRIP which is our human rights and the group rights of the indigenous people. I know they do not agree with that but you know it is common sense. If something belongs to us, you do not just change it by a law, you ask for permission and did they do it here? They did not do it here. They have nationalised it, they have taken total control of it and that is in breach of our right to give our prior and informed consent before they pass this legislation. I am saying 'shame on them' for doing that.

The other point of concern, Honourable Speaker, that I wish to say here and I wish also, public could be listening is that, the selfishness of how they did this.

Before in the Qarase Government, when legislations were declared null and void, they had to be passed through the next Parliament to legalise them. Here, no, they have a provision in the Constitution that says, "All these decrees that were designed to terminate the right of indigenous people in this country, to nationalise their interest, for example, the termination of the Great Council of Chiefs, it will not be required to pass through a Parliament like this". That is sad, and I wish for our sons to remember that because we may not be here, and they have to correct all these anomalies. They have to correct all these lacunas in our laws. Thank you.

HON. SPEAKER.- Thank you. The last speaker on this side is the Honourable Tikoduadua. You have the floor.

HON. LT. COL. P. TIKODUADUA.- Thank you, Mr. Speaker, Sir. I bring with me commendations from the back, from your *Marama Naita* that we actually look better from the back from where we are seated, so we thank you for it.

HON. SPEAKER.- You are the exception, Honourable Member.

HON. LT. COL. P. TIKODUADUA.- No, thank you, Mr. Speaker. First of all, I want to thank the Committee for their Report and a lot has been said about the iTaukei Trust Fund and the issues of the *iTaukei* in the House this morning. I thought I will make my five minutes contribution to it.

The contribution I would like to make to this debate is about the issue of the Bill on Traditional Knowledge and Cultural Expression. The learned Attorney-General would know very well that in some of the addresses made by His Excellency the President (our current President) alluded to the Bill being tabled in the House during the term of the House that the President made those utterances when opening the session of Parliament.

Mr. Speaker, that Bill is not before the House. Many aspirations of the *iTaukei*, particularly the recognition of knowledge, cultural expressions would be included in that Bill and one of the major benefits from that is that the Fijians or *iTaukei* decide if they want to be politically correct in that sense, will be able to benefit economically from their rights, from their knowledge.

I believe sometime back there was a lot of debate on the motif on the back of Fiji Airways and who it belonged to and who actually should benefit from that knowledge as it appeared then, of course, Fiji as a nation has benefitted a lot from it. Of course, that is renowned for many indigenous communities in Fiji; from Lau and also from the Western Division dealing in this kind of motif but I know this has been a long-delayed Bill. And it would be really good and it would address a lot of issues before the *iTaukei* today, particularly in the funding and financing of a lot of those things that the Fijian communities would like to do through, not only the protection of these intellectual properties, but for them to be able to use those rights to be able to use the benefits of which for their own community. Particularly now the new COVID-norm presents a lot of difficulties and challenges to all of our communities and the *iTaukei* for that matter in the rural and we should all take time to go to the rural communities and our villages, I live there for one, and see the difficulties faced by our communities, particularly now, when the rural communities are not being able to sell their produce for the price they want in the market.

This is an additional source of income and protected under the law and *na vuku vaka Viti*, the name that they call it now, and I think that is the name that *iTaukei* has today calls intellectual property and cultural expression, is one of those things, Honourable Speaker, that the nation of Fiji has benefitted from as a whole. It is only right and fair that for those who are the sources of these intellectual property be given the benefits that are deserving on them, particularly if there are monetary benefits from it that the nation is benefitting from. I believe the traditional knowledge and cultural expression, I would like to ask Government, particularly the Honourable Attorney- General to hasten the process to have the Bill presented before the House. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Tikoduadua. Honourable Attorney-General, you have the floor.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir. Mr. Speaker, Sir, I would just like to make a few comments in respect of this particular Report by the Sub-Committee. I would like to thank the Committee for their work also. Mr. Speaker, Sir, Honourable Nawaikula in his usual pugnacious manner forgot to mention and read out the other mission statements and indeed the vision statement of the *iTaukei Trust Fund* which includes, of course, Mr. Speaker, Sir, that to prudently invest the TTF to urge superior returns while complying with the *iTaukei Trust Fund Act*, then enhance a long term value of the Trust. As we know, Mr. Speaker, Sir, the building itself where the office is situated also has premises that are leased out to Government.

I would like to refer the Honourable Members, Mr. Speaker, Sir, to the actual accounts that are presented in the Annual Report itself. Mr. Speaker, Sir, if you look at the figures themselves, the investment that had been carried out by the new Board, that was appointed by the Government obviously is paying dividends. If you look at the total comprehensive income, if you compare 2017 to 2016, it actually jumped from \$5.6 million to \$13.38 million. Similarly, the total equity increased from \$93 million to \$107 million. If you see the investments that have been carried out, Mr. Speaker, Sir, the dividend slightly increased as you can see on page 37 of the Report, there are a number of investments that are offshore predominantly in Australia, from investments such as like, Woolworths Limited and Westpac Banking Corporation, et cetera.

Mr. Speaker, Sir, I urge the Honourable Members to actually look at these investments and to understand that this is the predominant focus of this particular Trust Fund, that is why it is actually called a Trust Fund, and the focus is on investments. Similarly, on pages 38 and 39 of the Report, it lays down in detail the asset value of the entity. Honourable Jale talked about investment opportunities. Mr. Speaker, Sir, the number of investment opportunities have been created by the Government as the

Honourable Prime Minister highlighted through the 5-Year and 20-Year National Development Plan. A number of initiatives that have been put out in respect of investment, for example, in warehouse and in hotels, these provides opportunities for the Trust Fund to actually invest, and they have been looking at some hotel sites in Suva, As we know that there is shortage of room inventory in Suva, in particular, so we are looking at those types on investments.

Mr. Speaker, Sir, of course with the current climate they would be hesitant to do so. I bring again the kind of obfuscation and the dis-ingenuity of the Honourable Nawaikula, when he only focussed on the cultural practices being the focus of the iTaukei Trust Fund, but what he failed to mention, if you look at the budget book, if you look at the Ministry of iTaukei Affairs, for example, he talked about all traditions and culture being lost. There has actually been a cultural mapping exercise that has been going on and it has been highlighted in this Parliament on a number of occasions, where the staff in the Ministry of iTaukei Affairs particularly the iTaukei Institute of Language and Culture has been going out to each of the provinces, each of the landowning units looking at each of the cultural practices that have been taking place and have actually been documenting it. He knows that, but he stood up there and misled Parliament.

Again, in the budget, Mr. Speaker, Sir, the budget announcement last year (I have got the book here with me); Cultural Mapping Programme - \$250,000, Cultural Mapping Verification, Review of the iTaukei Dictionary, Special Revitalisation Programme, Cultural Awareness iTaukei Festival and Library Records. This is the only country, there are very few countries in the world, Mr. Speaker, Sir, and again, this was highlighted in Parliament where all the climate change phraseologies, the terms have all been translated into the *iTaukei* language. It is so up-to-date where all those climatic change issues have been actually translated into the *iTaukei* language. So I cannot understand what the Honourable Member is going on about, again he has sort of gone off the track regarding the Report itself which is focused actually on the financial aspects of this Trust Fund and gone off and made references again to International Labour Organisation (ILO) which is C169, which is again not relevant.

Mr. Speaker, Sir, I would like to now get back to the contribution by Honourable Tikoduadua. He is absolutely right that traditional knowledge and protection of intellectual property is very, very important. In fact, Cabinet only a few weeks ago, for Bills to be presented to Parliament on trademarks, designs and patents. We have been working with the World Intellectual Property Organisation (WIPO) and Honourable Tikoduadua in his term with the Ministry of Justice would know this that we had numerous discussions about this, about how we need to actually protect traditional knowledge. It is not only about protecting designs or motifs on airlines but it is also about actually things like herbal medicines. I mean, who is going to own the intellectual property? We have seen throughout the world, for example, the very famous case about the neem tree, when an American company went into India and took away the intellectual property rights regarding the neem tree. There are numerous other cases in Africa and various other jurisdictions where that type of intellectual theft has taken place. So, we are very much keen on that.

In fact, we are working with WIPO at this point in time and of course, given COVID-19, they have slowed down a bit but we are working on that and we hope to bring together, we are doing things like the Madrid Protocol and again, that will be presented to Parliament in due course, in respect of Fiji signing up with the Madrid Protocol and the Paris Convention where it actually allows recognition of trademarks, patents, intellectual property across borders without actually physically going there. So, once you become part of the Madrid system, you are, through the recognised offices being able to get their registration done. There is a mutual recognition of that recognition of the intellectual property and trademarks. There is a lot of work being done behind the scenes in that respect and we hope to get the WIPO input into it because we need to ensure that whatever Bill or law subsequently be approved by this Parliament is not only about pacifying those people within Fiji but it is also about ensuring that we get actual recognition across borders.



There is no point putting a law in Fiji when no one else outside the jurisdiction actually will recognise it. So, we need that recognition because generally the theft of indigenous knowledge, theft of traditional culture, theft of intellectual property emanating from traditional medicine, et cetera is done by those outside the country. We need to ensure that we are able to adhere to all those or subscribe to the various conventions outside the jurisdictions so then we can get international recognition, indeed more so protection of that intellectual property. So, Mr. Speaker, Sir, I would like to once again with those brief remarks thank the Committee for their input and I look forward to the Members when we debate these matters to actually focus on the Report themselves as opposed to meandering along. Thank you.

HON. SPEAKER.- I thank the Honourable Attorney-General for his contribution to the Report and I now call upon the Chairperson for his Right of Reply. You have the floor, Sir.

HON. V. PILLAY.- Thank you, Honourable Speaker, Sir. I do not have any further comments. Thank you.

HON. SPEAKER.- The Parliament will now vote to note the content of the Report.

Question put.

Motion agreed to.

## **REVIEW REPORT - RESERVE BANK OF FIJI INSURANCE 2017 ANNUAL REPORT**

HON. SPEAKER.- I now call on the Chairperson of the Standing Committee on Economic Affairs, the Honourable Vijay Nath to move his motion.

HON. V. NATH.- Thank you Honourable Speaker, Sir. Mr. Speaker, I move:

That the Parliament debates the Reserve Bank of Fiji Insurance 2017 Annual Report which was tabled on 4<sup>th</sup> April, 2019.

HON. V.K. BHATNAGAR.- Honourable Speaker, I second the motion.

HON. SPEAKER.- I now invite the Chairperson of the Standing Committee on Economic Affairs to speak on the motion. You have the floor, Sir.

HON. V. NATH.- Thank you, Honourable Speaker, Sir. The Standing Committee on Economic Affairs tabled its review of the 2017 Annual Report of Fiji Insurance Annual Report on 4<sup>th</sup> April, 2019. For the year 2017 the theme was “Inclusive Insurance” as a way to focus the effort of various industry stakeholders to increase penetration into the communities for increased uptake on insurance. In this regard various aspects were explored while deliberating on the Insurance Report, one of which was to focus on the Small and Medium-sized Enterprises. Another issue that the Committee discussed was the alarming rate of insurance being surrendered and lapsed due to the inability to continue payment which effectively is a direct loss of savings for our people.

The Committee welcomed the Fijian Government’s initiative of bundle insurance which initially covered sugar cane farmers and is now extended to rice farmers, dairy farmers, copra farmers, social welfare recipients and all civil servants.

For the information of the Honourable Members, the Committee has tabled its RBF Insurance 2018 Annual Report this morning. This report will be covering the latest development since the 2017 Annual Report.

The Committee also noted that RBF has taken the initiative to be more gender inclusive. This was done through collecting disaggregated data from all licenced financial institutions including insurance companies in order to better understand and design products and service that are suitable for the financial needs of Fijian women.

The Committee was satisfied with the overall performance of the Reserve Bank of Fiji as the regulator of the insurance industry. I take this opportunity to thank the hardworking RBF Governor and his team. Mr. Speaker Sir, with those comments to enlighten this House as the Member moving this motion, I thank you for this opportunity.

HON. SPEAKER.- I thank the Chairperson. Honourable Members, the floor is now open for debate on this motion. Honourable Viliame Gavoka you have the floor.

HON. V.R. GAVOKA.- Thank you, Honourable Speaker. I would like to contribute to the debate on the RBF Insurance Annual Report 2017. Honourable Speaker, if there is anything that we can consider as of vital importance in this day and age of climate change and COVID-19, I believe insurance should be very much at the top of all these. In terms of priority, insurance should be a subject that this House and the people of Fiji should regard as very very important and urgent in the way we live in this country.

Honourable Speaker, it is a known fact that the penetration for insurance in this country is very very low. People do not seem to understand the importance of insurance, hence my initial statement that we need to take this very, very seriously and take leadership to motivate our people, even to ensure that everyone in this country is insured.

In general insurance, Honourable Speaker, the penetration is most poor in building structures. Over the weekend, Honourable Speaker, there was this story by a woman in Vatulele during the last *TC Harold* where she said that her house was sinking, she knew that her house was going to collapse so she ran with her daughter to the church to take shelter. That always fills me with horror, Honourable Speaker, when you remember some years back, the case in Vabea, Kadavu, where people went to shelter in a church and it collapsed on them.

Honourable Speaker, every village in Fiji should have a community hall. As you know, Honourable Speaker, it was the policies of the government of the SVT and SDL to help the villagers build a community hall. Unfortunately, this has been removed with the Fijifirst Government.

Honourable Speaker, in the deliberations with insurance underwriters, they indicated that most of those community halls are not insurance compliance, that people are taking shelter in structures that are not safe. And I have raised this on a number of occasions in this Parliament that we must strive to encourage our villagers and help them to bring their community hall up to standard so that they can qualify to be insured.

Honourable Speaker, we must encourage the construction of community halls, cum shelters in every village. We now live in an age where climate change is a factor and cyclones are quite frequent, already there are two this year. And not only in an itaukei village, but in every settlement where you know that the structures are not that strong.

I always remember a case when I was a hotelier, the wind was blowing and one of my staff members - a young indo-Fijian boy, came to me and said, "Sir, can the company vehicle take me to my home? It is only my wife and daughter in our house". And it was a lean-to kind of house which was about 30 minutes away, near Viseisei. I had to make a very difficult decision.

I looked at him and I know what he was going through, and it would have meant sending a company vehicle with a company driver himself into an area, and danger was developing. I could have lost a company vehicle and could have lost the lives of two of my staff on the road. So, I had to say, "I am sorry, I cannot do it." It was a very difficult decision. I asked him, "Do you have families nearby" where they can run to? He said, "No, I do not really have that." So, really, in every settlement wherever we have squatters, we must strive to build a community hall for them - a shelter.

It is now a known fact that the climate change is going to affect the weather in ways that will produce more cyclones. So, it is really important for us, Honourable Speaker, to make sure that every village and every settlement has a community hall worthy of, or being a shelter during times of emergency. Most of us live in very strong homes and every time it happens, Honourable Speaker, I think about people in those settlements or in the outer islands, who shelter in very flimsy structures.

Honourable Speaker, insurance also relies a lot on re-insurance, meaning that, a part of the premium which we collect locally is sent overseas. This helps, Honourable Speaker, in spreading the risk for Fiji, and Fiji is very fortunate that re-insurers from overseas consider Fiji positively at this time but according to the underwriters, according to the brokers, Fiji is in danger of losing its cyclone cover internationally and this, Honourable Speaker, is something that we should consider seriously.

I remember in the days back - 30 years or 40 years ago, the hoteliers could not secure cyclone cover overseas. They just refused to cover Fiji for insurance because of the frequent cyclones. And the Reserve Bank had to set up a facility to enable the hotels to re-insure and enable them to carry their own insurance. That may have to come one day, Honourable Speaker, so we should be prepared for it.

I would urge the Government to start dialogue on this, together with the RBF. Many companies in Fiji, Honourable Speaker, can take up the challenge. We can start setting up insurance companies.

If you look in this Report, Honourable Speaker, it talks about Sun Insurance, a local company and very successful. They do a very good job. So there are opportunities for other companies in Fiji to start up insurance companies. I believe that sometime back, a group of iTaukei wanted to set up an insurance company, while they could not get the help that they required.

Honourable Speaker, insurance is a must thing, especially in today's conditions. I was quite touched by the Maiden Speech today of Honourable Koya that this is a generation of COVID-19. Lots of things, you have to do differently. Now, the challenge is there, that we have to rise up to the challenge and one of them, Honourable Speaker, is to re-look at the insurance issue.

In the report that was tabled this morning by our Chairman, Honourable Vijay Nath, he talked about making car insurance compulsory. We may have to come to that. We may have to make insurance compulsory in car insurance, in life insurance and in general insurance. We can no longer say that it is all private driven, it is all demand and supply driven, no! I think the time has come. Now, with climate change and COVID-19, the leadership comes from us to say that it must be compulsory for everyone.

Honourable Speaker, that is my contribution on this and I, again, underline the message, that insurance is so critical to us and we must, as leaders, embrace it totally so that everyone is protected from all eventualities. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Gavoka. Honourable Faiyaz Koya, you have the floor.

HON. F.S. KOYA.- Thank you, Honourable Speaker. I rise to contribute to the Review Report of the Standing Committee on Economic Affairs on the Reserve Bank of Fiji Insurance 2017 Annual Report.

Honourable Speaker, Sir, it is quite interesting to note that for the year 2017, the theme was inclusive insurance as a way to focus the efforts of various industry stakeholders and I think it is quite applicable in terms of the setting that we are actually in now.

Honourable Speaker, Sir, I acknowledge the recommendations and I thank the Committee for reviewing the Report. It is actually pleasing to note that the Fijian Insurance Industry, the total asset was about \$1.7 billion in 2017, which has been an increase of about 5.8 percent from 2016 and that is quite impressive, Sir.

However, Honourable Speaker, Sir, it is also quite evident that the insurance industry needs to bridge the insurance protection gap and somewhat similar sentiments has been echoed by Honourable Gavoka, with the focus and I think the focus here needs to be offering innovative insurance solutions by the private sector to the Micro, Small and Medium Enterprises (MSMEs) which forms a major part of our economy.

Mr. Speaker, Sir, I would also like to applaud the RBF and insurance agencies in their efforts in developing insurance policies to include products for MSMEs and the informal sector. It is actually much needed in these days, purely also because of the unpredictability of the events nowadays, such as cyclones, and climate change has led to these global outbreaks as we are experiencing now.

Mr. Speaker, Sir, I also note the importance of tailor-made insurance policies that specifically target MSMEs, namely, to provide financial support for uninsurable risks and contribute towards MSME resilience.

Mr. Speaker, Sir, Recommendation 1 states that proper research is required to ensure such policies would benefit all MSMEs in various sectors. With respect to the Ministry, Sir, it is in the process of establishing an MSME database to ensure the availability of reliable data that will assist in formulating these particular insurance policies.

Mr. Speaker, Sir, with regards to Recommendation 4, I would like to commend the discussion on establishing of working groups, such as the Agriculture Insurance National Working Group for discussion with respect to products in the agriculture sector. This initiative would be a game-changer to the agriculture sector, as it will really entice our youth to harness their entrepreneurial skills in agri-business and would attract more investments to agriculture.

Mr. Speaker, Sir, whilst the Fijian Government has initiated a bundle insurance for sugarcane farmers, dairy farmers, copra farmers and rice farmers, this is probably a good time to urge the private sector to seriously remodel their business and offer insurance products in the natural resources space.

To conclude, Mr. Speaker, Sir, as I had said earlier this morning, we are really in revolutionary times when the whole world is rethinking, remodelling and repositioning itself. We have to do that as a nation and the insurance industry can actually play a crucial and critical role in rebooting the economy. If they had tailor-made products for the actual pandemic that we are facing, for instance, and a great example is our co-operatives based in our rural areas, they can play an essential role in linking these members to insurance products, such as life insurance, medical insurance, superannuation funds, et cetera.

Mr. Speaker, Sir, I thank you for giving me the floor to contribute to the motion.

HON. SPEAKER.- I thank the Honourable Minister. I now give the floor to the Honourable Ro Filipe Tuisawau. You have the floor.

HON. RO F. TUISAWAU.- Thank you, Mr. Speaker, Sir. I rise to contribute to the debate on the RBF Insurance 2017 Annual Report. It is critical that when discussing insurance, we also share the sentiments from the experts, especially when we did our work as the Committee, which might not be too detailed in what you have in front of you.

As raised by the Honourable Minister, MSMEs insurance is a critical area. That was also raised by the various stakeholders, in particular, small businesses. We have received, not only in our constituencies but also members' concerns regarding insurance for small SMEs in the tourism sector, particularly those that are informal and may not have land titles, et cetera, based on *mataqali* land who do not comply. So it, sort of, requires a relook by the insurance providers with compliance requirements, in order to include small SMEs.

Another area where concern was expressed was the delay in the review of the Insurance Act. The review of the Insurance Act 1998 has been identified as long overdue, and that is an area which not only the providers but also the regulators have identified as critical. It has now been in place for nearly 20 years, it needs a review in terms of the provisions and we are urging the Government to facilitate that.

We have also received feedback on introducing insurance products for agriculture as mentioned by the Minister, and we note the Agriculture Insurance National Working Group has been established, and have been discussing, designing and implementing an action plan for the provision of agriculture insurance, and they first met in December, 2018. Again, that is something in progress which needs to be facilitated and driven to a conclusion to benefit the agriculture sector.

The other information I just wanted to share with the House was from the regulators that Government has become a member of the Pacific Catastrophe Risk Assessment and Financing Initiative which is very, very useful for the Pacific, meaning Pacific Catastrophe Risk Insurance Company can now offer sovereign parametric insurance, so insurance covering specific events rather than a general cover such as for cyclones and tsunamis, that is a good development but again, needs to be progressed.

We also note from the Reserve Bank of Fiji (RBF), the Pacific Financial Inclusion Programme is working on a Pacific Regional Climate Risk Adaptation and Insurance Project which is a parametric index micro insurance for households, specifically targeting households and their specific insurance needs. I suppose the idea there is to ensure that insurance is also spread out across all sectors of the community, irrespective of income or the compliance requirements that need to be in place. Again, that is an area which needs to be progressed.

