

# APPENDICES

# **APPENDIX 1:**

## **LIST OF SUBMISSIONS RECEIVED**

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## TABLE OF WRITTEN AND ORAL SUBMISSIONS

Tabulated below is the list of all Stakeholders and Individual made written and oral submissions on the Petition:

No.	Date	Agency/Organization/Individual	Written Evidence ✓	Oral Evidence ✓
1	21/5/19	Mrs. Leba Ciriyawawa Halofaki Mataitini	✓	✓
2	22/5/19	Victoria Marine Limited	✓	✓
3		Fijian Competition & Commerce Commission	✓	✓
4		Maritime Safety Authority of Fiji	✓	✓
5	23/5/19	Mr. Enele Malele	✓	✓
6		Mr. Tevita Tuikabara	✓	✓
7		Ministry of Infrastructure, Transport, Disaster Management and Meteorological Services	✓	✓
8		Ministry of Rural and Maritime Development & National Disaster Management	✓	✓
9	28/5/19	South Island Shipping Services	✓	✓
10		Lau Provincial Office	✓	✓
11	29/5/19	Mr. Paula Vakadranu	✓	✓
12	30/5/19	Petitioner-Hon. Anare Jale	✓	✓
13	16/7/19	Victoria Marine Limited	✓	✓
12		Goundar Shipping Services	✓	✓
Public Consultations				
13	5/6/19	Dranotalia Methodist Church Hall, Nakasi		✓
14	6/6/19	Namuka-i-Lau Village Hall, Veisari, Lami		✓
15		Nadonumai Methodist Church Hall, Lami		✓
16	8/7/19	Levukana Village Hall, Vanuabalavu, Lau		✓
17		Mavana Village Hall, Vanuabalavu, Lau		✓
18	9/7/19	Bose-ko-Viti Hall, Tubou Village, Lakeba, Lau		✓
19		Yadrana Village Hall, Lakeba, Lau		✓
20	10/7/19	Naikoleyaga Village Shed, Kabara, Lau		✓
21	11/7/19	Naroi Village Hall, Moala, Lau		✓

# **APPENDIX 2:**

## **WRITTEN SUBMISSION DOCUMENTS**

**MRS LEBE CIRIYAWA HALOFAKI  
MATAITINI**

## **SUBMISSION TO THE STANDING COMMITTEE ON NATURAL RESOURCES**

**On the Review of the Paper to: Petition on Government to provide reliable, safe and affordable Shipping Services for the LAU Group, Fiji**

**by Leba Ciriyaawa Halofaki, 65 Marine Drive Lami Town :villager from Naividamu, Vulaga, Lau.**

### **Introduction;**

My name is Leba Ciriyaawa Halofaki from Naividamu, Vulaga in Lau presently residing at 65 Marine Drive Lami Town. I left my village with my parents and two youngest brothers in 1962 to join my other six brothers and three sisters who had come earlier to Suva for work and education. I had passed my Intermediate Examinations and was accepted into Adi Cakobau School for further education. Technically my whole family had migrated to Suva from Vulaga at that time, over fifty-six (56) years ago.

### **Shipping Services and related Infrastructures for Vulaga, Lau**

#### **1. Availability:**

**In 1962**, the family came around October because that was when the ship was available, it was not regular.

In the late 1990 to mid-2000, our family operated Saliabasaga Shipping through the Government Franchise Scheme and our ship MV Tunatuki II was scheduled for regular timetables of covering the Lau Group, at least twice a month. There were also Charter Trips not only for our family to Vulaga but to all our relatives in Ogea, Vatoa, Ono-i-Lau, Namuka, Komo, Moce, Oneata, Lakeba, Nayau, Vanuavatu, Tuvuca, Totoya, Moala, Matuku, Cikobia, Kanacea and Vanubalavu. We made one or two trips to Rotuma also.

#### **2. Condition of Ships**

The condition of the ship we came in 56 years ago was not very good. It took us one week to get from Vulaga, Ogea, Vatoa, Ono-i-Lau and other islands on the route to Suva. I was seasick all the way and hardly came out from the room we were allocated until the boat reached Suva. For days afterwards, one felt the swaying of the ship on the waves as you walked around on land.

The MV Tunatuki II was restored and refurbished old- Fishing Vessel MV Sophia that was left on the Suva Harbour that we salvaged and turned into a Passenger Ship that could carry over 100-passengers. We undertook this Project as a family to fulfill our late Father's wish :'  
**To get a Boat that we do not travel in like cargoes but with some human dignity.'**

This ship achieved that but it came at great costs to our family, we lost my youngest brother Sailosi Vula Halofaki who was the mover and shaker of the venture, my third eldest brother Joeli Bera Halofaki, three months later in December 2006 as well as a brother-in-law and three sister-in law during this ten-years we operated the Shipping Services. None of the

members of our younger generation had the interest and the drive to continue the Shipping business so we returned the Ship to the Fiji Development Bank and closed the business.