Honourable Gavoka and the Honourable Minister have mentioned bundled insurance, in association with the Fiji Government, launched by Fiji Care Insurance Ltd. in June, 2017 initially for sugarcane farmers and it includes term life, funeral expenses, fire and personal accidents which is a very positive development. In 2018, it was extended to rice, copra, dairy, social welfare recipients and civil servants. We suggest that it be extended to, I suppose, other producers such as yaqona and root crop farmers. We have already suggested that and again I am highlighting that to the Government if that could be progressed.

I have mentioned Catastrophic Risk Assessment and from one of the submissions we received, it was quite an interesting one from a medical insurance provider and some of the sentiments they mentioned were the difficulties they faced in terms of providing that kind of cover in Fiji, in terms of the equipment needed, the investments they need to make, and one of the issues they mentioned, because of

the high risk and high investment, is the need to partner with the Government and the Government had made an announcement on that. We had sort of viewed that as a positive development with ASPEN regarding the Ba and Lautoka hospitals. I was wondering where that is today regarding that development and how that has progressed. Maybe the Honourable Minister of Economy would update us later in the sitting. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Member and I give the floor to the Honourable Professor Biman Prasad. You have the floor.

HON. PROF. B.C. PRASAD.- Thank you, Mr. Speaker. I know you have a difficulty identifying me at the back but thank you for the opportunity. I am going to make a very brief contribution on this, and what I want to thank the Committee for is for the very good set of recommendations and in particular, I would like to pick on Recommendation 8 because this is an important recommendation and one that is going to deal with the effect of the COVID-19 pandemic and the effect it is going to have on people and their ability to actually keep up with their premium payment on time.

I know there are many people who hold insurance policies, Mr. Speaker, who are having a lot of difficulty and I know insurance companies are providing ways and means for them to keep their policies alive but there are also many who are giving up and as the Committee rightly notes, this is even before the onslaught of COVID-19 that the alarming rate of insurance being lapsed due to inability to continue payment would be made worse.

So, I think what I would say to the Government is to look at this issue right now because we expect the economy to move towards a very very serious decline for the next two or three years and we need to look at this group and many insurance policies or insurance industries, Mr. Speaker, it is very important to our economy but it also has a lot of intricacies, a lot of issues within the insurance industries with respect to how the policies are marketed, how people get into buying policies and then realising the benefits and the difficulties that they have in keeping up with their policy premiums.

I also note that the Committee has talked about the Insurance Act 1998. This is an important undertaking by the Committee and I hope that perhaps very soon, maybe this is an opportune moment for us to actually look at the Act and look at what might be the situation in the next four years and in the future to deal with some of the issues that might arise out of the insurance industry.

I think the public consultations that are being planned or I am not sure whether it is already being done, Mr. Speaker, but I think we need to carefully look at what the concerns of the people are because I know that there are Medical Insurance Policies where a lot of people have difficulty, where a lot of people find that the product which they bought or they took the policy on is not delivering to the extent or to the expectation of the people who bought policies, and I think we need to look at some of those issues while we are reviewing the Act so that this can be brought together as part of the new Insurance Industry Act in the future. Thank you, Mr. Speaker.

HON. SPEAKER.- I thank the Honourable Member. The Honourable Seruiratu, you have the floor.

HON. LT. COL. I.B. SERUIRATU.- Thank you, Honourable Speaker, Sir. I would like to contribute to the motion before the House but I think enough has been mentioned about insurance policies but I would just like to make a quick comment, Mr. Speaker, Sir, on the issues about community halls, and I need to clarify this. The Government did not totally remove the assistance given to our communities on community halls but the Government decided to relook at the priorities in terms of the implementation of such projects and, of course, ensure that it is consistent as well with the current Acts that we have.

Mr. Speaker, Sir, as the Minister responsible for Disaster Management and Rural Development, I also make this point very clear. There is a difference between community halls and evacuation centres and Government is very careful about this because I know for a fact, Mr. Speaker, Sir, that our community halls are also referred to as evacuation centres, but this is why the Government has decided to review this because like the Vabea incident, Sir, people ran to the church for shelter but then the church collapsed. It is a question about standards because in the Disaster Management Act of 1998, which is currently under review, there are what we call 'designated evacuation centres'. When such facilities are referred to as designated evacuation centres, Government has a responsibility to make sure that these facilities are built to standard and unfortunately I say that again, Mr. Speaker, Sir, unfortunately most or some of our community halls which were referred to as evacuation centres were not built to standard and that is, we have a responsibility to look after our people, their safety and well-being is our priority. We have to ensure that whether it be evacuation centres or community halls, they must be built to standard if they are to be used for shelter when the need does arise, Mr. Speaker, and that is why Government decided to review this project.

We, Mr. Speaker, Sir, through the DRR allocation in 2013, secured the first \$2 million in which the focus was on community halls, seawalls, riverbank protection and I believe that allocation is now resting with the Ministry of Waterways, that was the first allocation of DRR in which we continue to provide evacuation centres to the people.

HON. SPEAKER.- Order, order!

HON. LT. COL. I.B. SERUIRATU.- Mr. Speaker, Sir, the Government now has come up with the new design for what we call 'Purpose Built Evacuation Centres' and they can be referred to as community halls as well. It was not totally removed but, of course, we have to review this in terms of our priorities, Mr. Speaker, Sir.

Again, let me say this: we must build to standard. Of course, we need to review some laws that we have, one of them is the Building Code. Mr, Speaker, Sir, the Building Code unfortunately does not cover most of rural Fiji, and this, when it comes to standard in Rural Fiji, it is the Rural Local Authority. We had these issues in previous Governments, Mr. Speaker, Sir, and we have continued to raise these from DRR perspective, that needs to be looked at in tandem because unfortunately our Building Code is not enforced in Rural Fiji. We only have the Public Health Act ....

(Chorus of interjections)

HON. SPEAKER.- Order, order!

HON. LT. COL. I.B. SERUIRATU.- Listen, you might learn something. You have the Public Health Act and so this needs to be reviewed, Mr. Speaker, Sir.

(Chorus of interjections)

HON. LT. COL. I.B. SERUIRATU.- I think I have highlighted what you need to hear.

HON. SPEAKER.- Last speaker for this debate, the Honourable Attorney-General, you have the floor.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir, just to bring it back to the insurance itself.

Mr. Speaker, the Honourable Tuisawau talked about the bundled insurance. I would like to highlight the fact because it is critically important for us to understand how many people are now within this particular Bundled Insurance Scheme. We have now 200 rice farmers, 256 dairy farmers, 11,606 sugarcane farmers, 160 cane farmers, 35,041 civil servants which include people from the Discipline Forces also, Mr. Speaker, Sir, and 72,376 social welfare recipients.

As you know, Mr. Speaker, Sir, the Members in this House should know that through the budgetary process, we have also been allocating premium allocations for the social welfare recipients because we do not want them to fall further through the cracks again. And for the first time, the Social Welfare recipients now are getting certain benefits in particular, for example, if there is a loss of one of the Social Welfare recipients, the families are able to cover various expenses if there is a fire or if they get ill, et cetera, Mr. Speaker, Sir.

Now, it is interesting that some of the organisations themselves are paying premiums. So, for example, the Sugar Cane Growers Council are paying the premiums for sugarcane farmers, Copra Millers of Fiji or Coconut Millers of Fiji as they are now called pays the premium for the copra farmers and, of course, Fiji Rice pays for the premium for the rice farmers, Mr. Speaker, Sir.

Mr. Speaker, Sir, again as has been highlighted by both sides, there needs to be efficiency within the system and as you may recall, Mr. Speaker, Sir, in 2017 and 2018, we brought about a massive reform to the insurance sector. Namely we started off with the third party insurance scheme. As you know, third party insurance was actually through private insurance companies. It was a very litigious process, people actually had to go to court to make a claim. It is what we call a fault system. In other words, if the little child ran onto the road because he got scared while standing in the middle of the road or the side of the road and the driver actually hit him or her, then there would be no payout because you could prove fault. The insurance company will say that the pedestrian was at fault and therefore no insurance was paid out. We have removed the fault system now, Mr. Speaker, Sir. You do not actually need to go to insurance companies. There is a levy through the LTA system, it goes to the Accident Compensation Commission of Fiji (ACCF) which was set up, Sir.

I am happy to report, Mr. Speaker, Sir, already \$10 million has been paid out. Not all of them are to do with car accidents but also includes unemployment benefits also, Mr. Speaker, Sir, because as you know, we have removed that now also. So Small Medium Enterprises, Micro Enterprises that actually employ people, their workers are now covered this scheme and again it is a no fault clause.

For example, if I am working on a machine and my finger gets chopped off, the employer or the insurance company can say, “well, he was grog doped, he contributed to the negligence of his thumb being chopped off” and therefore we will only pay “x” percentage as opposed to the full compensation. Again that is gone out the window, so it makes it a little easier for the consumers of Fiji, in particular, those at the lower end of the socio-economic scale.

We have included in there also, Mr. Speaker, Sir, school yard injuries and we have seen one or two claims. For example, if you have a child maybe running around with a pencil and pokes the other child’s eye and they lose their eye and it has actually happened. Now, they actually get compensation for that paid through to the ACCF. A lot of change in the paradigm has actually taken place regarding insurance. The bundled insurance themselves, we have to understand, Mr. Speaker, Sir, that insurance companies, at the end of the day, even the insurance companies whether it is Sun Insurance or other insurance companies, a lot of them rely on what we call the “re-insurers”. All re-insurers sit offshore. They are the big boys and girls with lots of money and they are the ones who actually set the agenda. In the same way in the 1990s when we had two or three cyclones that came, that is when they changed the requirements for getting a cyclone engineering certification. It came from offshore and insurance companies then would only offer a cyclone insurance cover if you met very onerous requirements of



standards for you to be able to get that level of certification and then be covered for insurance purposes. This is why many homes in Fiji, very low rate of insurance penetration has been highlighted, about 12 percent only and generally tends to be those who are wealthy who can get their homes insured. We obviously need to change that paradigm.

The Honourable Tuisawau mentioned Pacific Catastrophe Risk Assessment & Financing Initiative (PCRAFI) and the various other products being offered. We are still a very long way away from there. I have to tell you as we have highlighted in Parliament before, which we are working with the World Bank. They came up with one insurance product and that insurance product, because they need to assess the risk. The underwriters always want to know what kind of maximum risk they will be exposed to. They said we will only, for example provide insurance cover to registered farmers. So they know exactly how many registered farmers we have and we actually rejected it because you can imagine a scenario through what we call a parametric insurance where if you say that this area has been cyclone hit and then everyone in that area will get that cover. But they said we will only cover those people in that area who are registered farmers. So you could have a village, you could have a registered farm there, you could have a registered farm there, so the others are registered farmers, you could have a registered farmer there, so the others are not registered farmers, we only would have paid out to them. It would have been completely obscured, it would have been completely unfair, so we rejected that particular product. So we are still working through these processes to be able to get their confidence built up and we, of course want to provide insurance cover for these people.

Mr. Speaker, Sir, the other point that I want to highlight is that the Micro, Small and Medium Enterprise definition as we announced yesterday with the assistance we are providing, will in particular for Small and Medium Enterprises provide a concessional loan for what we call working capital. Working capital includes payment for insurance premiums. So some of them who cannot pay that will be able to use some of that funding should they be eligible for that concessional loan funding would be able to pay an insurance premium.

There is a big issue at the moment in the tourism sector. We have, for example, the Hilton Hotel. It is completely empty but they have to pay insurance and I think the insurance premium from what I understand is about \$4 million. Now there is no revenue being generated, where will they get the \$4 million? The FNPF that owns Westin, Sheraton, InterContinental and other properties such as Momi, GPH et cetera, have to pay their premium for them. A lot of hotel properties are facing this issue. The garment factories some have actually reduced their hours or have been shut down because of the low demand from Australia and New Zealand, they still have to pay the insurance premium. So some of the insurance companies are working with them. There is, of course, going to be a new norm that is going to be set, but at this point in time the only certainty we have is the uncertainty.

We know it is going to be uncertain times ahead. No one within the financial sector at the moment knows how it is all going to pan out. So to be able to say, "let us do a law now in place or put a law in place" actually will be a bit premature because we do not know what the new paradigm will be. But I would like to thank the Committee for the work, Mr. Speaker, Sir. These are, of course, very challenging times, but in respect of the bundling of insurances et cetera, we are looking forward to that being furthered along the track and we would like to thank the Reserve Bank of Fiji for the regulatory oversight. Thank you.

HON. SPEAKER.- I thank the Honourable Attorney-General for his contribution to the debate. I now give the floor to the Chairperson for his Right of Reply. You have the floor, Sir.

HON. V. NATH.- Thank you, Honourable Speaker, Sir. I thank all the Honourable Members for their contribution. Just to add onto the Honourable Gavoka's comment, very rightly picked by Honourable Seruiratu, we constructed three evacuation centres which I just want to mention. It was in

Narikoso Village, Nakorotubu in Ra and Maumi Village, Namalata, Tailevu. These were the three projects which were initiated and that is why the Government is investing a lot in school buildings. These buildings are built to Category 5 standard, and the Construction and Implementation Unit (CIU) oversees these projects so that the evacuation centres are safe. With those words, I thank all Honourable Members.

Question put.

Motion agreed to.

HON. SPEAKER.- Honourable Members, on that note, we will suspend proceedings for lunch and Parliament will resume proceedings at 2.30 p.m. We adjourn for lunch.

The Parliament adjourned at 12.28 p.m.

The Parliament resumed at 2.30 p.m.

### **SPECIAL COMMITTEE TO REVIEW THE COST OF LIVING**

HON. SPEAKER.- Honourable Members, I now call upon the Honourable Niko Nawaikula to move his motion. You have the floor, Sir.

HON. N. NAWAIKULA.- Honourable Speaker, I move:

That the Parliament resolves to establish a Special Committee under Standing Order 129 to review the cost of living. The members of the Special Committee to be the following:

- (a) Honourable Viam Pillay (Chairperson);
- (b) Honourable Alvick Maharaj;
- (c) Honourable Selai Adimaitoga;
- (d) Honourable Viliame Gavoka; and
- (e) Myself (Honourable Niko Nawaikula).

(Laughter)

HON. SPEAKER.- Order, order! Is there a seconder?

HON. RATU S. MATANITOBUA.- Honourable Speaker, Sir, I second the motion.

HON. SPEAKER.- I now give the floor to the Honourable Niko Nawaikula to speak on his motion.

HON. N. NAWAIKULA.- Thank you, Honourable Speaker. This motion is a very serious one. It is calling for bipartisan on both sides of the House to review the cost of living.

Honourable Speaker, may I start by extending to all the members of our Muslim family in Fiji, *Eid Mubarak* and may Allah reward you with goodness.

HON. GOVERNMENT MEMBER.- Seriously!

HON. N. NAWAIKULA.- Well, seriously Honourable Speaker, I also appeal to all the Members to agree that when we debate this motion, we put aside our political positions and instead let us all focus our thoughts and contributions to the welfare of those fellow citizens who have lost their fulltime employment as a consequence of COVID-19. Having said that, I have just been informed that 758 employees of Fiji Airways have been made redundant.

Mr. Speaker, every Member in this House would be familiar with the term *vosota* and I can tell you from my own recent conversations with many citizens, they are struggling. They are in desperate need of help today, even right now. But they will *vosota* and carry the pain and the struggle as they try to keep themselves and their families safe from the Coronavirus and to do so without their weekly pay packet that they all depend on to sustain themselves, and not knowing when their jobs will return. I can only imagine the level of stress and trauma the current situation is imposing on these sons and daughters of Fiji. To encourage everyone here today to speak, I am asking for Members to speak only on the motion on its merits in a truly bipartisan way. Please, remember that.

I appeal to each of you to think with compassion and empathy of the daily battle that so many thousands of our people are facing every day for their very survival. They will continue to face this in the coming weeks and months so let us come together today in a united effort to find a positive way forward that will help bring relief to the suffering of our people.

Firstly, on that, I would like to commend the Honourable Minister for Economy and Attorney-General for his efforts to place Fiji in a prime position to benefit when Australia and New Zealand, our main tourism source markets, decide to expand their travel bubble so that it includes the Pacific. And may I also recommend to the Honourable Attorney-General that he include in his continuing discussion in this area, our shadow spokesman on tourism and civil aviation, the Honourable Viliame Gavoka, in his efforts. We already know that the Honourable Gavoka has many years of valuable experience in tourism that we can all benefit from in his inclusion.

Trust me, Honourable Speaker, when I say that the Australians and New Zealanders will be impressed by our willingness to work together for this course, for once, let us act in this House as one big happy family, dedicated in unity to the welfare of the bigger family of Fiji.

Mr. Speaker, I do not think anyone in this House or in the country is happy to read that about 80 percent of followers of Empower Pacific for Counselling are asking for food and other assistance, or that our tourism arrivals for April 2020 totalled just 678, compared to 76,813 arrivals for the same month last year. That represented a 99.2 percent reduction which underlies the size of our family problem, nor do we feel good about 500 workers from Jacks Fiji Limited being put off work just six days ago, or that our economy will decline in 2020 by more than 4.3 percent. I could go on Mr. Speaker but I hope I have made the point.

We are in a national crisis and we must come together. We know that a team that plays well and heard together is a team that can win. Our role as Opposition is to keep the Government of the day accountable and we endeavour to do that in the best of our ability.

But with COVID-19, we must combine our forces and face the crisis together, and work as a team Fiji to overcome it. Our people are looking to us to step up and act together, and work to find solutions to a crushing problem. The biggest burden of this is carried by the people and their families.

Mr. Speaker, this is why I have placed this motion before this House. Tens of thousands of people are now unemployed with no income. The average payout to workers who have lost jobs from FNPF and Government so far is \$692 and this cannot sustain a family for more than six weeks.

Not all landlords have been accommodating in rental deductions. Some merchants have increased prices and have been selling expired stock. I have received a number of complaints about banks dragging their feet in honouring their agreement in terms of interest and principal payments.

Today, some are charging customers with the dues or no income interest on the interest paused and some are still deducting repayments from customers who have applied for a freeze due to hardship and then take their time to reverse this and get back the deducted amount, having already added even more stress to their already stressed out customers. I think that is shameful.

We need to establish what the cost of living is today in the middle of this pandemic, then we will know the real cost burden to our people and this will allow us to re-assess the assistance we are currently providing our laid-off workers to help reduce the stress, trauma and financial burden on them.

There are many other aspects of the crisis that we can tackle by reaching out to each other across the floor of the House to establish the spirit of bipartisanship, as the darkness of this pandemic bring out our nation with a catalyst to bring forth the bright star of co-operation between all the 51 Members of this House today, as we work together to find the solution that our people need as we are duty-bound to provide. Thank you.

HON. SPEAKER.- I thank the Honourable Nawaikula for his motion. I give the floor to the Honourable Prime Minister. You have the floor, Sir.

HON. J.V. BAINIMARAMA.- Thank you, Honourable Speaker. Honourable Speaker, I rise to speak on the motion by the Honourable Niko Nawaikula, to establish a Special Committee under Standing Order 129 to review the cost of living.

Mr. Speaker, Honourable Nawaikula had just mentioned the number of people who have retired from Fiji Airways and that is the continuation of what COVID-19 is doing to us. That is not the beginning of it, nor is it the end of what COVID-19 is doing to us. So, I must say that it is rather an inconvenient waste of much needed resources and precious time when we are at war with COVID-19, a deadly disease known during our time and it is not only us but the rest of the world that is battling to find a solution. It is obvious that the Opposition is using the current situation for their own political game.

It is understandable, Mr. Speaker, that in a world recession, it is expected that inflation rate would fall due to low demand and decline in economic activities. The nation is currently going through a very difficult phase. We are dealing with the impact of a global pandemic and the recent natural disaster which affected our rural and maritime islands and parts of the Western Division and Central Division.

Mr. Speaker, unlike the Opposition, this Government has always prioritised the interest of the Fijian people in difficult circumstances. The Opposition have always come up with their own self-interest and this is reflected in the division amongst themselves. This is not the first time. This is not the time for division in our country, as currently being portrayed by Honourable Members on that side of the House but rather, this is the time to work together, stand united in the fight against this global crisis.

Mr. Speaker, I do not see a need for a special committee to review the cost of living when Fiji is already fighting with so many challenges, like the rest of the world and when inflation rates are already low. We should utilise our resources economically and sensibly at this time and not divert resources to review such propaganda when we need everyone's commitment to get the country back to its business.

Such reviews are, no doubt, needed but we have to prioritise our efforts where needed which, unfortunately, the Honourable Member on the other side cannot see. My Government has come up with the Response Budget to assist businesses, employers and Fijians who have been affected during this time, and we will continue to do so as the situation unfolds.

Mr. Speaker, I trust that Fijians are well informed of the current economic situation. The Reserve Bank of Fiji in their monthly review are keeping Fijians updated on the economic situation, including employment market updates, the sector progress, inflation rate and monetary policy adjustment.

Government also, through the Ministry of Economy, has announced a number of measures to assist those who have recently become unemployed, and also those who wish to start a business in micro-enterprises and existing Small and Medium Enterprises (SMEs). This will, amongst other things, sustain livelihoods. Based on those remarks, Honourable Speaker, I do not support the motion. Thank you, Sir.

HON. SPEAKER.- I thank the Honourable Prime Minister. Honourable Professor Biman Prasad, you have the floor.

HON. PROF. B.C. PRASAD.- Thank you, Mr. Speaker. I support the motion by Honourable Niko Nawaikula. Unfortunately, the Honourable Prime Minister has obviously rubbished the motion but I think Mr. Speaker, it is very important. I think we can use the opportunity of that Committee that has been suggested to feed into the policies or the measures that we might need to take in the 2020-2021 Budget and let me give you the reason why the Government should not reject this motion and take this motion as a very important suggestion.

I think it does not help for this Government to continue to level the Opposition as a group which is hell-bent on making political mileage out of this. We can say the same thing about the Government, Mr. Speaker, we can say the same thing! There are many instances where they are trying to do that and not seriously looking at what the priority should be.

If you look at the forecast by the Reserve Bank of Fiji (RBF) on the economy, while the April statement says that the economy might contract by about 4.3 percent, Mr. Speaker, if we analyse the conditions in which we are globally in today and the impact of that on Fiji, and if you assess the various sectors of the economy and what is happening there, then I think we should prepare ourselves for a contraction of the economy this year, not by 4.3 percent or 5 percent, I think we should look at a huge contraction. And my projection, Mr. Speaker, is that we could have something like between 15 percent to 20 percent contraction of the economy in 2020 and the impact that, that is going to have on the poor and the vulnerable is going to be huge.

If you look at the poverty statistics; 28 percent to 30 percent, the other 20 percent, Mr. Speaker, have always been on the margins. And we know that many of them are losing jobs, working on reduced hours and those under 20 percent on the margins, you could be easily looking at 50 percent of households in this country within matters of months, who would be falling below the poverty line.

Mr. Speaker, let me remind the Honourable Prime Minister about those families. In fact, if you look at the food basket of families who fall below the poverty line, bulk of it is about food. Forget about income poverty, we could see many families falling into food poverty, which means that they will not be able to afford food on the table. That is why it is absolutely important for us and I think the suggestion for a bipartisan Parliamentary Committee to look at how we can deal with those scenarios through our budget process next month is a good suggestion. It is no point, I mean, they keep talking about working together, and I thought Honourable Niko Nawaikula for once, was very conciliatory.

(Honourable Members interject)

HON. SPEAKER.- Order!

HON. PROF. B.C. PRASAD.- He was, for once, very conciliatory to the Government. In his very conciliatory expression and genuineness, he has suggested this Committee. You cannot accuse him of not extending the Opposition's hand to deal with this issue.

(Honourable Members interject)

HON. SPEAKER.- Order, order!

HON. PROF. B.C. PRASAD.- Mr. Speaker, it is very important for us to understand this. We know that we are in uncharted waters. This is unprecedented for any country in the world, what we are going through and this is the opportunity for the Government to prioritise and look at how we can sustain our families in the next six months or the next one year or the next 18 months. This economic disaster that we are going to see is not going to go away in six months, one year or 18 months. It is probably going to take us two years or three years to deal with this and in that period, we need to be very careful of how we devised plans to look after our families, especially those who would be falling below the poverty line.

Here, Mr. Speaker, if I can make the suggestion, I mean, when VAT was imposed on basic food items, we raised this issue as a very serious one. Now, it is even more important, first to look at the 9 percent VAT on the basic food items. As I said, for a large number of families, who will fall below the poverty line or who are below the poverty line already, the bulk of what is in their consumption basket is food, Mr. Speaker, Sir. Many people and families are prioritising holding back expenditure because they are worried about putting good food on the table for their families and children.

This usual argument, Mr. Speaker, that if you remove VAT from basic food items, because if you exempt basic food items, the rich and those who can afford it are also going to benefit. But let me suggest this to the Government, if you are looking at 50 percent of the families falling below the poverty line, Mr. Speaker, Sir, and you exempt VAT on basic food items, those who can afford it (the rich and those in the middle class), if they are able to save some money they will spend it elsewhere. So the Government would get some of those revenue back from a greater spending that would be good for the economy and businesses, and this is the kind of things that we should be looking at, and I think, there should be a Committee to look at the impact of the cost of living, the impact of food prices on our families and the food poverty that we might see in the future, Mr. Speaker, is very very important. Mr. Speaker, Sir, we cannot ignore those families.

This is one time that we need to come together, this is one time that we need to worry about those 50 percent of the families in this country who would be struggling to make ends meet. So I would urge the Government to stop worrying about what the Opposition's plan is. The Government also has a plan to win the next Elections, so does the Opposition. But let us not accuse each other of using this opportunity or situation. Yes, we will be critical of Government when we need to, because this is not also a time to let Government go loose, because if we let them loose, they are going to make a bigger mess of things. It is important for them to also understand that when we hold Government to account, we do it with genuineness and sincerity, Mr. Speaker, Sir. So it is important for us to look at this motion in a non-partisan manner, as Honourable Nawaikula suggested.

Mr. Speaker, Sir, there are many things that we need to talk about, how to deal with the crisis in front of us or with us, but we will have more time, there will be other opportunities that we will have in this Parliament this week and during the Budget. Mr. Speaker, Sir, before the Budget, I would urge the Government and we ourselves have been writing about ideas, there are a lot of people who are suggesting things, we are all wanting good for this country. We all want to be part of the Trans-Tasman Bubble and we want it to happen as soon as possible but, Mr. Speaker, Sir, there are some things that are not in our hands and beyond our control and we have to rely on what others do, but there are things that we can do ourselves that we can look at, we can re-prioritise, look at the expenditure and look at the specific cases.

There are people who are coming to us, Mr. Speaker, Sir, on a daily basis and we try and articulate those things with the Government through our public statements or through directly talking to Honourable Ministers and Government Backbenchers, we want to deal with the issue, that is what the spirit should be and that is what we should all do.

Therefore, I suggest to the Government side, despite what the Honourable Prime Minister has already said, he should reconsider in his term and support this motion and let us set up a Committee to deal with that specific thing, Mr. Speaker, Sir. I want to support this motion and I hope that the Government will also change its tack and support the motion. Thank you, Mr. Speaker, Sir.

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

HON. V.R. GAVOKA.- Thank you, Honourable Speaker. I rise to speak in support of the motion by the Honourable Nawaikula. I think it is timely especially the situation we face today.

Honourable Speaker, on the CNN, there were reports of people in Los Angeles lining up to pick up food from a food bank, driving in their BMWs and Mercedes. Now, this is an indication of what Fiji and the global community face today. There is every indication that COVID-19 will be around for some time. There are moves in Europe, in the U.S. and the U.K. to start opening up. At the same time, there are warnings from the medical profession saying there can be a second wave and just as bad.

Honourable Speaker, it will be useful if we relook at the models that we have today and I believe every country in the world will have to do this. I believe the days of globalisation is gone. Travel by air will take years to come back and people, countries will now have to survive on their own. I think there is going to be more regional trade and I am one who supports our linkages to the travel bubble between Australia and New Zealand. I have highlighted on my *Facebook* page, an article where I said that if you want to be part of that, then we must improve our health system and our overall hygiene standards in this country.

Research has been conducted by the University of Queensland, Australia with the tourists and they are now saying that health is going to be key in my choice of destination. Fiji has a huge tourism industry. We have world-class products. We need to also have world-class health system. We can do it but it is a matter of commitment to a policy to save ourselves, save that \$2 billion hole that will go if we do not do something about it. So, Honourable Speaker, a Committee like this can hear all these things. When I see those people in BMWs and Mercedes queuing up at a food bank and in my village I look out into the sea and I see our people fishing and I am saying, I think at the end of the day, countries like Fiji will fare better than other countries in the world because we have our natural resources, we have the fresh water mussels, we have the prawns from the streams, eels and all that food is available to us but we have to organise ourselves hence the call of this committee to try and streamline all these so that everyone in this country has enough food. Food is going to be very critical, Honourable Speaker. How do we develop this? How do we structure our communities to be more self-sufficient?

As a matter of interest, Honourable Speaker, when you hear today, the 750 staff from Fiji Airways have been released and Jack's of Fiji releasing staff as well, what may happen, Honourable Speaker, is that the private sector will no longer be able to provide what they have been providing all this while in creating that part of the economy and sustaining lives on this planet. We may just have to go back to "big government". I believe, Honourable Speaker, big government will come into play now.

The Government will now have to secure the resources for everyone to have enough on their table. Interestingly, Honourable Speaker, about 100 years ago was the upheaval in the world with the communism starting off in Russia, and you know communism became an ideology that dominated the last century. So, it may just be that 100 years today that this is happening again, that it may have been taken from the factors of production, control the lives of everyone, that may have to come to that. So, all these things, Honourable Speaker, need to be understood and I believe that a committee like this should be able to hear from the people and help in crafting the way forward to survive this pandemic. Honourable Speaker, I would urge this Parliament to vote and support this motion, and to put it very simply, Honourable Speaker, this crisis is way bigger than the FijiFirst Government.



What they have in mind, what they want to do will fall far short of what needs to be done, and it is more frightening that they continue to believe that their consultations within themselves, the way they have done this in the past will help Fiji out of this crisis. That is the frightening aspect to that and I think they should realise that and they should reach across the aisle, accept this motion and we do it together. Do not worry about the division on this side of the House at least we talk to each other, at least we are a political party or people of good ideas and I would love to “be a fly on the wall” when the AGM is held by FijiFirst because I know no one says anything. So, Honourable Speaker, I would support this motion very very strongly. Thank you.

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

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir. Mr. Speaker, Sir, I would like to actually talk on the motion. Perhaps the mover of the motion should have actually amended the motion because the motion talks about “to review the cost of living”. All the speakers apart from the Honourable Prime Minister spoke about the impact of COVID-19 and in particular spoke about unemployment. They talked about the effects of COVID-19 on the sustained livelihoods of people as opposed to the cost of living. The cost of living is different to unemployment because you can actually have a high cost of living and have full employment or a very low employment or you could have unemployment and also high cost of living.

So, I would like to just draw that attention and again how to use the phrase from the other side “behoves us” to think that people are here wanting to set up a committee yet do not know the difference between unemployment and cost of living.

(Honourable Members interject)

HON. SPEAKER.- Order!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, Honourable Professor Biman, you should know that. Mr. Speaker Sir, just to bring it back to what ‘cost of living’ actually means. The Bureau of Statistics, Mr. Speaker, Sir, has what we call a CPI (Consumer Price Index), the base year is 2014 where what we call a total weight of 1,000. Now, that is broken up into different aspects of our day-to-day living. Out of the 1,000 index, we have 12 categories that actually go towards measuring the inflation rate:

- Food and Non-Alcoholic Beverages have a weighting of 347.1
- Transport - 138.7
- Housing, Water, Electricity, Gas and Other Fuels - 126.8
- Alcoholic Beverages, Tobacco and Narcotics, including Kava - 105.7
- Education - 75.3
- Furnishings and Household Equipment - 50
- Communications - 44.2
- Restaurants and Hotels - 28.8
- Clothing and Footwear - 21.7
- Recreation and Culture - 16.1
- Health - 14.1
- Miscellaneous Goods and Services - 30.5

Mr. Speaker, Sir, the cost of living should be seen as the overall change in price of the whole basket of these items for which price rise and fall. You cannot simply say cost of living has increased just

because the price of *yaqona* has gone up or the price of *dhal* has gone up. There is a combination of all these items that people use on a daily basis to measure your cost of living.

Apart from inflation numbers, Mr. Speaker, Sir, we should holistically assess other indicators such as change in income levels. So, for example, if the general income of the country has increased and the prices have remained the same or the prices have not increased relative to the increase in the wages then obviously you can see the cost of living has gone down. Similarly if people are getting tax reductions, if people's electricity bills are being subsidised or education fees that they used to pay before is now no longer paid by them but paid by the state or the big Government then again that has an impact on the cost of your living because it depends on how much money you have left in your pocket at the end of the day after being paid.

Mr. Speaker, Sir, in respect of that, let me highlight the average inflation between 1970 to 1979, it was 10.2 percent. The average inflation between 1980 and 1989 was 7.2 percent. The average inflation between 1987 to 1997 was 5.1 percent. The average inflation between 1990 and 1999 was 4.1 percent. The average inflation between 2000 and 2009 was 3.8 percent and the average inflation since 2010 to 2019 is 2.8 percent.

So, Mr. Speaker, Sir, inflation over the past five years has averaged around 2.4 percent and the big inflations to negative 0.9 percent in 2019. Since October 2019 Fiji has been consistently recording negative inflation for the past seven months with inflation April 2020 recording negative 1.3 percent. But as has been highlighted by the Honourable Prime Minister, whilst the world economy has slowed down, obviously that has meant because of less demand for goods and services, the prices automatically fall down, inflation actually has been affected. Similarly, the competition between the Saudis and the Russians has mended the price of fuel and has dramatically decreased which has meant, we need to spend less to buy more fuel. The diesel generators run by Energy Fiji Limited (EFL) in Vanua Levu to supply Macuata and various other places, the cost of running those generators has actually come down for EFL but of course these are all fluctuations that are subject to world market prices and geo-politics.

Mr. Speaker, Sir, the average inflation in 2010 to 2019, of course, is the lowest compared to any decade post-Independence. Now, what are some of the other factors what we call "domestic issues" that actually affect cost of goods and services? Cyclones is critically important in that respect. We see, for example, everyone talks about kava. The price of *yaqona* shot through the roof after *TC Winston*. You go and try and buy a bundle of bean or some *bhindhi* or *bhaji*, *dalo* or cassava, the areas that actually produced those fruits and vegetables actually get affected. Obviously the price of those things will go up. As more production comes in obviously then the prices comes down.

So, Mr. Speaker, Sir, in respect of what the Honourable Member is proposing of having a Committee, there is no need to do that. What I think he was probably, mistaken a little maybe as Honourable Prasad has said, this is the first time that he has actually spoken in that manner. Maybe actually he had a genuine interest in respect of talking about the issues pertaining from or emanating from the impact of COVID-19 and we do recognise that, Mr. Speaker, Sir. And the contraction will be massive; we all know that. As I said this morning, the only certainty about COVID-19 is the uncertainty because we do not know how it will pan out. We do not know whether there will be a second wave, third wave or fourth wave. We do not know there will be a vaccine or not, or should there be requirement for a vaccine. We do not know when the travel bubble will open as much as we want it to open as soon as possible. Even within Australia, the different states have different rules. Queensland does not want to open. So, the other states want to open. We are trying to get the Australians and New Zealanders to talk about the travel bubble in the Pacific as individual countries, not as the Pacific Island countries but as Fiji, as Tonga, as Samoa because we are very different to the other Pacific Island countries. We have the only WHO-certified testing laboratory that tests for COVID-19. The other Pacific Island countries actually

have to send their swabs overseas and we do not know the integrity of those swabs when they come back or by the time they come back.

Our health system is different, our airline connectivity is different. We do not have anyone dying from COVID-19. We have a huge recovery rate; 15 out of the 18 have recovered from COVID-19, so we are very different. In respect of opening up the travel bubble, we obviously are quite keen or even we do not even know what will happen.

Mr. Speaker, Sir, the Honourable Members talk about bi-partisanship, et cetera. They also know that we gave a COVID-19 Response Budget because obviously we knew, and everyone knew as Honourable Nawaikula himself has highlighted. Tourism numbers dropped, it just fell off the cliff. We do not have any tourists from overseas period. So all the revenue, departure tax, STT, VAT, ECAL, jobs related to that sector, employment, superannuation collection, PAYE has all gone. This is why we put in place the COVID-19 Budget Response because we have to re-collaborate our revenue to be able to meet the expenditure and re-collaborate our expenditure. As anyone knows that we have a budget on a yearly basis based on projected revenue and projected expenditure? So that in itself is our response and again we were criticised for that. But that move, Mr. Speaker, Sir, has helped us be able to position ourselves better in which we also had an allocation directly of \$60 million.

As announced last week on Friday, \$30 million of that will be expanded immediately in the next couple of months where anyone that is unemployed, is not able to access the general account of FNPF, and again they criticise us for that. Australia has now allowed Australians to withdraw their superannuation funds (equivalent to FNPF) up to \$10,000. Sir, 600,000 Australians got unemployed in one month, nearly two-thirds of the populations of Fiji and they have allowed that too.

We are saying now, Mr. Speaker, Sir, we have also as announced on Friday that now with the second wave of withdrawals, anyone that has now become unemployed or took out from the first wave of withdrawals from the general account, withdraw up to \$1,100. If they do not have that money, Mr. Speaker, Sir, Government will pay them the money. We will top it up and as the weeks go by, Mr. Speaker, Sir, more and more Fijians will not be able to withdraw from their general account and they will all depend on Government. We are here for the long haul. We are here for some quick wins.

(Honourable Members interject)

HON. SPEAKER.- Order!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, so therefore it can happen for the six months, it can happen for the next nine months, you can actually have a budget that will be heavily skewed towards simply paying unemployment benefits. And, Mr. Speaker, Sir, which means it puts a huge pressure on your need to borrow because your revenue streams have dried up. They do not mention any of these. That critical, they do not understand the basic economics of these.

(Honourable Members interject)

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, it is a fact. It is a fact, Mr. Speaker, Sir. They talk about FNPF without knowing that there is a difference between the preserved account and the general account.

(Honourable Opposition Members interject)

HON. A. SAYED-KHAIYUM.- They also do not acknowledge the fact ...

(Honourable Members interject)

HON. A. SAYED-KHAIYUM.- ... Honourable Jale should know this.

(Honourable Members interject)

HON. SPEAKER.- Order, order!

HON. A. SAYED-KHAIYUM.- He should know this because during his time, in those days the FNPF had about 26 grounds for withdrawal; 26 grounds. You see the Honourable Member who was talking a lot does not understand the difference between a savings bank and a superannuation fund.

(Honourable Members interject)

HON. SPEAKER.- Order!

HON. A. SAYED-KHAIYUM.- Absolutely no understanding!.

HON. SPEAKER.- Order, order!

HON. GOVERNMENT MEMBER.- No idea.

HON. A. SAYED-KHAIYUM.- No idea. And this is the kind of attitude they have and they want to have a bipartisan committee. No understanding, Mr. Speaker, Sir.

(Honourable Members interject)

HON. SPEAKER.- Order!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, one cannot even fathom the idea of having a sub-committee firstly, on a motion that talks about unemployment but actually is worded for cost of living. On the other hand, we have Members from the other side talking about superannuation funds saying it is their own money as if it is a savings bank.

(Honourable Opposition Member interjects)

HON. A. SAYED-KHAIYUM.- I think you really need to talk to your Member there. Maybe some of you can longer talk to her.

(Honourable Opposition Member interjects)

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, the fact of the matter is this, even prior to this, in the general account, you could withdraw your funds for medical purposes, for education purposes for funeral purposes because that is what the general account is for; to meet those expenses.

Mr. Speaker, Sir, the other thing that we have also done as announced, we have had numerous and very in-depth, almost daily consultations with a huge number of people from the different sectors in Fiji. The different Ministers have been doing that; Minister for Health, Minister for Transport, Minister for National Disaster, Minister for Commerce, Minister for Women, Minister for Local Government, Minister for Fisheries and Minister for Forestry. We are meeting banks and tourism players; everyone is meeting with all the different stakeholders. So they cannot say there is absolutely no engagement with the members of the public. In fact, all the private sector stakeholders have actually commended

Government for this kind of level of interaction. Various task force, the Minister for Employment has numerous meetings with different employer groups and employee groups.

Mr. Speaker, Sir, we have also as highlighted in the weekend, we made an announcement of another set of incentives, a new set of micro enterprise concessional loan funding for those people who want to, for example, get into a small micro enterprise up to \$7,000, one year grace period, pay the money back four years down the track and no monthly repayment but just a set amount on a yearly basis. I will give you an example, a person who is currently been working as a pastry chef down the hotel in the Coral Coast is no longer employed. That person has a particular skill set and he can bake cakes, pastries, bread et cetera, he can start up his own business, supply to his village and people living around him. Now he has got the skill set but he does not have the funding to utilise that. That person can now get a loan of up to \$7,000.

We work with the Fiji Institute of Accountants (FIA), the Fiji Chamber of Commerce, the Fiji Employers Federation, the Women in Business, the MSMEs and set up a Fiji Business Organisation that will go out. We do not want these people to come all the way to Suva, they probably cannot afford bus fare now, there will be people available through the FIA who can go there, look at the submissions, do they have the cash flow, yes, they have the skill set, they give the approval, Government disperses the funds into their accounts or to the accounts from which they need to procure, for example, in this case the gas oven. That is what we are doing; up to \$7,000. And those who are existing micro enterprises, they can also get assistance for working capital.

Then we have for small enterprises, they can get up to \$14,000 loan. These are not new ones but existing ones. So they can actually retain the employees they have. When you retain the employees you have, it means those people are getting paid wages. When their wages are in their pockets, they can actually go and spend, they can buy food, look after their families.

Medium enterprises, \$21,000 loan, Mr. Speaker, Sir and we expect to at least disburse about \$5 million of this in the next couple of months.

Mr. Speaker, Sir, again we will have a second wave in the next budget, because that is what the budget will be focused throughout. So all these sets of measures are being put in place with numerous consultations, about \$13 million a month has been deferred in what the Honourable Member was talking about in respect of mortgage repayments; \$13 million a month, we got the report from the Association of Banks in Fiji. So the Associations of Banks had been working with us. There are some people, Honourable Nawaikula said some people still have got their mortgage repayments so the banks are enforcing that. Yes, there are some people who have not paid their mortgage repayments nine months prior to COVID-19 now want to ride on this wave. Of course, they need to be dealt with differently. But those people who, as a result of COVID-19, their businesses and their jobs have been affected, therefore, it affects their ability to do their repayments to the banks, they are being assisted.

So, Mr. Speaker, Sir, a number of these measures have been put in place. I urge the Honourable Members, I think Honourable Professor Prasad said they have got some ideas. Please, elucidate your ideas. It does not mean you can elucidate your ideas only through this committee that is going to look at cost of living but you not talk about other things in the committee, Mr. Speaker, Sir.

Mr. Speaker, Sir, I obviously do not support the motion because the motion is misplaced and there are a number of measures being put in place. Of course, we all need to work together as a nation. We all need to be able to hold each other's hands to be able to take us through this particular phase and you can be rest assured, Mr. Speaker, Sir, that the Government is working very closely with all the different stakeholders to be able to ensure that we are able to ride through this pandemic, led by our Honourable Prime Minister as our leader. Thank you.

HON. SPEAKER.- I thank the Honourable Attorney-General. Honourable Mitieli Bulanauca, you have the floor. Do not be surprised, you were waving to me before. I give you the floor now.