**Lessons learnt:**

(1) It is viable with a new Ship and the Government Franchise Scheme to provide decent, safe, reliable and affordable shipping services to the Lau Group.

Because of the low cargo movement and high prices of fuel, the Shipping Service needs heavy Government Subsidy through the Franchise Scheme.

**(2) Critical Need for Marinas in Vulaga and all the islands that do not have them**

With no Marinas or Wharfs for Ships to berth next to in each island, the ships have to berth in the Open sea and passengers off-loaded onto Velovelos to transport them ashore. The elderly, sick, disabled and Mothers and babies and young children have to be carried like cargoes in Boat Winches and off-loaded onto the Velovelos. This is dangerous, and inhumane. Many members of our Lauan community may be prepared to suffer the crowded conditions of travelling into their islands but the thought of being unloaded like cargoes or trying to get on a moving Velovelo rocking beside the ship inhibits them from making the journey.

Islands like Nayau and Moce are difficult and very dangerous to get into at low tides and at times the ship has to change schedules to accommodate timing for the high tides when it is safe to sail into harbour and offload passengers and cargoes.. This is a costly exercise with fuel and scheduled times of the Voyage.

I am pleading on behalf of Vulaga including Ogea and all the islands in the Lau Group that presently do not have them <sup>marinas</sup> **for the Government of Fiji to build Marinas and Wharfs for safe, humane Disembarking of passengers and cargoes.** This could be Joint Ventures with the islanders themselves.

**(3) Roads construction alongside the Marina Projects.**

Roads are recommended to be constructed in Vulaga alongside the Marina Projects to connect the three villages of Naividamu, Muanaira and Muanacake. Again the village communities can be partners in this Projects. Local Quarries can be set up on the islands to enable the use of locally available building materials, sand, gravel, limestone and rocks and minerals, to mine and crush and make local cement and building materials initially for the Roads but it can be used for Building Homes, walls and other needed infrastructure in villages.

**(4) Government Shipping Services**

The Government of Fiji is recommended to being totally responsible for the provision of Ships for the main Inter-island Shipping in the Lau Group, similar to that undertaken by the Government of Tuvalu for transportation between its islands. The Standards for the Ships used will comply with Government National Standards for Maritime Services not only for Ships but also for Marinas and Wharf and Roads.

### **Concluding Remarks;**

With the provision of Safe Marinas, Shipping Services and Roads infrastructure in Vulaga, I will return home like many of my relatives who had left for education and work. This will open up the development of my islands for future generations of Vulaga people. The Lau Group of Islands will once again be populated by its people who yearn and long to go home and live and die there but the thought of travelling in discomfort, disembarking as a cargo are enough to leave those sentiments merely as dreams.

Be the Standing Committee that is courageous and adventurous enough to utilize the rich Natural Resources of the Lau Group of Islands by providing safe, decent, reliable and affordable Shipping Services, Constructing Marinas and Wharfs and the Roads that open up possibilities and hope for the Lauan People now and for generations to come.

Thank you for your time to receive my submission.



21/5/2019

**Leba Ciriya Halofaki**

**21 May, 2019**

**65 Marine Drive, Lami Town**

**Telephone 3361427/7531623**

**Email: lebamataitini@gmail.com**

**From Naividamu, Vulaga, Lau**

**VICTORIA MARINE LIMITED**



# VICTORIA MARINE LIMITED

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File Ref: VML-GOV001/19

**Hon Sanjay Kirpal**  
Chairperson  
Standing Committee on Natural Resources  
Parliament of Fiji  
Government Buildings  
Suva

Dear Sir,

## **INFORMATION ON VICTORIA MARINE LIMITED AND ITS PASSENGER/CARGO VESSEL MV BRIANNA USED UNDER THE GOVERNMENT FRANCHISE SCHEME**

In response to Parliament of Fiji Standing Committee on Natural Resources invitation on PARL/NRC/6/16 dated 17<sup>th</sup> May 2019, Victoria Marine Limited have the honour of presenting the following information to the Honourable Committee.

### **Part 1**

#### **Victoria Marine Limited**

Victoria Marine Limited is a local Shipping company based at 9 Freeston Road, Walu Bay, Suva that engages in passenger and cargo transportation in Fiji as well as a Tug and Barge service that conducts local and international cargo transportation and other logistics tasks as and when required.