HON. M. BULANAUCA.- I will be very short, Sir. Even though we are discussing about COVID-19 and effects thereof on our economy, the cost of living, so on and so forth, what we had before the COVID-19 was really serious anyway. The economy was going down, imports were very high, exports were very low particularly in our economic sector, so it is very important that we put our failures first into place, particularly looking at the our people. Due to COVID-19, there are no employment, industries and businesses are closing, et cetera, so we must make life easier for them. We need to review some of the expenses that the people will incur, particularly at family level, in school on educational matters particularly with textbooks, transportation, et cetera. We need to review all those costs.

Those are all cost of living so it is important to review all those costs at the moment. At the same time, we need a lot of input, revolutionise the economic sector, particularly agriculture and forestry so that we can generate a lot more production here in Fiji, field our own people and lower the costs. So it is important that we refocus our attention to the economic sectors of Fiji from today and tomorrow. The COVID-19 is very serious and we need to look at it very seriously. We need a bipartisan approach between the two sides of the House in order to move ahead in future.

Also, I would like to confirm that there is no division on this side. There may be differences but there is no division. There are only differences but that can be resolved today and tomorrow. That is real democracy, not dictatorial as we have with the FijiFirst Party and the Government. It is important that we have a bipartisan approach in order to review the cost of living, particularly to our families and our people here in Fiji.

With those few words, Honourable Speaker, Sir, thank you very much.

HON. SPEAKER.- I thank the Honourable Member for his contribution to the debate.

I give the floor to the Honourable Nawaikula for your right of reply. You have the floor, Sir.

HON. N. NAWAIKULA.- Honourable Speaker, I wish to thank all Honourable Members who have supported my motion. It is very important that we work together.

The Honourable Prime Minister made about five points. First, he said the establishment of this committee will be a waste of resources. Then he said, this is being done simply for political gain. In the end, he said also that this is an example of self-interest, that there is no need for a special committee in Fiji because we already have a low inflation rate and finally, because there are already special measures in the Response Budget.

A lot of those points are duplicated or repeated by the Honourable Attorney-General but I think it is sad, firstly, for the Honourable Prime Minister to be saying that because he is on record saying that we should fight this war together and now, we are coming to him to work together and he is running away.

(Laughter)

He is running away so, it is totally sad that this is happening. I think he missed the whole point of what the motion is, being the review of the cost of living.

The Honourable Attorney-General initially said that this side of the House does not know the difference between unemployment and cost of living. That is very, very simplistic because he, of all

people, should know that unemployment will impact fiercely on the ability of a family to sustain itself, which is the cost of living. So, is he implying that people who are being unemployed will not be impacted? They are the ones whom we are trying to address this for.

Then he goes on to say that we do not need a committee because we already have a solution in the Response Budget. Where? I am still looking for solutions in the Response Budget. There is no stimulus there, I cannot find it! It was simply, in my view, a measurement to reduce expenditure so that the Government can reach the financial year - a chop of \$305 million - cut, cut and cut in the Response Budget.

We expected stimulus. For example, we understand that tourism is dead and there will be stimulus there for agriculture, nothing! They cut \$16 million from the agricultural budget and we were expecting that there will be new things, like cocoa. Has he heard of cocoa? Has he heard of vanilla? Has he heard of pineapple? Nothing! They cut \$16 million of the budget from the primary producers.

(Honourable Member interjects)

HON. N. NAWAIKULA.- No, I will come back to you!

The point is, there is nothing! There is no stimulus there and they have missed the point totally on the cost of living.

Let me now come down to the cost of living and let me illustrate this, Honourable Speaker, by some examples. In the most basic sense, it is the amount you spend for the basic necessities of life, that is your definition. One example, I am travelling from Buca Village to Savusavu. During this time, the fare is \$10. Three months ago, it used to be \$8. In the last year, it was \$7. That is the need to establish this, that is cost of living, so that is the cost of travel which has gone up unprecedentedly without any exception and we need to review it.

(Honourable Member interjects)

HON. SPEAKER.- Order, order!

HON. N. NAWAIKULA.- You can make your assessment on the average family and this is my assessment and I am sure I am right, Honourable Speaker.

Look at a trip from Nausori to Suva which is \$1.80 by bus. These people do not go by bus so they are not average. This is talking about average family. So, \$3.60 return a day and that is \$18 per week, just to travel from Nausori to come and work in Suva.

On food for a day's meal, bread is 71 cents. Probably, they do not go to the shop. Butter is at \$2.85 a quarter pound, sugar at \$1.70 a kilogramme, tea at \$2 a packet, a bundle of cassava now is about \$10, corned beef has gone right up to \$4.14, tinned fish is now \$3.60 which used to be \$1.60 and bathing soap is \$2. Now, on those essential goods, my calculation is that it is about \$20 a day.

Water bills have gone up to \$50 and electricity has dramatically increased. Electricity was to serve their own interest. They wanted to sell shares there and they worked in collusion with the Fiji Commerce Commission to increase it. That is cost of living. So, to survive in a day for an average family, we need \$80 and that is \$560 a week for the basic necessities. That is why we need this committee to review that because when the bus fares go up, their voices were not heard.

The bus companies went to FCCC. When the electricity went up, the voices of the ordinary people were not heard. All that the Government and the Fiji Electricity did, they went to FCCC. That is the need for this committee to hear the voices of the ordinary people, to hear the voices of the ordinary family, so that is the impact, Honourable Speaker.

I can tell you this, Honourable Speaker, if you go to Suva Point in the weekend, it is full. People looking for seashells, people are fishing, so that is the sad impact of all these. In Nausori, people are looking for *kai* (mussel), coming all the way from Veisari because that is their supplement. So, that is the reason why we are asking for this motion so that we can establish this and hear the views from all people.

The things that we want to achieve is that, by this we can recommend that the minimum wage go up, and that is one. We will probably recommend a reduction in the prices that are currently set by the FCCC on price control. Even food stuff and things that are under price control are not affordable. So, that is an outcome that we are looking for.

We might also recommend an extension of the jurisdiction on price control to other things, for example, services and other commodities, like bus fares and taxi fares. So, we look at it in a holistic way. That is the reason for this motion so that this Committee can look and hear, not so much the interest of the Government or the interest of business people but the views of the common and average family. Thank you.

HON. SPEAKER.- I thank the Honourable Nawaikula for his Right of Reply. Parliament will now vote on the motion.

Question put.

Motion defeated.

#### **TRIBUTE TO THE LATE FORMER PRIME MINISTER, MR. LAISENIA QARASE**

HON. SPEAKER.- I now call upon the Leader of the Opposition, the Honourable Sitiveni Rabuka, to move his motion. You have the floor, Sir.

HON. MAJOR GENERAL (RET'D) S.L. RABUKA.- Thank you, Mr. Speaker, Sir. I respectfully move:

“That the Parliament expresses its profound gratitude to the late former Prime Minister for his selfless service to the people of Fiji. The Late Mr. Qarase became the Interim Prime Minister after the events of 2000, and was elected as Prime Minister at the 2001 and 2006 General Elections.”

HON. RATU S. MATANITOBUA.- I beg to second the motion.

HON. SPEAKER.- I now invite the Leader of the Opposition, the Honourable Sitiveni Rabuka, to speak on his motion. You have the floor, Sir.

Before I go into what I call “A Tribute to Mr. Qarase”, I would like to first of all thank the Honourable Minister for Health and his team of officials and healthcare workers, the Minister for Home Affairs and Police for all the work that they have been doing during this difficult time of COVID-19.



I would also like to thank the Honourable Dr. Mahendra Reddy (who is not here), for releasing 18 heads of cattle for the cattle owners in Vaturova. It was before the curfew but they were roaming on the public roads and they were taken to the pound to be auctioned. Fortunately, the Honourable Minister released them before they were sold.

Mr. Speaker, Sir, I rise to pay a tribute to the Late Mr. Laisenia Qarase. Mr. Qarase was the 6<sup>th</sup> Prime Minister of Fiji, was born on his home Island of Vanuabalavu, in his Village of Mavana, in the *Tikina* of Mualevu, on February 4<sup>th</sup>, 1941, five months and a day ahead of you, Honourable Speaker, and died at the Oceania Hospital in Suva on the 21<sup>st</sup> of last month, April, 2020. He was 79 years old, and held the traditional Chiefly Title of his Clan as *Tui Kobuca* at his death. He was the Dux of Queen Victoria School in 1958 and attended the pre-University Studies Upper Sixth Form at the Boys Grammar School in Suva, before going on to Auckland University where he graduated with a Commerce Degree. In returning to Fiji to work in the then Fijian Affairs Board and later in other government departments, notably, Finance, Commerce and Industry, and Public Service before joining the Fiji Development Bank and becoming a Managing Director in 1983, serving therein for the following 15 years.

He was reluctantly dragged into politics after the failed George Speight *coup* of 2000 to be the Interim Prime Minister and to guide Fiji back into Parliamentary Rule with Elections in 2001, where his Soqosoqo Duavata ni Lewenivanua (SDL) Party won the Elections and won him the position of Prime Minister of Fiji. His Party again won the General Elections in 2006, after which he said it would probably be his last term. Sadly, it was, but not the full term as he had probably hoped for.

Apart from being the public servant and politician that Fiji acknowledged, the Late Mr. Qarase was a very visionary development enthusiast. At his village and *vanua* level, he was very intimately involved with his kinsman, the Late Mr. Filipe Bole, in the formation, development and growth of the investment and commercial enterprises of his Island, his *tikina* and his village.

I am reliably informed that the Vanuabalavu Vision Limited has assets worth more than \$9 million and growing at the time of his death.

Mr. Speaker, Sir, the success of Fijian Holdings Limited and its subsidiary companies is a glowing testimony to the dedication and wise directions given by the Late Mr. Qarase to the various Boards during his leadership. The many Vanua, Province and Tikina Multi-million Dollar Buildings that make up the skyline of Suva, also mark his legacy as a development banker and selfless thinker and toiler. The Suvavou House, Kadavu House, Ro Lalabalavu House, Namosi House, the Nadroga Province buildings in Nasigatoka Town, the Rogorogoivuda Building in Lautoka, Ratu Cakobau House in Nausori, Macuata and Namuka Houses in Labasa - all testify to this great but humble servant of the people.

The late Mr. Qarase was indeed a very humble man. He was never one to blow his own trumpet and lived his life in quiet dignity and humility. He was a man of few words, but when he spoke, it was always with wisdom, love and compassion. He was also never one to wear his faith on his sleeves, and he became a Confirmed Lay Preacher in the Methodist Church, and was a member of the Centenary Church Congregation in Suva and his own Village Congregation in Mavana.

Mr. Speaker, Sir, in the last two years of his life, he said his eyesight was failing, and he was very grateful to the Honourable Prime Minister for allowing him and Mrs. Qarase to travel overseas for treatment. He returned and his eyesight returned, but his vision for his country and his people never dimmed. He had a great dream for Fiji and for its people and believed that the positive discrimination or assistance to the indigenous people to be able to actively and fairly compete with the other races in Fiji, held the solution for a harmonious multi-racial and multi-religious prosperous Fiji.

On behalf of SODELPA, the Opposition Parties, his family and friends, I thank the Government for the kind gestures paid in his respect during his passing, particularly when the country was still at the highest state of alert in response to COVID-19 pandemic, especially the relaxation, within reason, of the restrictions on interisland shipping traffic and interisland flights, which enabled his remains to be transported to Vanuabalavu and for his relatives and friends to be transported also to Vanuabalavu to accord him their final rites and respects as a loyal local Chief and former Head of Government of Fiji.

I also thank the Government for the use of Government assets and personnel during his final journey home and his funeral. I ask Honourable Members of this Honourable House to keep Mrs. Leba Qarase and their children, grandchildren and great grandchildren in our prayers and also to pray for his successors in the enterprises that he helped set up to uphold his vision and dream for the wellbeing and betterment of his *vanua* and its people and of Fiji as a whole.

May he rest in peace, and may the Peace of God that passeth all understanding be with Mrs. Qarase, his family and kin and successors now and always. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Leader of the Opposition. I now open the floor for debate on this motion. I give the floor to the Honourable Biman Prasad. You have the floor, Sir.

HON. PROF. B.C. PRASAD.- Thank you, Mr. Speaker, Sir. Needless to say that we support the motion. The National Federation Party had always found Mr. Qarase to be a kind and caring person and an honest and transparent national leader. Mr. Qarase's ability to successfully lead a genuine multi-party Cabinet after the May 2006 General Elections, demonstrated his ability and uniqueness to espouse genuine power-sharing.

The formation of the multi-party Cabinet, with the inclusion of nine Ministers from his political opponents, who included veteran politician, Krishna Datt, showed Honourable Qarase's absolute trust and faith in the 1997 Constitution and the Korolevu Declaration that outlined why a multi-party cabinet was extremely important for Fiji.

(Honourable Member interjects)

HON. PROF. B.C. PRASAD.- That was 2001, I am talking about 2006. Unfortunately, this genuine power-sharing for the first time, Mr. Speaker, in our independent history was tragically cut short after six months by the military *coup* of December 5th, 2006.

Mr. Qarase will also be remembered for stabilising the economy after the May 2000 *coup* and maintaining a relatively stable economy during his six-year term as Prime Minister. Under his stewardship of Government, the Export-Import (EXIM) Bank of India agreed to lend \$85 million for the Upgrading Project of the sugar mills at a minimal interest rate of 1.5 percent to be paid over 15 years. Of course, Mr. Speaker, he did not get the opportunity to see its proper implementation because of the military *coup*. He had also announced in September, 2006 the inflow and implementation of the major sugar industry reforms over seven years of \$350 million grant from the European Union and that would have significantly boosted the livelihood of our cane growers and provided them alternative livelihoods through diversification.

Again, Mr. Speaker, that money was withheld and lost after the *coup*. Personally, Mr. Speaker, I came into contact with Honourable Qarase during my brief and indeed my first employment with the Fiji Development Bank (FDB), when he was the Chief Executive Officer (CEO).

Six months later, Mr. Speaker, when I decided to leave and go back to the University, I remember Mr. Qarase called me into his Office and said, “Biman, you know you have a great future in FDB, I would like you to reconsider your resignation.” Mr. Speaker, the offer for me to study further at USP did not allow me to stay back. I found him to be, in that brief association, always transparent and he conducted himself ethically in all his dealings. He accepted criticism and alternative ideas, both as a CEO as well as the Prime Minister. He upheld the independence of institutions, he was never vindictive or held grudges against those highly critical of his government that had flaws, especially between 2001 and May, 2006, but that was all part of power play between him and the former Prime Minister, who was on the Opposition benches at that time.

I remember, Mr. Speaker, I was at USP at that time when Honourable Qarase became the Interim Prime Minister, having been selected and sworn in by the then RFMF Commander and now our current Prime Minister, and later elected in September 2001. At that time, USP’s Vice-Chancellor, who was the late Savenaca Siwatibau, once called me and said, “Biman, you have to hold this Qarase Government to account. You academics at the University need to do that” and he fully promoted academic freedom and encouraged academics like us to critically examine all government policies emphasising that it was our role to do so to ensure maintenance of good governance, transparency and accountability.

In fact, Mr. Speaker, I was one of the most vociferous and hardened critics of Honourable Qarase’s government and some of the policies that they were pursuing. Yet, Mr. Speaker, he always invited us to the Economic Summit and in fact, he asked the then Finance Minister, Honourable Ratu Jone Yavala Kubuabola to actually ask me to serve on the Board of Fiji Revenue and Customs Authority (now FRCS). I served on the Board, Mr. Speaker, on the condition that I will continue to criticise the government on other things except FRCS Board or the activities at that time and I did. I did continue to criticise the government, Mr. Speaker.

All the Board members, including me, were removed after the military *coup* by the then Finance Minister in the Interim Government which was headed by our current Prime Minister. Maybe I should remind Honourable Dr. Reddy that maybe I was removed from the Board because of him and I, Mr. Speaker actually wrote to the then Finance Minister before the *coup* urging him not to support the military *coup* in 2006.

(Chorus of interjections)

HON. PROF. B.C. PRASAD.- Mr. Speaker, that letter has been made public.

(Honourable Member interjects)

HON. PROF. B.C PRASAD.- You tell your Minister to stop interfering.

(Honourable Government Member interjects)

HON. SPEAKER.- Order, order!

(Honourable Government Member interjects)

HON. PROF. B.C. PRASAD.- Tell your Minister to stop interfering. Tell your Minister, tell your Minister to listen to me with some dignity. These are facts.

(Honourable Government Member interjects)

HON. SPEAKER.- Order, order!

HON. PROF. B.C. PRASAD.- Mr. Speaker, this is a lesson for all of us. We must learn to accept criticism especially those of us in leadership. We should not be vindictive and this is what humility is all about. So, on behalf of the NFP, Mr. Speaker, we support this motion to express profound gratitude to former Prime Minister, Mr. Laisenia Qarase. Thank you, Mr. Speaker.

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

HON. RO T.V. KEPA.- Mr. Speaker Sir, thank you. It is my honour to speak on this motion and it is right and just that this House expresses its profound gratitude to the late former Honourable Prime Minister and *Tui Kobuca*, Mr. Laisenia Qarase for his selfless service to the people of Fiji. It is also right and just that the House should collectively express its sorrow at his passing.

We know from the huge outpourings of grief and emotion at his death that he was well-loved and admired by many of our citizens. They regarded him as an exemplary leader, a man of integrity and humility who endured his trials with fortitude and courage. So, when the Members of this House come together in this way to honour him, we are acting in accord with public sentiment. We must remind ourselves as well that the late Mr. Qarase accepted the post of Interim Prime Minister at a time when Fiji came close to self-destruction. He was the choice of the then RFMF Commander now the sitting Prime Minister, Honourable Voreqe Bainimarama.

Mr. Qarase's formidable task was to lead Fiji out of the turmoil, the lawlessness, violence, fear, despair and bitterness caused by the uprising of 2000 and he did that. After serving in an interim role, Mr. Qarase went on to win two elections. He and his Cabinet put Fiji back on track, restored confidence, got the economy moving again, patched up our relationships with the international community and started a process of reconciliation. He had a vision for the future of a nation unified and harmonious. He saw it was right for stability and progress that the economic gap between the indigenous people and the rest of the population should be closed. The target he set for this was 2020 and sadly that is the year he died.

For his dedication to uplifting the indigenous people, he was accused of being a racist. This started when he promoted affirmative action to promote Fijians in business when he served as Managing Director of the Fiji Development Bank. The accusations continued when he was in political power. I state for the record in this House, Mr. Speaker Sir, that Mr. Qarase was not a racist, he never was. There is a tendency these days to use that ugly word freely. Mention the need for assistance to the indigenous and immediately the accusations begin. This must stop, Mr. Speaker Sir, it is bad for the country and it does not help ethnic relationships as it deepens divisions.

In a 20-Year Development Plan for enhancing indigenous economic participation, Mr. Qarase spelt out clearly that there was no intension of disadvantaging or undermining other groups or of infringing their political and civil rights. It was not an attempt to promote ethnic domination by the indigenous. He stressed that his Government would continue to provide for all those in need irrespective of ethnicity, culture, religion, gender, economic or social status.

Mr. Qarase, Sir, made it plain that affirmative action was not *mana* from heaven, a free pass to success. Those who received assistance must be committed. They had to follow the rules. His keys for success included initiative, hard work, discipline and honesty of purpose. He also understood that affirmative action was not a permanent policy, it was to be used to reach certain goals.

I must now commend the Honourable Prime Minister, the Honourable Voreqe Bainimarama for choosing Mr. Laisenia Qarase to take on the difficult task of the reconstruction of Fiji after 2000. He sensed that Mr. Qarase was a man for the job was inspired, clearly he had calculated that Mr. Qarase had

the skills, the intelligence and leadership capability to clean up the wreckage and charter course for Fiji to return to parliamentary democratic rule. So, well done Honourable Prime Minister. One day the full story, the truth will emerge on what eventually went wrong leading to the military takeover of December 2006.

Even though we were under COVID-19 restrictions. I was saddened to learn, Mr. Speaker, Sir, however and I hope this is not true that the Prime Minister did not visit the Qarase home in Moti Street, Samabula to officially offer his condolences and those of his Government to Mrs. Qarase and the family members.

I am not sure either, Mr. Speaker, about his Ministers. I understand that the Prime Minister and his Cabinet were absent from Mr. Qarase's funeral at Mavana. I would like to know, Sir, why was there such a lack of respect and a lack of basic goodwill? Why was it not possible for the ill-will and bitterness which led to the 2006 *coup* be put aside at this time of sorrow and mourning over the death of the former Prime Minister. I understand that the Prime Minister on his recent relief supply distribution visit to Lau stayed away from Mavana. If that is the case, I feel very sorry for him and the state of his heart. Now for those who might claim that I should not be raising these issues at this time, I say it is not possible to contribute properly to this debate without doing so and we should not shy away from the truth.

Let me say that Mr. Qarase's time of prosecution when his life was threatened and he served a jail sentence, it did not break him. It gave him strength. He faced further hardships when his pension and other entitlements were not fully paid.

It was my honour and privilege to serve under Mr. Qarase as his Minister for Education, Heritage and Arts. I can therefore testify to his qualities of leadership, his ethical standards and his honesty. He was always firmly focussed on the need for improving, Mr. Speaker, Sir, the education system and amenities and this stemmed from his experience at Mavana where the first village school like many other village schools at that time was a thatched building (*bure*). The people sat on mats and coconut leaves (*tabakau*). There were no desks or chairs.

Mr. Qarase was also driven in his dedication to investing in education by the struggle of his parents to send him to secondary school. He was determined that every child in Fiji should have the best possible education. I co-operated closely with him on many reforms, two of which was to significantly ease the cost to parents of sending their children to school by removing tuition fees in schools and improving on boarding schools especially in rural, remote and maritime areas. Our plans for taking this further were ended with the 2006 *coup*.

Mr. Speaker, finally I commend this motion to the House and in conclusion it is my hope that from it might come the beginnings of us becoming better people, becoming more humble, becoming more forgiving and perhaps more caring: something that is so desperately needed in our divided country and this must start in this House. It must begin with the willingness to co-operate for the national good and to compromise where necessary. That is how we can honour Mr. Laisenia Qarase and change Fiji for the better. Thank you Mr. Speaker, Sir and God bless Fiji.

HON. SPEAKER.- I thank the Honourable Member. Honourable Anare Jale, you have the floor.

HON. A. JALE.- Mr. Speaker, Sir, I rise to support the motion. Mr. Speaker, Sir, it is indeed an honour for me to say a few words as a tribute and gratitude to the late former Prime Minister, Mr. Laisenia Qarase. I first came to know personally the late former Prime Minister in a most unplanned and strange circumstance. The Labour Government members were detained at the Parliament House in Veiuto. My team of Permanent Secretaries and heads of departments were doing our best to move the machinery of

Government. At the same time, the Fiji Military Forces was doing its best to find a way out and a solution to the political impasse.

I was called with other Permanent Secretaries in Government at that time and co-opted to the Military Council. Mr. Qarase was also co-opted to the Military Council chaired by the Commander of the Republic of Fiji Military Forces, the current Honourable Prime Minister. The Military Council met daily. I remember the meeting of the Military Council on a Sunday when it conceded the formation of a Military Government. Two names came up for the Caretaker Prime Minister - Mr. Laisenia Qarase's name was one. The other person declined. The late Mr. Laisenia Qarase was not present at the meeting. When the late Mr. Qarase was advised about the Military Council's decision, he declined the offer for him to be the Caretaker Prime Minister, but said that he preferred to be the Minister for Finance. He reluctantly agreed to accept the position of Caretaker Prime Minister later. This was the late Prime Minister's introduction to politics. He played a big part in providing a solution to the 2000 political upheaval.

I was fortunate as the Chief Executive Officer of the Public Service at that time to work closely with the late Prime Minister as the Minister responsible for Civil Service. There is no doubt that my other colleagues had learnt a lot from the former Prime Minister. He was an exemplary leader, humble, kind and down to earth. He was intelligent, experienced and visionary. He was an honest leader and a champion of the indigenous rights. The people of Fiji are proud of the late former Prime Minister. The people of Lau are proud of one of its true sons who had elevated and promoted Lau Province to a very high level.

The late former Prime Minister's achievement would not have been realised without the support of others, moreso, his beloved wife, Mrs. Leba Qarase. *Malo vakalevu* Mrs. Qarase and the children. Rest in peace true and faithful son of Fiji, you will ever be remembered. *Vinaka vakalevu*.

HON. SPEAKER.- I thank the Honourable Anare Jale for his contribution to the debate. Honourable Prime Minister, you have the floor.

HON. J.V. BAINIMARAMA.- Thank you Honourable Speaker. Honourable Speaker, I am sorry to see that some Members of the Opposition could not summon the decency to grant the former Prime Minister a send-off but settle on a personal point scoring. The former Leader of the Opposition asked why none of us turned up at his funeral, but I wonder if she had tried to find out why her Leader (her Leader or someone else's Leader), did not turn up at the funeral in Vanuabalavu. And there was no reason for me to go to Vanuabalavu during my tour because Vanuabalavu was not affected by the last cyclone.

As I have said, I was sorry to see that some Honourable Members of the Opposition could not summon the decency to grant the former Prime Minister a send-off and settle on their personal point scoring. But I will not suffer that same lapse in severity. This is not the time for pettiness, and this is not the time for politics, Honourable Speaker. This is the time for respect.

Honourable Speaker, the late Prime Minister Qarase passed way in the midst of a challenging chapter for Fiji. Many of our health protections measures taken to contain the spread of the novel coronavirus was still in full effect, including the outright ban on social gatherings.

Despite these difficult times, my office, the Office of the Prime Minister, found a way to manage Mr. Qarase's funeral arrangement as safely as that could be done in a manner that afforded dignity to the late Prime Minister and his family and honoured his years of service to the nation. As per his final wishes, the former Prime Minister was laid to rest in his village of Mavana on Vanuabalavu Island and at his own request, there was no *reguregu*.

The Office of the Prime Minister chartered a Fiji Link flight from Suva to transport Mr. Qarase's body to Mavana and funded the transportation of his family to Vanuabalavu by ship. We bore the cost of health screening the mourners who travelled to Vanuabalavu, to ensure that the deadly COVID-19 virus did not spread unchecked and undetected during their travel to the ceremony. And I am grateful for the role the Office of the Prime Minister played in granting the late Prime Minister a farewell fitting of a lifelong servant of the Fijian people.

In politics and in life, we will not agree with everything said or done by everyone. Mr. Qarase and I did not personally see eye to eye on issues, I have always believed what is fundamentally important for every Fijian and that is no secret, Mr. Speaker, but that does not diminish my respect towards him for his service to this nation. While the passing years tampered an acrimony of political disagreements, not matter how bitter they once may have been, respect is more resilient. In fact, I find it often strengthens feelings as time marches on. As coming generations look back on the past decades, I have no doubt, they will draw wisdom from both the champions and the challenges behind all the great milestones in Fijian history, because whether a Fijian works on behalf of their family, their community or their nation, their service undoubtedly demands a level of selfishness.

I am sure the late Prime Minister would be proud to see the virtues of decency and respect reign supreme in Fiji, as this august Parliament come together to honour his life. And while his friends and family mourn his passing, this Parliament can take comfort, knowing that the gesture of goodwill extended by my Government, the Government Mr. Qarase once served, could help ease the burden of their grief. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Prime Minister. I now give the floor to the Honourable Leader of the Opposition for his Right of Reply. You have the floor, Sir.

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA.- Thank you, Mr. Speaker, Sir. I thank the Honourable Members for their contributions. I request that the Government allows Mrs. Qarase to draw the full entitlement due to the widow of a former Prime Minister. I am sure Mr. Qarase would not have minded if some of us did not go to pay our respects, he is that kind of man. Those of us who did not actually go were represented but in respect of the various restrictions that existed at that time, we allowed those closest to go, Mr. Speaker, Sir.

With those few additional comments, I commend the motion to the House that we express our profound gratitude to the late former Prime Minister for his selfless service to the people of Fiji, the sixth Prime Minister of Fiji who was the Prime Minister from 2001 to 2006. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Leader of the Opposition for his right of reply. Parliament will now vote on the motion.

Question put.

Motion agreed to.

HON. SPEAKER.- Honourable Members, time moves on and there is a suspension motion. For the purposes of complying with the Standing Orders and with respect to sitting times, I will allow a suspension motion to be moved.

I will now call upon the Leader of Government in Parliament to move his motion. You have the floor, Sir.

**SUSPENSION OF STANDING ORDERS**

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Mr. Speaker, Sir, I move under Standing Order 6:

That so much of Standing Order 23(1) is suspended so as to allow the House to sit beyond 4.30 p.m. today to complete the remaining Items as listed in today's Order Paper.

HON. A.A. MAHARAJ.- Honourable Speaker, Sir, I beg to second the motion.

HON. SPEAKER.- I call on the Leader of the Government in Parliament to speak on his motion. You have the floor, Sir.

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Mr. Speaker, very quickly, under Schedule 2, we have a motion pending and, of course, in Schedule 3, the Oral Questions and the Written Questions as well, thus the motion for suspension beyond 4.30 p.m. in order to complete the remaining Items in the Order Paper.

Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- The floor is now open for debate. Anyone wishing to take the floor.

There being none, the Leader of the Government in Parliament, you have the floor for your right of reply.

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- I have no further comments to make, Mr. Speaker, Sir.

HON. SPEAKER.- Parliament will now vote on the motion.

Question put.

Motion agreed to.

HON. SPEAKER.- Honourable Members, on that note, we will take a break for afternoon tea. We are adjourned.

The Parliament adjourned at 4.15 p.m.



The Parliament resumed at 4.42 p.m.

HON. SPEAKER.- I now call upon the Attorney-General and Minister for Economy, Civil Service and Communications, the Honourable Aiyaz Sayed-Khaiyum, to move his motion.

### **GOVERNMENT GUARANTEE - FIJI AIRWAYS**

HON. A. SAYED-KHAIYUM.- Mr. Speaker for the purpose of Section 145(1) of the Fijian Constitution and pursuant to Standing Order 131, I move that Parliament approve:

- (a) That the Government guarantee the Fiji Airways borrowings consisting of a mix of domestic borrowings of up to FJ\$191.1 million and offshore borrowings of up to US\$117.1 million with a total limit of approximately FJ\$455 million valid for a period of three years, effective from 30th May, 2020; and
- (b) That the Fiji Airways be exempted from paying a guarantee fee.

HON. LT. COL. I.B. SERUIRATU.- Honourable Speaker, Sir, I beg to second the motion.

HON. SPEAKER.- I now call upon the Honourable Attorney-General and Minister for Economy, Civil Service and Communications to speak on his motion. You have the floor, Sir.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker Sir. Mr. Speaker, as we discussed earlier on today, COVID-19, of course, has crippled the global aviation industry in the closure of borders and, of course, international flights suspended in most countries and domestic flights were also suspended for a period of time. Some will recommence in the same way that we did.

All airlines, Mr. Speaker Sir, have been struggling financially with massive layoffs, pay cuts and even some are filing for bankruptcy.

Mr. Speaker, Sir, recognising the critical role under the airline industry will claim in post-COVID-19 economic recovery, in particular for an island nation state like Fiji, it is critically important for us and, of course, Governments around the world, have also provided varying levels of assistance through direct financial injection and sovereign guarantees to national carriers, as well as private airlines.

I would like to give some examples in that respect, Mr. Speaker, Sir, globally. The Air France-KLM have received US\$12 billion grant from the French and Dutch Government. Notwithstanding that, KLM will cut up to 2,000 jobs and Air France will cut about 5,000 jobs.

American Airlines is receiving US\$10.55 billion from the US Government's bail-out scheme and 39,000 staff have gone on voluntary time-off, as it assesses in numbers to lay-off.

Cathay Pacific is receiving US\$30.4 million cash grant from the Hong Kong Government and the Hong Kong Government will buy 500,000 tickets from all Hong Kong-based airlines, will lay-off hundreds of cabin crew and other staff with 433 overseas-based crews to be axed completely.

Delta will receive US\$5.4 billion from the US Government bail-out and 27,000 staff have gone on unpaid leave.

Lufthansa, the Governments of Germany, Switzerland, Austria and Belgium look at a rescue package worth US\$10.8 billion. The Airline says it may need to string the workforce by 10,000 people.

Emirates is cutting the jobs of 30,000 staff, despite the fact that it is being promised cash bail-outs and Emirates is looking at raising billions in additional loans.

Mr. Speaker Sir, closer to home, of course, Air New Zealand has received US\$550 million directly from the New Zealand Government. Notwithstanding that, they have cut 4,000 jobs, including 1,500 crew members.

Air Mauritius, Mr. Speaker, Sir, a comparable country to ours, has been placed in voluntary administration and staff have all gone on unpaid leave, where staff cuts on permanent basis will take place.

South African Airways seeking USD\$5.11 billion assistance from IMF, World Bank and the New Development Bank. All staff have gone on unpaid leave.

Virgin Australia, Mr. Speaker, Sir, is now in administration. Some subsidy from the Australian Government for domestic flying only, thousand workers to be made redundant, 8,000 to be stood down awaiting next steps for the administrators that have been appointed.

In Qantas, Mr. Speaker, Sir, the aviation industry overall will receive Australian \$715 million, Government rescue package, plus Australian Government pay Qantas and Virgin Australia up to Australian \$165 million, to maintain key domestic flight routes only, not for international. They will stand down 20,000 workers - two-thirds of its workforce. Mr. Speaker, Sir, these are some of the airlines. I have got a whole list of the other airlines who, of course, have been affected. I mean, Virgin Atlantic have requested 500 million pounds of state-backed loans will eliminate 33 percent of all the jobs, which is about 3,150 members of their workforce.

Mr. Speaker, Sir, Fiji Airways were also facing the full brunt of the devastation caused by the pandemic with its revenue almost zero and I will explain why it is almost zero but profits zero.

The operation and financial impact of COVID-19 crisis is unprecedented for the national carrier. Just for the Members who may not necessarily remember this, the Fijian Government is a majority shareholder in Fiji Airways owning 51 percent of the entire issued share capital. The other shareholders in Fiji Airways are as follows:

- Qantas owns 46.32 percent to Fiji Airways;
- Air New Zealand Limited owns 1.94 percent to Fiji Airways;
- The Government of Kiribati owns 0.7 percent;
- The Government of Tonga owns 0.27 percent;
- The Government of Samoa owns 0.12 percent or 12 percent; and
- The Government of Nauru owns 0.08 percent to Fiji Airways.

Despite, Mr. Speaker, Sir, earning near zero revenue, Fiji Airways currently has to pay monthly fixed cost of Fijian \$38 million. This comprises of aircraft loans and leases of Fijian \$20.2 million, employee costs, fixed payments for aircraft maintenance and other costs totalling \$6 million. As we all know now that steps have also been taken in respect of arresting some of the costs viz-a-viz the staff cuts that have taken place.

Mr. Speaker, Sir, in addition to the fixed costs, ongoing flights suspensions and cancellations are contributing towards increased customer refunds even if tickets have been resold as non-refundable, Fiji Airways is obliged to refund customers as the service is not being delivered at all.

The airline currently operates freight flights, Mr. Speaker, Sir, every week to Sydney, Auckland, Los Angeles and Hong Kong but on a cost of capital recovery basis. In other words, it makes zero profit but has no cash loss.

As we know, Mr. Speaker, Sir, Fiji Airways is not a solely freight company, it is a passenger carrier and the way it makes money is that, the passengers are on top and freight at the bottom. Now, there is nobody on top, only freight at the bottom but in order to be able to make these freight flights, there is slightly an increase in freight charges but they are being subsidised in the freight that comes back. In other words, what Fiji Airways has been, put simply, in terms of the exports going out of Fiji, 75 percent of that is fresh agriculture produce going to Sydney, New Zealand, Los Angeles, garments are 14 percent, kava is 6 percent, seafood is 3 percent and other commodities.

Mr. Speaker, Sir, these freight flights are practically important for us. It keeps the supply chain open. So, when we have the freight going from Fiji, they charge the lower price for exporters and coming back to those that we are importing at a slightly higher price, simply pays for the fuel, pays for the crew and that is it.

Mr. Speaker, Sir, of course, until this morning, despite the zero revenues for the past number of months, Fiji Airways has kept its staff employed albeit with the 35 percent reduction in the salaries of the executives and 30 percent reduction for other staff. In other words, all the staff that have not been working for the past two months have been paid 70 percent with salaries. Mr. Speaker, Sir, of course, this cannot continue.

Mr. Speaker, Sir, the guarantee that we are seeking are for a number of sources of funding that will be ascertained, and I would like to highlight that now, Mr. Speaker, Sir, FNPF is providing a loan of \$53.6 million, the Reserve Bank of Fiji through the Export Finance Facility loan will lend \$75 million to the Fiji Development Bank which will then on lend to Fiji Airways because RBF cannot do direct lending at the rate of 3 percent, so FDB will have the opportunity to make some money with the 2 percent margin that they were charged.

The ANZ is freeing up and through a bank lend of credit, we are getting \$52 million from ANZ, Bred Bank through a lend of credit, getting \$10.5 million, Dubai Aerospace Enterprise (DAE) Capital, which is a nine-month rental deferral of the two A350s of US\$20.2 million, Avalon - nine months rental deferral of the A300s of \$10.1 million, *GCash* which is the nine months rental deferral of the two Boeing Max 8s which are actually flying as you know, Mr. Speaker, Sir, because of the aviation problem with the Maxs, \$8.9 million and the KfW IPEX Bank Export Credit Agency, the 12-month repayment deferral of the Max 8 also which is \$22.2 million.

For the first time, Mr. Speaker, Sir, the ADB private sector hub will be lending to a private company, essentially Fiji Airways into the Aviation Sector which is US\$15 million and International Air Transport Association (IATA) is 25 percent of forward sales in lieu of the refunds which is \$5.6 million.

I also would like to hasten to add, Mr. Speaker, Sir, that the ADB drawdown will not take place unless and until the situation prolongs into next year, so it is more of a Contingency Fund.

As highlighted, Mr. Speaker, Sir, that these funding are from domestic and also offshore borrowing. The majority of the facilities are proposed to be guaranteed for offshore borrowings in the form of explicit guarantee for the deferral of the lease rental payments as I have highlighted, Mr. Speaker, Sir.

Mr. Speaker, Sir, with these guarantees, if Fiji Airways does not make the repayments then, of course, Government will be liable as for all guarantees.

Mr. Speaker, Sir, I would like to highlight what is the current Government exposure as far as Government guarantees are concerned as I am legally obliged to do so. As of April, 2020, Government guarantees debt to Government-related entities amounted to \$674 million or 55.9 percent of GDP subject to the approval of these guarantee, Mr. Speaker, Sir, the additional guarantee of \$455 million to Fiji Airways will increase the total guaranteed exposure to \$1.13 billion or 9.8 percent of the GDP.

Mr. Speaker, Sir, of course, Fiji Airways needs to be protected. We need to ensure it survives because it is critically important for the revival of the Fijian economy and therefore it is critically important, Mr. Speaker, Sir, that this Parliament unanimously supports this guarantee that we have managed to put together, Mr. Speaker, Sir, through all the different financing agencies. The difference, of course, of what we are doing and what as I have read out from the other governments are doing is that the other governments have from government revenue, from government sources funded directly money to these airlines.

What we managed to do in the past number of weeks, we have talked to a number of multiple stakeholders and being able to get them to the party, get them to agree and they are willing to lend to Fiji Airways, defer the repayments based on government guarantee, so there is no funding directly coming through our budgetary provision which means we have far more money in that respect by saving the money to be able to spend on other necessary things, including things like unemployment benefits.

Mr. Speaker, Sir, of course Fiji Airways are needless to remind the Parliament that it provides a very critical role in respect of foreign reserves because Fiji Airways brings in foreign reserves for us and, of course, Mr. Speaker, Sir, it will have long term implication on unemployment if we do not protect the national carrier because we are so heavily dependent on tourism, which is about 45 percent of our GDP and over 90 percent of all tourism arrivals into Fiji come on an airline of which over 70 percent now come on Fiji Airways.

Mr. Speaker, Sir, what we have also discussed with Fiji Airways is that they need to be in a strong financial position if we are able to give them the financial security now, we will be able to then ensure that Fiji has bounced back really quickly.

Part of this, Mr. Speaker, Sir, I would also like to mention that Fiji Airways has its Aviation Academy, as also has been announced today that all the contracts for the expatriate pilots have all been terminated and in fact they have been terminated some time back. Most of the Fijian pilots except for five, will be retaining their jobs but we need them and they will be trained through the Fiji Aviation Academy that now exists in Namaka, Nadi, because as we know that if a pilot stops flying, the ability for them to get back and fly a real plane actually is much longer - six to nine months. So we need to have the pilots to be able to be constantly trained, so the moment we get some good news on the travel bubble, we are near the type of good news in respect of international travel, they will be ready and willing to fly out our aircraft. Mr. Speaker, Sir, as we said, we are working on the travel bubble and we are looking at some other options regarding that.

With those introductory remarks, Mr. Speaker, Sir, I would like to urge Parliament to support this guarantee that will ensure that our national carrier which is important for our economy, survives through these very trying times and come out on top of it. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Attorney-General and Minister for Economy for his motion. Honourable Members, the floor is now open to debate on the motion. Honourable Radrodro, you have the floor.

HON. A.M. RADRODRO.- Thank you, Mr. Speaker, Sir. I rise to give a brief contribution in terms of the motion that is before the House for the Government guarantee of around F\$455 million to Fiji Airways.

First of all, I would like to state that Government guarantee are a normal part of economic governance and it is important to note that proper accountability, good transparency of expenditures and processes need to be promoted by Government.

As we can see, Mr. Speaker, Sir, this motion was brought to the attention of the Business Committee on 22nd May, 2019. This is after the Business Committee sat, and it is a very important motion, as rightly alluded to by the Honourable Minister for Economy. It is also part of the requirements of the Constitution and the question, Mr. Speaker, Sir, that needed to be asked to Government: Why was this motion not discussed and deliberated during the Business Committee? Why are they hiding and what are they hiding? That is very serious, Mr. Speaker, Sir, and why is this Government not following the processes, especially for these important motions, because we have lots of questions raised out of these motions rather than answers.

Mr. Speaker, Sir, at least, what the Honourable Minister should do is at least provide the Annual Report of Fiji Airways in support together with this motion. This is what this side of the House has always been requesting Government, to produce the Annual Report for Fiji Airways since 2014, when we started as a Parliament. To date, with these huge amount of request for Government guarantee, they still could not produce this Annual Report to this House for the Members to deliberate on.

Mr. Speaker, Sir, another issue that ...

(Honourable Members interject)

HON. A.M. RADRODRO.- Listen, you might learn something, Honourable Minister.

Another issue that we needed to ask: Where is all the money that has been given to Fiji Airways in the previous years? The Government has always provided funding for Fiji Airways, \$18 million was given to Fiji Airways as a marketing fund in the last Budget, where has that money gone to? As we note, Mr. Speaker, Sir, the processes and procedures, just recently we have been notified that about 751 employees of Fiji Airways have been terminated today. Will this guarantee give them the assurance that they will get back their jobs?

HON. A. SAYED-KHAIYUM.- No.

HON. A.M. RADRODRO.- What will this guarantee be used for, Mr. Speaker, Sir? There are a lot of pertinent issues that the Government is not prioritising, a lot of social issues that the Government is not prioritising, housing issues, marketing vendors issues and yet we are being provided with this motion for the House to debate on.

Mr. Speaker, Sir, four years ago, I had warned the Government about its inability to create investments. I had also warned the Government on relying on remittances and you should do your work, Minister so we do not rely on the remittances. I had also warned the Government because we had relied too much on tourism and remittances. Also, I had warned about the global financial meltdown and here we are, Mr. Speaker, Sir. The manner in which this motion has been brought to this House is questionable and it raises a lot more doubts about the intentions of this motion.

Mr. Speaker, Sir, the Government has been using COVID-19 as the reason to drive their agendas across. Of course, what COVID-19 is going to do, is to increase our vulnerability and I would like the

Government to remember this in the future. You need to trust our people and start by bringing back the local pilots who have ventured abroad rather than hiring expatriates.

(Honourable Government Member interjects)

HON. SPEAKER.- Order!

HON. A.M. RADRODRO.- I do not know how much more Government guarantees will be brought into this House but one thing is for sure that this is the start for Fiji Airways and my concern, Mr. Speaker, Sir, is the zero tourism growth, income that has been alluded to by the Honourable Minister and the drastic decline in remittances. What is the long-term plan for the Government? Does it have any plan? It seems like that it is not coming from Government. Will there be another motion for Government guarantees to address these future plans? Mr. Speaker, Sir, we note that Virgin Airlines have filed for bankruptcy and I am concerned with the debt repayment for our currently bought planes. The Government needs to assure us and the people of Fiji that our national airline will not go under. Overall we need a holistic picture rather than the real information.

Mr. Speaker, Sir, just before I conclude, there are a lot of questions too in regards to the operations of Fiji Airways. The motion has given rise to many questions also in regards to Waqavuka Financing Limited, Mr. Speaker, Sir. How is this going to be impacted on the Waqavuka operations? Who owns the planes? Who owns Waqavuka's finances? If the information that we have online is that the Waqavuka Financing Limited has Vistra Capital Markets (Ireland) Limited as the listed owner, why is this motion brought into this House where the Government has to provide guarantee to Fiji Airways Limited? I thank you for the motion before the House.

HON. SPEAKER.- I thank the Honourable Radrodru for his contribution to the debate. Honourable Viliame Gavoka, you have the floor.

HON. V.R. GAVOKA.- Thank you, Honourable Speaker. I believe I speak for everyone here that we want Fiji Airways to be viable, not only today but it has been there under another name for quite some time. It was known as Air Pacific and incidentally, Honourable Speaker, the group is still known as the Air Pacific Group. Under that is a number of subsidiaries, one of it is Fiji Airways. They still own a part of the Sofitel Fiji Resort & Spa in Nadi. We all want our national airline to succeed, to continue to be viable. As a member of the tourism industry for some years, it was always Air Pacific cum Fiji Airways today that helped revive tourism. Today we have three Airbus Jets, three Max 8 and two A350. Unfortunately the Max 8 are still not flying for reasons that we all know. I believe in terms of the countries of our size in this part of the world, there is no other country that has this type of fleet that we have. It is not easy, it is very expensive and it is a source of pride for Fiji. You will remember in the past we used to fly in the Jumbo 747 and no other country in the Pacific had a Jumbo come near our size. So, we all want Fiji Airways to continue operating, to continue to be a dominant player in terms of flying in tourists into our country.

Honourable Speaker, if I go back to Air Pacific, Air Pacific always leased aircrafts and we were quite shocked when Fiji Airways decided to buy aircrafts outright. There are two different things when you buy, you have to raise a lot of money to go and buy it outright, when you lease you pay the running cost on a monthly basis. We will need to relook at the way we do things and see whether we need to go back to leasing as opposed to owning aircrafts outright.

Perhaps for a small country like Fiji that kind of capital is a bit too much for Fiji to be operating eight jets with some of them being outright purchases. Initially the Government said it was a good idea to buy and then they said no, the next time they acquired aircrafts, they said it was a good idea to lease, so we are confused, Honourable Speaker. I have always wondered as to why Qantas that owns 46 percent

of Fiji Airways is not allowed to play an active role in the running of this company. They were kicked out by the FijiFirst Government, their presence in the board was made untenable, that is why they are no longer there.

Qantas, Honourable Speaker, when they contributed to Air Pacific were of the view that leasing was the best option for the airline and you will remember Honourable Speaker, we were looking at buying the Dreamliner's prior to the *coup* in 2006. The plans were very well advanced. A Dreamliner would be equivalent of a 350 today but somehow when the *coup* came, we were shocked that the FijiFirst Government did not continue with all the work that we had carried out to purchase the Boeing 787 Dreamliner. We were shocked when the CEO at that time, I think he was an American who convinced FijiFirst that it is better to buy. The gentleman did not last long, he went to Florida to operate an airline not for long than he went to Hawaii and these are the people who came to convince us to start spending hundreds of millions of dollars on aircrafts.

Another gentleman came up, another CEO again, outright purchase, later he went to Germany to manage an airline that went bankrupt almost immediately. So, these are the kinds of things that occurred when Qantas was removed from the management of Fiji Airways. I would urge Honourable Speaker that we bring back Qantas and more so, Honourable Speaker, as we begin to look regionally. The travel bubble, Honourable Speaker has all our support and I believe the immediate future will see more regional travel as opposed to global that we have been seeing over the couple of years.

I believe it will be Australia, New Zealand and the Pacific Islands initially, Fiji being a dominant part of that and with these jets, Honourable Speaker, once we get the green light, we can have more frequencies into Australia and New Zealand. As we know both the markets contribute some 65 percent or under 70 percent of our total arrivals and it can make a huge difference for us. So all that, Honourable Speaker, is key to this, bring back Qantas, they will give us support during this period and continue to run Fiji Airways they want it to be especially during this difficult times.

Honourable Speaker, International Air Transport Association (IATA ) have indicated that it may take five years for travel to normalise. So you are looking at about five hard years down the road. We need to keep it regional. We support the initiative that have been taken about the bubble. I know it is going to be a little difficult, it will take a few more months but we should aim for that; aim regionally. Aim for Australia and New Zealand and our tourism will come back and also the airline, Fiji Airways.

Honourable Speaker, on that note also PACER Plus. It is time to finalise a deal. Let us all play together on a regional basis. Every other nation in the Pacific have signed PACER Plus, Fiji is still dragging its feet. All those has come into play at a time like this and one of my colleague has indicated the ownership, the shareholding and the financing; they need to be clarified, Honourable Speaker.

There is still a lot of concern in the industry within the community about who owns Waqavuka and all that.

So, Honourable Speaker, yes, we support the guarantee but we would wish that some close scrutiny is done and in particular, including in Fiji Airways, Qantas.. They were the ones who saved the airline back in those days. They insisted on their right for their approval to buy new equipment, approval for new routes which was not difficult to give away in return for what they are doing to save our airline. I would ask, Honourable Speaker, that we bring them back at a time like this to help steer our national airline into profitability in the near future. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Gavoka. I give the floor to the Honourable Minister.

HON. F.S. KOYA.- Thank you, Mr. Speaker. Mr. Speaker, Sir, I rise to contribute to the motion put forward by the Honourable Attorney-General and Minister for Economy.

Mr. Speaker, Sir, right at the outset I must say I support the motion moved by the Honourable Attorney-General as this is a motion that deals with such a critical thing that is the survival of the national airline. If I could be permitted to repeat that, it is a national airline. This is our national pride and it is a critical tool for the revival of our Fijian tourism industry. That, Mr. Speaker, needs to be tattooed on everyone's forehead.

Mr. Speaker, Sir, I will tell you why? The tourism industry, Mr. Speaker, Sir, contributes nearly 40 percent of our Gross Domestic Product (GDP) and that is approximately \$2 billion and directly or indirectly employs over about 150,000 odd people in various tourism related activities and industries. And that very same tourism industry, Mr. Speaker, Sir, is heavily reliant on air transport for tourists, visitors, business and for leisure purposes, and Fiji Airways carries the majority of all those visitors to Fiji.

Mr. Speaker, Sir, I wish to emphasise that concurrently tourism provides passengers and it also creates opportunities for new and increased business for the air transport sector and thus, the relationship between tourism and the air transport sector is mutually reinforcing and interdependent. Unlike the other side of the House, I kind of got a little bit confused this evening now, Honourable Speaker, Sir, as to whether they are actually supporting the motion or not supporting the motion.

Mr. Speaker, Sir, I have heard the same rhetoric for four years regarding Qantas and bringing back Qantas and 16 months away, I have come back and I still see no change. It is the same old rhetoric being coming on in this House about bringing back Qantas. It is our national airline, Mr. Speaker, Sir.

Mr. Speaker, Sir, as the impact of the coronavirus and sweeping travel restrictions throughout the world, many airlines have been driven into technical bankruptcy or are, at least, substantially in breach of their debt agreements. Coordinated government and industry action is actually needed, Mr. Speaker, and it is needed now, if this kind of devastation is to be avoided. By the end of May 2020, most airlines will be heading almost towards bankruptcy. Our cash reserve as mentioned by the Honourable Attorney-General are running down quickly as fleets are grounded and what flights they are operating much less than half full.

Mr. Speaker, Sir, to put it really into perspective, four bookings are actually far outweighed by cancellations and demand is drying up in the ways that are completely unprecedented. Normality is not yet on the horizon. These are cold hard facts, Mr. Speaker, Sir.

I also wish to highlight that inevitably, once we actually exit this COVID-19 tunnel, as we will, the world will be a different place. Aviation will be no exception. There is no better place to begin government coordination than in aviation sphere. The stuck reality is that tourism is gone from hero to zero.

Mr. Speaker, Sir, Fiji Airways as the country's national airline has grounded 95 percent of its flights in amid travel restrictions and border closures around the world. The Fijian Hotel and Tourism Association highlights that about 279 hotels and resorts have actually closed since then and causing more than about 25,000 losses of jobs. These are the stark cold real facts that everyone needs to realise before we make utterances here, Sir.

As probably nowhere within the regional economy where the impact will not be felt, and let me highlight, Mr. Speaker, Sir, and this is one of the examples that was actually used by the Honourable Attorney-General, Air Mauritius has become the latest victim of COVID-19 entering voluntary



administration. Virgin Australia is also entering into voluntary administration, leaving jobs of, at least, 15 odd thousand people connected with respect to supply chain workers.

Peter Cerda, Mr. Speaker, Sir, the Regional Vice-President for the Americas International Air Transport Association, commonly known as IATA, says the state of the global airline sector, including carriers in the Caribbean is as bad as one could expect and they will need government support to resume any form of service. This is a comparison with us but we are island nation.

As also mentioned earlier, New Zealand has stepped up with \$900 million in loans to Air New Zealand and, again, the New Zealand Government owns 52 percent in Air New Zealand and thus, it has a responsibility to its national airline. Similarly, Mr. Speaker, Sir, the Fijian Government is the only shareholder that has taken responsibility and answered the SOS call of Fiji Airways. So far, nothing from Qantas.

Mr. Speaker, Sir, I actually said this morning in my maiden speech about how we need to show our nationalism and how we need to weld our fractured nation together. Our national airline, Mr. Speaker, is not only our source of pride for our nation, but it is actually the lifeblood for our largest industry, and that has to be put in perspective when we look at motions such as this.

We cannot let our national airlines fail during this unprecedented situation where many such airlines have been or will be victims to this particular situation, Sir. Airlines much larger than ours have actually gone under. Letting the national airline suffer will be akin to letting our nation suffer. We must come together to its assistance through this motion, Sir. Mr. Speaker, Sir, I thank you for giving me the floor and I support the motion.

HON. SPEAKER.- I thank the Honourable Minister and I give the floor to the Honourable Professor Biman Prasad. You have the floor.

HON. PROF. B.C. PRASAD.- Thank you, Mr. Speaker, for the opportunity to speak on this motion. I think we need to make this point which was made earlier by Honourable Radrodro, I think the wording of the motion on the Order Paper, I believe, Mr. Speaker, should have been more transparent because when we put out a motion for tabling in Parliament, we have to actually say what the motion is going to be. It is not about the motion that is going to be in relation to the section of the Constitution or the section of the Standing Order, so I am not sure why that was not done but hopefully, we are not setting another process here.

Mr. Speaker, Sir, I share all the information and sentiments expressed by the Honourable Minister for Economy and Honourable Minister for Commerce, Trade, Tourism and Transport with respect to what is happening to airlines around the world. That is pretty much public information, a lot of people know about what is happening.

In fact, Mr. Speaker, Sir, if I may say so, for a long time, the idea of national airlines in many countries had eroded. Many countries did not believe in having national airlines. It is possible that after COVID-19, there would be some rethinking. I think the rethinking would be on both sides, on the side of those who do not believe in national airlines and who supported private companies, and those governments that are now putting millions and billions of dollars into those airlines to rescue them and they may move in a different direction. But it is also going to be a lesson for those who are trying to run a national airline, like ours where we have 51 percent share with Qantas having a much bigger slice of the share which is about 46 percent.

With that in perspective and we all know, I mean, the Honourable Minister for Commerce, Trade, Tourism and Transport was saying about what is going to happen, we understand all that - the

importance of the tourism industry, what is happening to the tourism industry and what is happening to the workers. I think that is fairly well understood and will be understood further as time goes.

Mr. Speaker, I agree with them that there is a lot of uncertainty about how we are going to fair in the future, whether we are going to survive in the next two or three years. So, Mr. Speaker, I think we need to understand the reality. Whatever happens, even if we join the Bubble as soon as possible, it is very clear that tourism is not going to go back to where it was for a long time, even if we open up flights, et cetera. So I think we need to understand that and that is why it is absolutely vital for us to be as transparent and accountable and as open as possible about this entity and what we call our national airline, Fiji Airways.

Mr. Speaker, Sir, unless we do that and this is the point I want to repeat, I think Honourable Radrodro said it, that is why I had asked a question to the Honourable Attorney- General sometime back, "Why are you not bringing the Annual Reports?" I can go and get the Annual Reports from the website, that is fine, that is another matter. But Parliament, Mr. Speaker, would have the opportunity then, through its appropriate Committee, to look at the Annual Report, to ask appropriate questions, to get more details from the Board and Management and that is why it is very important because we own 51 percent of this Airline, or that we have a group that needs to be scrutinised by Parliament.

Today, it is ironical that we are looking at a Government guarantee for the same airline for which we did not want to produce the annual report to Parliament and allow the committee of Parliament to look at some of the issues. So I think it is very, very important for us to understand that.

We all want the Airline to survive, we all want the tourism industry to survive, it is a no-brainer to say that people do not want the tourism industry to survive or the airline not to survive but that is not the point. I think the point we are trying to make is, if we are guaranteeing this loan which we should, Mr. Speaker, we have no option and it is absolutely vital that we do but I think in doing so, we need to ask some very pertinent and important questions. I want to raise those questions and I hope the Honourable Minister for Economy will respond to that.

I have said before that the profits in the name of the airline which was being talked about, in fact, was group profits and the gross revenue that were being touted as a rapid advancement of a growing national airline was actually a group profit.

Honourable Gavoka rightly pointed that out, the profit of the group, the Air Pacific Limited, trading, of course, as Fiji Airways in respect of the airline only. We need to know actually how much actual profit the airline was making, not the group profit.

The other point that I want to make, Mr. Speaker, and this is why accountability and transparency through this House is very important, in the 2018/2019 Financial Statement, the profit declined by about 42 percent. I am just wondering whether the Airline was already having difficulty, even before the COVID-19 pandemic hit us, Mr. Speaker, because I think there were signs of stress.

If you look at the decline in the profit and I am wondering because I remember that after the 2000 *coup* and when the previous Boards at that time used to go public about announcing the profits and what the group was doing in terms of its activities, its revenue, passenger loading, et cetera. They would come out in a public forum and take questions from the media with respect to how things were done.

I think there was a standing policy, Mr. Speaker, at that time that because of the experiences of the *coup* and the impact of natural disasters and how it was going to affect the tourism industry, the Airline Board at that time had decided that you got to, and most entities do that. You always look at that. Out of your profit, out of your savings or whatever, you keep building a reserve and at any one point in time,

that time I remember the requirement was that you need to have, at least, about six months cash reserve because that itself was designed to endure any unforeseen impact on the tourism industry.

This pandemic, Mr. Speaker, of course, is just unprecedented. It is nothing compared to all the different disasters we have had, including the *coups* in the past and its impact on tourism. This is far-reaching and we understand that, but I want to know from the Honourable Minister for Economy whether the reserve concept was there and how much was there?

My problem is not about all the airlines round the world, I think we understand that but in three months from February, March, April and, of course, May, we did not stop flights until probably the end of March so essentially you are looking at April and May, I am wondering if we had the reserve for six months, we would be able to look after some of those workers whom we are sending home now in a much better and a humane way.

If I look at some of the comments being put out, it is actually termination. But what goes with the termination? What are the benefits that they might get? I do not know what is the detail there but I was hoping that if Fiji Airways or if the group had this idea of building up reserves, they would have been able to deal with this termination and removal of workers in a more humane way.

So, Mr. Speaker, I think it is perfectly legitimate for us in this Parliament, as we did in the past to ask for details, ask for transparency and accountability and, in fact, as I said before it is even more important, as I have said the crisis is far-reaching, it is not ending any time soon and that is why it is even more important that we need more scrutiny about what we are going to do right now because this will impact on what happens in the future.

The other question that I have for the Honourable Minister for Economy is, what is the view of Qantas in this particular situation? After all, they own 46 percent of the airline. What is their view about this guarantee, about this plan for Fiji Airways? What are they saying, have they been part of the discussion? Because any shareholder and especially when you have 46 percent, remember, in ours, it is only 51 percent, we have the majority, we make the decisions but they have 46 percent shares as well, and it is very important for us to know, while approving this guarantee, Mr. Speaker, what is the situation with regards to Qantas? Have they been part of the Board's decisions and whether they are looking at restructuring or the financial plans that Fiji Airways is going to put forward in the next few months that they are part of that?

So, again that is a very important question, Mr. Speaker, and as I said, I was pleased that the Minister for Economy had dug all the details of the debt and how that \$455 million is going to be sourced with respect to different entities providing the loans and also making plans with respect to the payments for the leasing of the aircraft and other issues.

The other question is, what sort of arrangement did we have with respect to fuel for the airline. Right now, the fuel prices have gone down, it may not stay there for too long, the politics of oil price negotiations can be very very funny and can be very very complex and inevitably, we expect fuel price to rise, Mr. Speaker, around the world so we need to know what sort of financial plans Fiji Airways will have with respect to that.

I know the staff have been terminated, Mr. Speaker, which means that there is no guarantee that they will be employed again and on what terms and conditions but I would urge the Government to look at other assistance for those workers who have been terminated because many of these workers, especially the cabin crew, Mr. Speaker, have been the face of the airline, the face of the country, that the way they provided the service on the flights is a reflection of the whole country, of our people, and I think it is important for us to keep that in mind while we have send them home, we might say that it is beyond our

control but I think the least we can do is to also look at what the Government can do in terms of providing for those workers.

I know we are not a rich country in the sense of what the others are doing in terms of providing unemployment benefits direct to workers who are employed but I think it is important for Government to look at the workers who have been terminated at the Fiji Airways and find ways to help them because many of them, Mr. Speaker, would be struggling very badly to meet their commitments that they would have had, like most people who get out of jobs or unemployed in any situation, let alone the COVID-19 situation that we have.

Mr, Speaker, we also need to have a very clear detail of what is the leasing arrangement for the new Airbus 350s. I am not sure whether that was what Honourable Gavoka was hinting as to the arrangement there, whether they are leased, if we do not need those two Airbus 350s, you know if our flights do not pick up, what are we going to do? Whether we minus the two A350s aircraft that we have is enough for regional travel between Australia and New Zealand, possibly Singapore and Hong Kong, but that is an issue that we need to know as well.

Mr. Speaker, it is again very important for us to bring to this Parliament beyond this session, probably during the Budget and beyond, a very regular update of details of what is happening with respect to how the Airline is going to deal with this crisis for the next two, three or possibly five years because we need to plan ahead if we want to ensure that this airline survives and remains the national carrier. But we also need to once again look at the broader question.

Our biggest objective, Mr. Speaker, we always want to bring in tourists. We were talking about a million tourists. We need to look at everything within the industry, including the airline, including our marketing and so forth to look at what is the best strategy. This might be an opportunity for us to relook at everything while we are engaging and working out temporary solutions, temporary financial survival recovery strategies. We should also think about our long-term strategy to keep the tourism industry as one of the leading players in the economy. Thank you, Mr. Speaker.

HON. V.R. GAVOKA.- *Vinaka.*

HON. SPEAKER.- I thank the Honourable Member for his contribution to the debate. Honourable Ro Filipe Tuisawau, you have the floor.

HON. RO F. TUISAWAU.- Thank you, Mr. Speaker, Sir. I rise to contribute to the motion at hand regarding the guarantees.

Some of the issues which I had thought I would raise have been raised regarding reckless purchase of aircraft.

The other issue was looking at the whole Fiji Airways situation, the uncontrolled hire of experts. This contributed to the operational cost, of course, and as mentioned by Honourable Leader of NFP, the Reserve Funds, this is why it is very important to have the financial report of Fiji Airways before we meaningfully contribute but, of course, we understand the need for the guarantees.

I think, as mentioned, there is no need for a lecture about tourism to us. We already know about the importance of tourism. So, Honourable Ministers, please, do not lecture us on our tourism because we understand the situation and there is no need to really go into that but what we need to understand which was not mentioned by Honourable Minister and also the measures to address employees, that was not mentioned by both Ministers. What measures are in place to address the hardships of employees, not only in in the national airline but also generally across the board in tourism, and all we have heard is

FNPF assistance, and there is another second round of FNPF assistance in partnership with Government. I am not sure about whether an audit was made of that but we have received reports of Government not contributing its share regarding some of the FNPF applicants.

Let me share this news; the FBC News for once obtained a copy of the termination letter that was sent to 775 staff. The reason why I am reading this is because in Parliament, we discuss a lot of high level things. Let us try to get to the issue in terms of unemployment and effects on staff and families and that is what we need to discuss today in addition to the guarantees.

They have sent letters to those staff which detailed the payments to be made and have been given 48 hours to return any property, collect personal belongings. The last part of the letter said, 'people who have been released could re-apply for roles when the situation allowed'. Basically, they have been terminated and what I am saying is, what other options are there to give the employees who have been terminated peace of mind? Because once you are terminated, it is out and with these guarantees, it is not only for the payment of the aircraft but I also take it is also for operational reasons and there was also another communication in the inhumane way in which the staff were informed, has been communicated from the Fiji Airways staff. Let me read it:

“Totally inhumane, Fiji Airways, you never sent security guards to tell cabin crew that when they are training that they have been terminated. Whatever the circumstances, utterly disrespectful, not even letters, just verbally by security to leave their manuals, their ID cards and be escorted out.”

(Honourable Members interject)

HON. RO F. TUISAWAU.- So this is the communication received and there are means and ways of handling situations, negotiating, working together and, of course, where is the union voice? Supressed by the Government.

HON. GOVERNMENT MEMBER.- *Areh!*

HON. RO F. TUISAWAU.- We did this way back in 2000 with the help of the unions, staff were offered leave without pay, redundancies ....

HON. GOVERNMENT MEMBER.- Stop reading from *Facebook* posts ....

HON. RO F. TUISAWAU.- I am reading it because ....

(Honourable Member interjects)

HON. RO F. TUISAWAU.- You do not want to hear from the staff?

HON. SPEAKER.- Order!

(Honourable Member interjects)

HON. RO F. TUISAWAU.- This is from the staff and you need to understand the situation. Can you listen to what the staff are going through? This is very important because when you are asking for guarantees, what is it for? That is the question there.

(Honourable Member interjects)

HON. RO F. TUISAWAU.- I know it is to pay for debt, it is to pay for leasing but, of course, all I am asking is, you need to address the human side of things.

HON. SPEAKER.- Honourable Member, address the Chair, do not address the mover of the motion, address the Chair.

HON. RO F. TUISAWAU.- So we need to look at leave without pay instead of telling them they cannot re-apply, early retirement, voluntary leave, delayed payments but not termination. So that is all we are asking for. I mean they are not asking for anything which is out of this world. People have livelihoods, talk to them, call them into a meeting and make people understand but to chuck them out on the street, that is not the way to do things in Fiji, Mr. Managing Director.

The 751 staff members have been treated like garbage, that is the communication from one of the staff and I am asking Honourable Minister to, please, look into the situation and the operations and there are other ways of cost-cutting. What about the remaining experts, Managing Director, maybe it is time to let him go and the other cost-cutting measures, there are other areas which we could look into in terms of the whole government operations. I believe we have not looked at that and again I repeat, please, look into non-FNPF direct unemployment assistance to the employees and the Government-side has mentioned the other airlines overseas such as Virgin, et cetera, and they have been assisted by their Governments through various means and that includes direct unemployment assistance, and that needs to be done.

I have seen the survey being done by Government with employers regarding information on those who are now unemployed etcetera. Why do a survey when you can just easily ask the employer and that information should have been with ....

(Honourable Government Member interjects)

HON. SPEAKER.- Order!

HON. RO F. TUISAWAU.- That information should have been with them as soon as the crisis started, but they have been sitting on it. Thank you, Honourable Speaker.

HON. SPEAKER.- I now give the floor to the Honourable Attorney-General for his Right of Reply. You have the floor, Sir.

HON. A. SAYED-KHAIYUM.- Thank you Mr. Speaker, Sir. I thought some of the issues that I have to respond to the Honourable Members, in particular from the other side who already have had that information, given that we have already discussed a number of these issues so many times and I gave a detailed response some months back on Waqavuka. They are going on about Waqavuka, a detailed response. Mr. Speaker, Sir, it was also published in the media and I am quite happy again, Honourable Radrodro to furnish the information to all of you again. This is the problem, you are always looking for some kind of conspiracy.

Mr. Speaker, Sir, let me just very quickly highlight on issues, more pertinent issues. Honourable Prasad talked about cash reserves. The cash reserves, if you were to add on the money that was spent on the Aviation Academy, which is now being co-financed with the FNPF, the cash reserve of about \$153 million as of 1st April. Now, obviously those cash reserves have been eaten up because there is absolutely no revenue. So for the past three months, if you extrapolate that, obviously all that money is gone. So that has been the cash reserve.

Mr. Speaker, Sir, now normally when you do cash reserves forecast or even you do have cash reserves, you essentially forecast based on some revenue coming in. This is why most of the airlines are actually collapsing around the world because the entire revenue stream, the cash reserve has got eaten up - British Airways is getting rid of about 12,000 or 15,000 staff upfront. They cannot handle it.

Mr. Speaker, Sir, just a couple of other issues that I wanted to highlight, the question was asked about the group profit and how much of that came from the airline. I think Honourable Gavoka asked that question or someone else. Of the group profit, 90 percent actually came from Fiji Airways, the 10 percent came from Fiji Link and Sofitel Hotel. So, 90 percent of the income overwhelmingly is actually from Fiji Airways.

Mr. Speaker, Sir, the other responses I have is in respect of Honourable Gavoka as usual went on about the purchase versus leasing, and again I have answered this question previously in Parliament. It is a combination of different types of ownership, outright purchase or purchase of aircraft and also leasing. In the same way and I have to reduce it down to this very rudimentary explanation, when we go and buy a house, if the house is half a million dollars, you do not take that half the million dollars and pay. You actually take out a loan and you do monthly repayments. That is what we are doing getting a guarantee from and the finance company names that I read out, especially the Germans, they funded it by way of a loan, so we do monthly repayments. We do not go and collect \$700 million and go and buy an aircraft, it was actually funded. Mr. Speaker, Sir, so again they are trying to obfuscate the issues.

Honourable Gavoka, A350 is not similar to a Dreamliner, 21 more passengers on A350, eight tonnes more cargo in A350. That was the attraction about the A350 because we can help our exporters a lot more and cheaper pricing on that, and of course we have got a much wider bagging.

I cannot understand this obsession with Qantas, Mr. Speaker, Sir, seriously, ....

(Honourable Members interject)

HON. SPEAKER.- Order!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, the type of earnestness and passion with the Members of the Opposition come and talk about Qantas, are they on some kind of paid retainer for Qantas or what?

(Laughter)

Seriously, Mr. Speaker, Sir, because you would think before coming to Parliament they would understand exactly what Qantas did. Honourable Gavoka talked about the 747s that were leased, that was from Qantas. A 23 year old and 24 year old plane and the monthly rental of that was over half a million US dollars a month. Mr. Speaker, Sir, 767s, again exorbitant leasing pricing, again one of the other main operating expenditure for any airline is the maintenance cost; "C" checks. These are old aircrafts. It actually adds to operational cost when every year we have to send these planes for servicing, maintenance, parts falling out, pipes being replaced; he did not mention that. Similarly, he really needs to understand this. This is getting quite tedious.

The other point is when Qantas was on board, they used to actually arrange our insurance and I have said this in Parliament before after 2014. They used to look after the group insurance for Fiji Airways. When Dave Pflieger came in and who was there actually by as a matter of fact for four years, he did not leave after a short stint. Normally contracts are for three years. Actually his second term was renewed, he had to leave because someone in his family was ill and needed overseas care. Four years, Mr. Speaker, Sir and we found out when we went directly to the insurers in London that we were paying

\$1 million or \$2 million more because Qantas was actually doing an upload on it. That is the kind of shenanigans that took place. They were fleecing their little poor cousins in the Pacific.

Today, the largest competitor to Fiji Airways, Mr. Speaker, is Qantas and Jetstar; both of them owned by Qantas, of course. Jetstar has been running in direct competition to Fiji Airways and you had the board members of Qantas whose primary obligation and duty is to their own company which is Jetstar and sitting on our board, knowing about our strategy as to how we will outdo our competitor. Is that not a conflict of interest?

(Honourable Members interject)

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, the other point that they need to understand is that, I think Honourable Prasad again asked about the profits going down last year before last. Now that obviously was affected by the price of fuel. Go to any airline in the world and if you look, the profit margins in that year would have decreased because of the huge rise in the price of fuel.

Mr. Speaker, Sir, the other issue that I want to very quickly highlight before we finish off with this, Honourable Gavoka again talked about the PACER Plus, completely irrelevant to this. Mr. Speaker, Sir, the \$18 million was talked about, that was a marketing strategy that we partnered. It was only for two years. We have not always been funding Fiji Airways. Again, he has misled Parliament. Only for two years, \$18 million to go into Singapore and as shown, Mr. Speaker, Sir, that that particular strategy of developing Singapore route was actually a good decision.

Mr. Speaker, Sir, again we had given a million dollars to the academy that has been built. Today, any Fijian pilot that needs to go for their simulation courses, previously used to go to Singapore, today, they go to Namaka in Nadi. They use our hotels. We will have pilots coming from overseas to use our aviation academy. The other Pacific Island country pilots, Australia and New Zealand already before COVID-19, were making enquiries about coming and doing their simulation courses here which we will get paid money for. That is what you call long-term strategic thinking, Mr. Speaker, Sir.

HON. GOVERNMENT MEMBER.- Hear, hear!

HON. A. SAYED-KHAIYUM.- And they talked about the foreign pilots. Their contracts were terminated immediately as COVID-19 took place. Why? Because we did not have any flights, obviously they were the first ones to go.

Now, the other point they keep on going on about is about the staff that have been terminated, Mr. Speaker, Sir, but they do not mention that out of the staff, 731 staff are being retained. Mr. Speaker Sir, 731 staff actually are being retained. Some will come to work for five days, some will come to work for three days and some will come to work for two days depending on the need. They are engineers. There are various other personnel that will be required. So, Mr. Speaker, Sir, again, this is kind of misleading the whole issue.

Again, Honourable Gavoka, we did not get three Maxes, we got two Maxes and now they are parked in Alice Springs in a desert because when they stay in Nadi, the rust sets in, they need to be somewhere dry. A ferry flight was taken across, they took the aircraft in the midst of all of these to Alice Springs.

So, Mr. Speaker, Sir, the reality of the matter is that we need to protect our national carrier. I know Honourable Prasad has spoken about alluding to open skies before saying you do not need to have a national carrier, we have had this discussion before. But, Mr. Speaker, Sir, can you imagine that if we did not have our national carrier now, what would happen to our exporters. Who would take our kava,



agricultural produce and garments out? At the cost at which Fiji Airways is flying. If you are a foreign company, you would not fly to Fiji and say, "Hello Fiji, we will fly your kava from Nadi to LA and by the way we would not make any money on it." No one would do that, no one would do that. They will want to come here and make a profit or even make a killing. Today because we have our national carrier, we were able to talk to them and they understand that the intrinsic part of the Fijian economy therefore they are flying and freight at cost and I would like to thank those pilots who are doing that because those pilots fly all the way and because they go to LA, sometimes they actually carry two sets of pilots, one sleeps on the way, the other one actually fly, they do not get off the plane and the one sleeps and the other one gets the plane back. At certain times they have to do an overnight. The overnight in Sydney and I would like to thank the Australian and New Zealand governments for actually facilitating that and these people are taking it to higher risk. They have to come back and adhere to certain quarantine measures.

So, all of these things, Mr. Speaker Sir, are happening in the background. The reality of the matter is, Mr. Speaker Sir, the way the Honourable Members from the other side are talking as if there are no other terminations in all other industries. I am actually more concerned, Mr. Speaker Sir, if we were to compare apples with apples in terms of earning capacity are the women in the garment industry. They do not get paid as much as the people who work with Fiji Airways. They do not have the same lucrative deals that the people at Fiji Airways have. These workers in the garment factory, Mr. Speaker Sir, a lot of them actually have been sent home, who have reduced hours, one day a week, two days a week. Some of course are abusing the system by taking family care leave in the midst of all of that.

But, Mr. Speaker, Sir, I am more concerned about them, more concerned about the people in the informal sector, more concerned about the micro-enterprises. For the past number of months since the flights have stopped flying, Mr. Speaker, Sir, all staff of Fiji Airways, apart from those that took a 35 percent pay-cut, all of them have been paid 70 percent salary without even going to work a single day for the past number of months. And, Mr. Speaker Sir, if you compare the salary of a person that works in the garment factory to say, for example, a flight attendant, the garment factory worker gets paid far less than the flight attendant. So, Mr. Speaker, Sir, the reality is that they have been paid one month's salary, and Mr. Speaker Sir, they are also entitled to the FNPF withdrawal and should they not have enough money in their general account whether now or next month or the month after that, Government will top it up.

We have already explained on Friday, Mr. Speaker Sir, that the \$30 million will be rolled out in the next few weeks from Government funding, we have already rolled some of them out.

HON. OPPOSITON MEMBER.- Where is the money?

HON. A. SAYED-KHAIYUM.- Where is the money? It is in the Budget, read the Budget books. This is the kind of superfluous kind of comments we get from the Opposition when we actually have real issues to deal with, real life people, not political point scoring; absolutely point scoring. I have just been told (Honourable Ro Tuisawau is not here) that the post he was reading was actually not even a staff member because that has been monitored by the Fiji Airways, Mr. Speaker Sir.

HON. GOVERNMENT MEMBER.- Very poor!

HON. A. SAYED-KHAIYUM.- Mr. Speaker Sir, Honourable Prasad agreed in a roundabout manner that airlines do need to be supported.

I would also like to take the opportunity now to make another announcement related to the aviation sector. You may recall, Mr. Speaker Sir, we made a public announcement that Fiji Airports or Airports Fiji would actually give a 100 percent discount on the rents of all businesses at the airport.

Given the flights are still not continuing to fly for the months of June and July, AFL now has given a 100 percent discount on the duty free, speciality retail, food and beverages outlets, large foreign exchange and banking services, telephone and data services, inbound tour operators, rental car companies, airline lounges, sales office in international lounge and departures and all the taxi operators because there is no business for them. The airline is not operating.

Of course there are some businesses that operate at the airport premises, around the airport premises like your freight forwarders, et cetera. So, some of them are getting discounts based on the level of business they are continuing. This is the extent, Mr. Speaker, of the ramifications of what is actually happening because of COVID-19 and the fact that the aviation industry has come to a standstill. Therefore, Mr. Speaker Sir, I urge all Members of Parliament to support this motion where we actually preserve and safeguard our national carrier and I can also assure the Members of Parliament that all sorts of budgets, cash flows actually have been done and a number of scenarios going to the following year. The funding as I mentioned I cannot remember now, the funding from ADB which is very unique. The first time their funding actually in aviation company, Mr. Speaker, Sir, is actually funding the survivors up to approximately \$455 million. Should be ... comments earlier then we will not meet to access the funds from ADB because we do not want to come back. We need to ensure that there are level of confidence in a financial system within Fiji Airways.

So, Mr. Speaker, Sir, I urge all Members of Parliament to support this motion to give Fiji Airways this particular guarantee that it seeks to ensure that there are national carrier survives for this period. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Attorney-General.

Honourable Members, Parliament will now vote.

Question put.

Motion agreed to.

## QUESTIONS

### Oral Questions

HON. SPEAKER.- Honourable Members, the first oral question for today was to be asked by the Honourable Qereqeretabua to the Minister for Education. The Minister for Education is not here because she is sick. I will carry this question over during the week if she returns the question will be asked. So, be prepared for that. We will move on to the second oral question for today and I hope you are ready.

#### Role of Fiji Police Force – COVID-19 pandemic (Question No. 54/2020)

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

Given the restrictions put in place by the Government during the COVID-19 pandemic, can the Honourable Minister for Defence, National Security and Policing, Rural and Maritime Development and Disaster Management inform Parliament what role the Fiji Police Force played in managing and containing the spread of COVID-19?

HON. LT. COL. I.B. SERUIRATU (Minister for Defence, National Security and Policing, Rural and Maritime Development and Disaster Management).- Mr. Speaker, Sir, I would like to thank the Honourable Member for this question.

Mr. Speaker, Sir, we cannot deny the fact that it has been a very challenging time for us and, of course, I do stand here and wish to acknowledge all the Government officials, particularly the Honourable Minister for Health and perhaps, next to the Ministry for Health, this is one of the organisations that felt the brunt of the COVID-19 Pandemic in as far as the resources and the employment of Police personnel who were heavily involved and perhaps, have stretched to the limit as well throughout this period. And I wish to acknowledge the Commissioner of Police and his Senior Management, the four Divisional Police Commissioners, for their continued commitment throughout this period.

Apart from this COVID-19 response, Mr. Speaker, Sir, the Fiji Police Force continues to carry out normal Police functions. If I may mention a few:

- (1) Investigation of cases;
- (2) Prosecution of offenders;
- (3) Community policing that helps in awareness as well;
- (4) Policing of roads that continued;
- (5) Drug raids; and
- (6) Maintenance of law and order towards a peaceful society as well.

Let me briefly highlight, Mr. Speaker, Sir, some of the key activities as part of the Police operations, particularly when we had the COVID-19 protocols in place. I know that throughout Fiji, there were a total of 101 checkpoints established to help in controlling the movement of people and, of course, the enforcement of the curfew laws that were put in place. That was not an easy task and particularly, I, for one witnessed the amount of efforts made by our serving personnel in trying to meet the requirements of the tasks.

Of course, we had lockdown areas as well in Lautoka initially, parts of Suva, in Soasoa in Vanua Levu and Vunicagi in Dreketi and in the Muslim League Settlement in Nabua. Again, this has really stretched the work of the Fiji Police Force.

Most importantly, Mr. Speaker, Sir, the arrest of those who did not adhere or comply with the orders. There were more than a thousand cases of failure to comply with the orders which involved about 2,664 personnel.

Again Mr. Speaker, Sir, it is a very challenging time, not only for the Fiji Police Force but I am indeed thankful for the amount of work that they had carried out during this period. Thank you.

HON. SPEAKER.- You have the floor, Honourable Leawere.

HON. M.R. LEAWERE.- Thank you, Honourable Speaker. I would like to thank the Honourable Minister for his response to the question and also, I would like to reiterate his commendation in terms of what the Police have been doing around the country in terms of managing and containing the spread of this pandemic. Just a simple question to Honourable Minister; whether our officers are properly paid in terms of the work that they have been doing?

HON. LT. COL. I.B. SERUIRATU.- Yes, Mr. Speaker, Sir. There is allocation in the Police Budget, yearly allocation, Mr. Speaker, Sir. I cannot remember the actual allocation in the Budget and this covers the extra work that they do, apart from the normal routine, so that is always budgeted for and, of course, that is provided for in the normal budgetary allocation for the Fiji Police Force.

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

HON. LT. COL. P. TIKODUADUA.- Honourable Speaker, I thank the Honourable Minister for his reply to the question. My supplementary question is, during my short stint in the cell at CPS, people who were arrested for curfew breaches, et cetera, were cramped in a cell without social distancing being considered. What is the Force doing to be able to look into that aspect as well, while looking after the security of the public because it is also critical to maintain as much as possible, or to follow the restrictions for COVID-19 by everyone whilst also maintaining the law and fighting the COVID-19?

HON. SPEAKER.- I am just waiting for him to sit down. I had to give courtesy to an old man. Honourable Minister, you have the floor.

HON. LT. COL. I.B. SERUIRATU.- Thank you, Mr. Speaker, Sir. I do have, as a matter of fact, that sometimes it is quite hard to maintain the protocols given the constraints that we have in terms of our infrastructure and, of course, our ability to administer within the situation that we are in. But, of course, Mr. Speaker, Sir, one of the options that our Fiji Police Force is seriously considering, particularly to address this issue about the facilities that we have. I think if you go to Nabua and it was also deployed at the Nabua Muslim League Settlement, is the option of having containerised cells and Command Centres, so to speak.

Mr. Speaker, Sir, I have toured the facilities throughout the country and we had some serious discussions with the Commissioner of Police on options that we have now while awaiting the normal budgetary process in which we are currently working for main Police Stations - Nakasi, Lautoka, Nadi and perhaps, the one in Nalawa in Ra. That will take time and, of course, budget allocation as well.

However, the immediate solution that we have been considering seriously is for us to have this containerised options. For the storage of affidavits, there are so many of them in all Police Stations and, of course, on scene Command and Operations Room and I have given the example of the container that is used in Nabua.

Now, it is in Nabua Housing in Mead Road for the operations they are currently doing. We are indeed grateful to the company that donated that without any cost to the Fiji Police Force, but this is one of the options that we have, given the constraints that we have in terms of facilities. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Minister. Honourable Mitieli Bulanauca, your supplementary question?

HON. M. BULANAUCA.- I can see the relevance of these curfew rules where the coronavirus cases were being found in the town and urban areas. Has there been offence on these curfew rules in the villages, particularly from 8.00 p.m.? There is no coronavirus in these villages, so what is the relevance of these rules in the villages?

HON. SPEAKER.- Honourable Minister, you ...

HON. LT. COL. I.B. SERUIRATU.- Mr. Speaker, Sir, it is there for a purpose. It is about protecting every Fijian. One of the biggest threats, of course, in as far as COVID-19 is concerned, we know that our greatest risk is through the entry ports, and that is quite easy to control because we know the entry points, either through the sea ports or the airports, but the biggest threat is the communal outbreaks.

We do not want to go down that path and that is why I am thankful to the Honourable Prime Minister, through the recommendation of the Minister for Health and his team, we were very strict from the very beginning because we cannot afford to go down that path because once we have communal outbreaks, we must be aware of the fact that we have limited facilities in most of the health centres outside the Colonial War Memorial (CWM) Hospital and, of course, the four divisional hospitals.

But we do acknowledge the fact, Mr. Speaker, Sir, that even the communities have come up with their own protocols over and above what the Government has put in place, and we applaud those initiatives. I know for a fact that the Village of Sawani in Bua was one of the first villages that came up with their own protocols even before the Government decided to lock down some of the areas so we thank the people of Sawani, may not be the people of Navakasali. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I think the Honourable Minister has answered that supplementary question fully. We do not want to go into detail about what happens after 8.00 o'clock in the villages, no.

Honourable Members, the next question was supposed to be asked by the Leader of the Opposition. He is unable to ask that question (a written question), therefore his question will be stood over. I now call on the Honourable Dr. Salik Govind.

COVID-19 Relief Provided by Housing Agencies  
(Question No. 56/2020)

HON. DR. S. GOVIND asked the Government, upon notice:

Can the Honourable Minister for Local Government, Housing and Community Development elaborate on the COVID-19 relief provided by the Housing Authority of Fiji, the Public Rental Board and the Housing Assistance Relief Trust (HART)?

HON. P.D. KUMAR (Minister for Local Government, Housing and Community Development).- Mr. Speaker, Sir, I thank the Honourable Member for his question.

In April, 2020, both Housing Authority of Fiji and the Public Rental Board announced COVID-19 response relief packages to their customers. HART made this announcement in March after the first COVID-19 case. Currently, there were 1,600 households occupying Public Rental Board flats while HART provides housing assistance to 832 households. Over 2,700 clients have loan facilities with Housing Authority of Fiji.

Mr. Speaker, Sir, the Debt Relief Assistance package offered by the Housing Authority of Fiji is for its customers who are facing financial difficulties in servicing their loans as a result of the COVID-19 pandemic. This includes loss of income arising out of redundancies, reduced working hours, leave without pay and closure of small and medium businesses by those who are self-employed.

Mr. Speaker Sir, under the relief scheme, affected customers can apply for various options as prescribed by the Consumer Credit Act, Section 66, such as repayment holiday, extension of loan term for a period of up to six months, interest only repayment, extending the term of the loan and reducing the repayment amount. All fees have been waived on the restructure of loan accounts under this Relief Scheme.

Mr. Speaker Sir, as at 22nd May 2020, a total of 277 applications were received by Housing Authority and 205 applications have been approved, 14 applications were declined and another 58 applications are still being reviewed.

Mr. Speaker, Sir, the Public Rental Board is also providing assistance to its tenants who are affected by COVID-19. PRB is offering rent deferment for three months. At the end of the rent deferment period or when the tenants are in a position to pay rent, they will enter into an agreement on the repayment of the deferred rent. This will be based on the household income and the level of disposable income. In the meantime, tenants who can afford to pay the weekly rent will continue to pay and in fact they are paying.

PRB has also put all eviction notices on hold for the time being. Mr. Speaker Sir, a total of 184 applications were received, out of which a total of 33 applications have been approved so far. You may be wondering why only 33, the reason being the number of tenants who do not wish to disclose their income. Mr. Speaker, Sir, it is important to note that these Relief Packages are strictly for those customers whose income have been affected and both institutions are thoroughly screening the applications to ensure that there is no misuse of these Relief Initiatives.

Mr. Speaker, Sir, HART was registered as a charitable trust in 1972. HART is run by the Fiji Council of Churches with the support of the Fijian Government. Mr. Speaker, Sir, while HART homes are mostly for those families without a breadwinner such as single mothers with dependent children, HART also provides shelter to elderly people and people with special needs.

In fact, they are running nursing homes at the HART to look after those individuals who cannot look after themselves or the families have actually neglected them because of medical reasons.

Mr. Speaker, Sir, in some cases, there are HART members who work in an informal sector. Rent charges for HART tenants are dependent on their weekly income and this can vary from subsidised rates ranging from \$1 to \$10 per week.

Mr. Speaker, Sir, the rent payment for all HART residents have been put on hold from 20th March of this year and will continue to be so amid the COVID-19 pandemic.

Every year, the Government provides subsidy to HART and this money generally goes to the operation and maintenance of the property or if they are interested in constructing a new facility. This year, we will be using that money to pay for this deferred rent that we are talking about.

So, Mr. Speaker, Sir, I thank you for the opportunity to respond to the Question asked by the Honourable Member.

HON. SPEAKER.- I thank the Honourable Minister. The Honourable Lynda Tabuya, you have the floor on a supplementary question.

HON. L.D. TABUYA.- Thank you, Honourable Speaker. I wish to ask the Honourable Minister, in the last few weeks while visiting the single mothers in the HART homes, I have been told that they are not allowed visitors, and any donations must be given to others who will then distribute it to them.

My question to the Minister is, the families that live in the HART, why should they not have the ability to be visited so that they can receive relief? Why are there limitations in terms of access from visitors that are not allowed into their homes? Thank you.

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

HON. P.D. KUMAR.- Mr. Speaker, Sir, I have just said earlier on that HART is operated by the Fiji Council of Churches (FCC) so they are the ones who are looking after the facilities. So, I am not in a position to answer your question. The rules they set I think are the real reason why they had stopped some visitors particularly now because of COVID-19, but I will not be able to answer that as I have said, it is run by the Fiji Council of Churches. They have got a Board and the Board sets the rule.

HON. SPEAKER.- Honourable Members, the next question is supposed to be asked by Honourable Adi Litia Qionibaravi. She had tidied the question over to another Member to ask the question for her and that Member is indisposed as well so we will move on to the next question.

Inter-Island Maritime Shipping  
(Question No. 58/2020)

HON. A.T. NAGATA asked the Government, upon notice:

Can the Honourable Minister for Commerce, Trade, Tourism and Transport inform Parliament on what investments are being made to improve inter-island maritime shipping?

HON. F.S. KOYA (Minister for Commerce, Trade, Tourism and Transport).- Mr. Speaker, thank you for allowing me this opportunity to respond to the question by the Honourable Member.

Mr. Speaker, Sir, at the outset, I must say that the focus of Government is to actually ensure safe, efficient, reliable and affordable shipping services through its inter-island network.

I will keep my answer brief, Mr. Speaker, Sir, because I know we are under the constraints of some time but effectively what has actually happened with respect to the investments that are being made to improve the inter-island shipping, the Government actually works off the 5-Year and 20-Year Fiji National Development Plan.

Within that Fiji National Development Plan, there is a Government commitment to shipping in the next five years. As I said, most paramount is the safety at sea which is an absolutely key priority and one of the other considerations is actually environmental concerns. So, these are two places initially where the investments are but there are eight others and I will just mention those briefly.

Of course, we rely on private sector investment and with private sector investment, we are looking to continuous investment and the vessels that have been used by the private sector companies who provide inter-island services, for example, Goundar Shipping, Interlink, Patterson Shipping and South Sea Shipping. Then you have got infrastructure upgrade which also is a collaborative effort through FRA and the success of Fiji's development is dependent on this particular infrastructure and that is reliable enough to encourage people and businesses to invest in the future.

Then you have got the improvement in what we call Aids to Navigation (ATON), Honourable Speaker. That is also something that lies with Maritime Safety Authority of Fiji (MSAF) and they will oversee the continuing programme of maritime, NAVA Restoration and Maintenance. They also provide hydrographic and maritime navigation and safety.

The MSAF will oversee the continuing programme of maritime NAVA Restoration and Maintenance, the improvement also to landings and we have got the Government Shipping Franchise Scheme (GSFS) in subsidies were also provided by Government for services to uneconomical routes, Honourable Speaker, Sir. There is about \$2 million invested in the scheme servicing nine identified uneconomical routes and paying subsidies to the private sector to provide this particular service.

We are also in a process of reviewing the subsidy rates, passenger fare, freight charges in line with the cost structures and franchise scheme and also there is, the other part of it is the acquisition of new vessels to boost the Government services fleet, Honourable Speaker.

With that, there is one currently where we are about to order but it is on hold because of the budget constraints that we have, but that is the kind of investment that takes place.

Again also, lastly, Honourable Speaker, Sir, there is a massive investment in education and training of our sea farers and the development of other skilled secured personnel that are needed by the industry. I thank you, Sir.

HON. SPEAKER.- I thank the Honourable Minister. Supplementary question.

HON. S. ADIMAITOGA.- Thank you, Honourable Speaker, Sir. I would like to ask a question to the Minister for Commerce, Trade, Tourism and Transport. My supplementary question is, most vessels brought in for inter-island shipping are very old ships. What is the Government doing to discourage old ships being brought to Fiji? Thank you.

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

HON. F.S. KOYA.- Thank you, Honourable Speaker. First and foremost, it is paramount that services to our maritime islands are efficient and the vessels are providing safe services that maritime dwellers also need to maximise the use of these particular vessels which at present are only really operating at about 30 percent capacity.

Honourable Speaker, Sir, my Ministry is working very closely with MSAF to address the issue of old ships and stringent policies are being put into place in order to encourage investment in new vessels.

Also the Ministry is working on implementing an approved 15-year contract duration for Government shipping franchise schemes. What this will do, its twenty years for the coastal trading licence of vessels. This will provide collateral for re-finance and re-fleeting of custom built vessels by the private sector through the GSS vessel replacement scheme.

Honourable Speaker, Sir, this will sufficiently incentivise further investment into the industry and especially with the uneconomical routes and in addition it will encourage re-fleeting of people's fleets already and using newer vessels, et cetera.

Another most important thing that forms an integral part of this whole equation is that we must also be compliant in terms of the climate, so the vessels will be environmentally friendly, Sir. Thank you, Sir.



HON. SPEAKER.- I thank the Honourable Minister. Honourable Kuridrani, a supplementary question.

HON. I. KURIDRANI.- Mr. Speaker, Sir, supplementary question. In light of the social restrictions, twenty people or less for social gathering and 2 meters apart, how are the authorities making sure that these are practised in the inter-island maritime shipping?

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

HON. F.S. KOYA.- Thank you, Honourable Speaker, Sir. I think the question has probably been answered already by the Minister for Health on a daily basis and the notices that are put out by the Honourable Prime Minister with respect to every aspect of travelling.

When you do go to the wharf, all the private companies that were involved and Government Shipping, Sir, they do ensure that they inform everyone with respect to social distancing and how they should be able to travel.

Currently, the information is passed on to the operators and also our own Government Shipping Services and those that are on board actually try and keep that social distancing whilst they are on the boat, Sir. I must add that sometimes, we do find that people will fall foul of it but they are generally told very politely that they should obey.

HON. SPEAKER.- Thank you. Honourable Saukuru, you have the floor.

HON. J. SAUKURU.- Thank you, Honourable Speaker. Thank you Honourable Minister. My question is regarding shipping schedules. If you do, how often do you advertise on the shipping schedules for the maritime zone because quite often people from Yasawa always call me to update them on the shipping schedules? Thank you.

HON. F.S. KOYA.- Thank you for your question, Honourable Member. In fact, all the shipping schedules are currently under review. So what will happen, there will be a formal schedule. As I had said earlier on, because we got this 15-year license issue going on, in the current flows we are actually getting a proper scheduling done.

You will understand that at the moment, I completely understand it has been haphazard before and this is why a lot of queries with respect to shipping services and this is one of the reasons why we have actually put it under review.

But if there is ever a case where people are asking, please contact the Ministry so that we can assist. Government Shipping also, Sir, is trying to assist every citizen and people who are living out in the outer islands with respect to getting supplies that are desperately needed to get across to islands.

HON. SPEAKER.- We will move on to Question No. 59/2020.

Payment of Job Evaluation Exercise – Fiji Police Force  
(Question No. 59/2020)

HON. RATU T. NAVURELEVU asked the Government, upon notice:

Can the Honourable Minister for Defence, National Security and Policing, Rural and Maritime Development and Disaster Management update Parliament on the status of implementation of the Job Evaluation Exercise (JEE) approved by Cabinet in 2014 which agreed on the payment of increment increases to Fiji Police Force personnel?

HON. LT. COL. I.B. SERUIRATU (Minister for Defence, National Security and Policing, Rural and Maritime Development and Disaster Management).- Thank you Mr. Speaker, Sir, and I thank the Honourable Member for this question.

Very briefly, the implementation of the JEE report that the Honourable Member was referring to has been completed in 2015, where Government allocated \$27,018,039.75 to the Fiji Police Force and the payment was carried out in three phases, Mr. Speaker, Sir. First in April, an amount of \$16,528,440.63 was paid out and of course in August was the second phase involving an amount of \$10,154,253.59 and the last payment was in October 2015 involving \$335,355.53.

So the implementation of the JEE report that was referred to the Honourable Member has been completed in 2015, again coming to a total of about \$25 million. I have mentioned from the initial response that \$27 million was allocated to Government through the Fiji Police Force, but the total paid out according to the formula that was derived came to \$25,864,394.29. Thank you.

HON. SPEAKER.- Thank you. We will move on to the next oral question for today. I call on the Honourable Selai Adimaitoga to ask Question 60/2020. You have the floor, Ma'am.

Further Assistance – Laid Off Workers  
(Question No. 60/2020)

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

Given that the COVID-19 crisis is likely to continue, is Government going to provide any further assistance to those who have lost their jobs?

HON. A. SAYED-KHAIYUM (Attorney-General and Minister for Economy, Civil Service and Communications).- Thank you, Mr. Speaker, Sir. We have talked about these new initiatives that the Government has put in place but just to reiterate again because sometimes we find the Opposition do not seem to understand it on the first round.

Mr. Speaker, Sir, as you know a lot of people have lost their jobs. The first lot that actually was hit were those in the tourism sector. Mr. Speaker, Sir, we have had discussions with the FNPF Board and they had to change some of the standing policies they had where we allowed those members who had lost their jobs in the tourism sector to withdraw up to \$1,000 from the general account and what we had also announced then, Mr. Speaker, Sir, that if they do not have enough money as in \$1,000 in their general account, the Government will top-up to make it \$1,000 and which they could withdraw a lump sum.

Then we also made an announcement, Mr. Speaker, Sir, that those people who are affected by the lockdown as we had, for example, in Lautoka then subsequently we had in Suva where people were not able to go to work for those two weeks, they could access \$500. Again, we said that we would top that up.

Now, Mr. Speaker, Sir, that obviously has taken place and as of last week, there were around 87,489 applications received by FNPF. Of this, around 78,518 members have been paid a total of \$49.7 million. Around 18,540 members have received a Government top-up totalling \$6.8 million with the remaining \$42.9 million deducted through their general accounts.

There are about 4,600 applications which are to be processed this week and indeed paid out by the end of this week and of course, there will be implications for the Government's top-up for that too.

We had also, Mr. Speaker, Sir, in the first round announced that those in the informal sector during the lockdown and those who have, for example, business licences or hawkers licence could actually have a Government payout of \$150 because these people generally do not have FNPF.

We have paid out in total because we have very few applications, \$26,850 in that respect and that included businesses, for example, peanut sellers, grog sellers, tailoring and weaving. The people who, for example repair things down at the market, et cetera, shoe shine people, small canteens and barbecue sellers. That is the kind of portfolio of people that actually came and took out the \$150 which Government paid directly from its own budget allocation.

As announced, Mr. Speaker, Sir, in the second phase which was announced last week Friday, we are now saying to those people who actually withdrew the \$1,000 and those people who withdrew the \$500 and lost their jobs, they can now withdraw up to \$1,100. Again, Mr. Speaker, Sir, we are going to provide a top-up.

Given that a lot of the people who would be applying for this, as I have mentioned, for example, the garment workers, who do not actually have very large sums in their general account because a lot of them have been withdrawing funds on a continuous basis or for other purposes or may not have that much money in their general accounts, we will be topping it up.

However, Mr. Speaker, Sir, that these lot of people who already received in the first round, they will no longer be able to get a lump sum. They will be paid \$220 a fortnight for the next five fortnights. Now, that will take them up to about the first week of August.

Mr. Speaker, Sir, there are some people, this week we are paying up to about \$4.6 million because we have said they do not actually have to verify, we have their bank accounts through FNPF, we are working through FNPF, so they will get the \$220 deposited.

On the following fortnight, Mr. Speaker, Sir, they have to actually sign a form to say that they continue to be unemployed because we know of some cases where people may have lost a job in one particular area but actually have been hired by another employer. So, we need to ensure that the right ones are being actually paid out the funds.

Then, of course Mr. Speaker, Sir, the Category 2 of people and there may be some new people. So, last week some people may have lost jobs. For example, we have an announcement today, they are entitled to withdraw a lump sum of \$1,100 and subsequently we will be actually topping it up. We expect from Government coffers to pay about \$30 million by the end of July for this category of people.

Mr. Speaker, Sir, that is the type of assistance that we are providing, but I would also like to highlight that we are also helping, as announced on Sunday, those people who are employed by themselves through micro-finance initiatives. We will be providing them loans. If someone is an existing micro-finance enterprise up to loan of \$7,000, a concessional loan which they will over five years with the first year being the grace period.

Similarly, Mr. Speaker, Sir, those who have small and medium enterprises, they get respectively \$14,000 to \$21,000 loan and, again, with very low concessional interest rates.

One other area, Mr. Speaker, Sir, that also helps people which is a major initiative, in 2012, the Government had started this initiative to help local businesses and industries to improve private sector lending through mainstream banks where through the Reserve Bank of Fiji, we guarantee 50 percent of the principal outstanding amount on any defaulted small to medium enterprise loan.

So, for example, assuming that I am a hairdresser and I have got two chairs and now I want to go and borrow another \$30,000 to set up two other chairs, I may not necessarily have all the funding. The banks, however, may turn you away but with the Government guarantee, the banks knowing that you have a good cash flow to be able to do repayments, will take your loan. And should you default, the bank is guaranteed that 50 percent of the default amount will come from Government through the RFB, and that has been highly successful, Mr. Speaker, Sir. About \$104.6 million in outstanding loans and the default rate has been very low.

As announced on Sunday, Mr. Speaker, Sir, whilst the current policy was \$50,000 loans, we now are going to increase the limit to \$60,000 for businesses.

In addition, in order to encourage women's role in driving our economic recovery, Mr. Speaker, Sir, and simultaneously to support the development of agriculture, fisheries and forestry sectors, Government will now guarantee or pay 75 percent of the principal outstanding defaulted loans up to a limit of \$75,000.

So, anyone that gets into forestry or fisheries and has a loan for a mainstream bank or is a woman entrepreneur, we will guarantee up to \$75,000 of their loan. So, that will obviously provide sustained livelihoods, create jobs and help those people who may actually become unemployed but are able to get into those areas of business. So, that is a very short summary of what we have done Mr. Speaker Sir.

We, of course, are currently considering and these are not necessarily very easy measures to put in place, but there are those who are now on reduced hours. So we need to actually set a criteria because there are some people, for example, whose hours have been reduced from five days a week to four days a week. But then there are those whose hours have been reduced from five days a week to only one day a week.

The question that arises, does the person who now works only one day get the same amount or level of assistance as a person who now works four days as opposed to five days?

The second group of people, Mr. Speaker, Sir, that we are also considering are those people in the informal sector. There are some people actually, who have been living in the informal sector for the past decade or so. I will give you an example, I may be a very good tile layer and I have my own set of tools, people know about me and I have been doing jobs in all the different construction sites. I do not pay tax, I do not have a TIN number, I do not have a business licence.

Some of these people actually earn good amounts of money but suddenly they no longer have a job, or assuming I am someone who has been selling coconuts in Nadi near a resort and make \$200 or \$300 sometimes in a week or more than that. But now because there is no tourists, I do not actually pay tax, I do not have a TIN number, I do not have a hawker's licence.

Now, if tomorrow we make an announcement and say, "We will pay", everyone in formal sector, x number of dollars a week, suddenly those people who were not even working in the formal sector who were just simply staying at home will come along and say, "I used to work too" and there is no form of verification.

So, we also have to be mindful of those facts and be able to provide a particular criteria through which we can actually register these people and one of the positives of this is, a lot of people are now coming forward one wanting to get a TIN number, wanting to get a business licence and in that way, we have better collection of data to be able to make more informed decisions. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Attorney-General. Honourable Lynda Tabuya, you have the floor.

HON. L.D. TABUYA.- Thank you, Honourable Speaker. I just want to ask a question quickly; are these loans secured?

HON. A. SAYED-KHAIYUM.- No, they are not. The concessional loans that we are going to give to the Micro, Small and Medium Enterprises (MSMEs), Mr. Speaker, as we have said with the micro-enterprises what we have said is that we will get guarantees from people. For example, if someone is setting up an oven, Government is not going to be in the business of going and putting a chart over the oven and then if they do not pay, we will grab that oven from their house. We are not going to do that.

This is why, Mr. Speaker, Sir, as I had highlighted, we are working with the Fiji Institute of Accountants and various Chambers of Commerce, et cetera, so they will do the initial assessment.

So we have independent third party verification of the authenticity of the actual application, of the capacity of the person making the application and, indeed, the viability of the business that they are proposing. So they are the checks and balances we will have and in that respect, we will be able to provide concessional funding. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- We will move on to Written Questions. I give the floor to the Honourable Mikaele Leawere to ask his question.

#### Written Questions

Update – Drainage Work in Serua  
(Question No. 62/2020)

HON. M.R. LEAWERE asked the Government, upon notice:

Can the Honourable Minister for Agriculture, Waterways and Environment inform Parliament on the current status of drainage work being carried out by the Ministry in the following areas:

- (a) Lomary schools;
- (b) Sigasiganilaca;
- (c) Galoa Village;
- (d) Nakoba Settlement;
- (e) Draunikula Village; and
- (f) Naboutini Village.

HON. DR. M. REDDY (Minister for Agriculture, Waterways and Environment).- Mr. Speaker, Sir, I will table my response at a later sitting date as permitted under Standing Order 45(3).

Update – Education Structure in Fiji  
(Question No. 63/2020)

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

Can the Honourable Minister for Education, Heritage and Arts provide to Parliament the list of all registered schools and the teacher/pupil ratio in the following categories:

- (a) early childhood;
- (b) primary;
- (c) secondary;
- (d) technical colleges; and
- (e) tertiary.

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, just to stand in for the Honourable Minister for Education, we will provide written answers at a later date. Thank you.

Lease Security Bonus with Fiji Pine Limited  
(Question No. 64/2020)

HON. J. SAUKURU asked the Government, upon notice:

Can the Honourable Minister for Forestry inform Parliament how many landowning units were assisted and the type of assistance offered from the 70 percent of the Lease Security Bonus retained by Fiji Pine?

HON. O. NAIQAMU (Minister for Forestry).- Mr. Speaker, Sir, I will table my response at a later sitting date as permitted under Standing Order 45(3).

HON. SPEAKER.- The Question time is now over.

Honourable Members, we have had a long day and I thank all Honourable Members for your contributions to today's sitting.

Parliament is now adjourned until tomorrow at 9.30 a.m.

The Parliament adjourned at 7.01 p.m.