Victoria Marine Limited (VML), was established in 2014 with the objective to contribute to the maritime industry by providing an affordable and safe shipping service to the outer islands within the Republic of Fiji and the region. It is also to provide logistical advice when required in support of government and non-governmental initiatives.

The Management and staff of VML have over 39 years of shipping operation experience in Fiji with the officers and crew who are all certified and have great deal of experience in operating vessels and provide logistics support in Fiji waters and the region. At this stage VML has a Tug Boat Burdekin, Barge Colossus, passenger and cargo vessels MV Sea Rakino and MV Brianna which are all operational and sea worthy.

The company profile is as shown here-under:





# VICTORIA MARINE LIMITED

## COMPANY PROFILE

**Name** : Victoria Marine Limited

**Type of Business** : Shipping and Tug and Barge Services

**Registered Office** : 9 Freeston Road, Walu Bay, Suva

**Telephone** : 679 - 3300711 (Office) 679 – 7776920 (Mobile)

**Email** : [vml@gmail.com](mailto:vml@gmail.com)

**Contact Person** : Mr. Josateki Tagi

**Telephone** : 679 – 7776919/7496572

**Email** : [victoriamarinelimited@gmail.com](mailto:victoriamarinelimited@gmail.com),

## CAPABILITY DETAILS

**Number of Barges** : 1

**Name of Barge** : Colossus

**Number of Tug Boats** : 1

**Name of Tug Boat** : Burdekin

**Name of Passenger and Cargo vessels** : MV Sea Rakino (100 pax)& MV Brianna (200 pax)

**Valid Insurance** : Valid for all VML vessels

**Valid Cargo Insurance** : Valid for VML vessels

**Operation License** : Valid for all VML vessels

The vessel fleet for Victoria Marine are as attached.



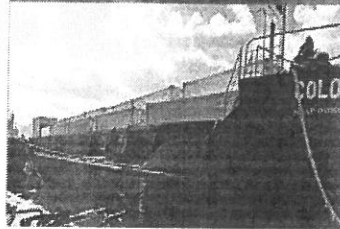
# VICTORIA MARINE LIMITED

## VESSEL'S PARTICULARS

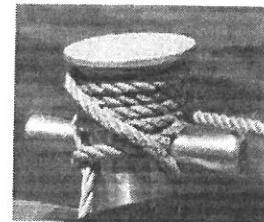
Name	Colossus
Type	Dumb Barge
Gross Tonnage	729
Net Tonnage	378
LOA	52.67m
Breadth	15.24m
Depth Moulded	3.66m
Draft(max)	2.60m
Year Built	1997
Deck Dimension	41m x 12.5m
Clear Deck Space	533m <sup>2</sup>

Name	MV Brianna
Type	Inter-Island - Passenger/ Cargo Vessel
Gross	400.00
Net Tonnage	217.00
LOA	42.88m
Breadth	8.30 m
Depth	3.50 m
Year Built	1981/ South Korea
Speed	12 knots
Passengers	260

Name	MV Sea Rakino
Type	Inter-Island - Passenger/Cargo Vessel
Gross Tons	227 T
Net Ton	68 T
LOA	26.50 m
Breadth	8.0 m
Depth	4.30m
Year Built	1979 Kanmon Shipbuilding Co. Ltd. Shimonoseki, Japan
Speed	Approximately 10 Knots (Cruising)
Passengers	70



Victoria Marine Ltd  
*Safety First*



### Services:

- Passenger / Cargo
- Vessel Charters
- Logistical Support Vessel
- Utility Marine Services
- Barge & Towing Services

### Vessels:

- MV Sea Rakino
- MV Brianna
- Tug Burdekin
- Barge Collossus

## Summary of Projects undertaken by Victoria Marine Limited

Summarized here-under are the major projects that the company completed:

- a. **Clinker Discharge Operation – 2016, Suva Fiji.** Discharge project of 27000T of clinker from Bulk Carrier at anchorage in the Suva Harbour into trucks on barge and offloaded at a designated jetty for movement and final offloading at the Pacific Cement storage facility.



# VICTORIA MARINE LIMITED

- b. **Distribution of Plant and building Materials to outer islands in Fiji – 2016 in support of FRA Road Upgrading in outer islands.** Transportation of plant equipment from Suva to the outer islands including pick up from outer islands for relocation to other islands; transportation of building materials to outer islands for the rehabilitation works after devastation of Tropical Cyclone Winston around Fiji.
- c. **Aggregate Discharge Operation – 2017, Port Villa, Vanuatu.** Discharge of aggregate from the bulk carrier at anchorage in Vanuatu Ports into the barge and offloaded at designated storage points on land.
- d. **KiriWatSan II Project – 2018, Kiribati.** Distribution of building materials for the rehabilitation of Water and Sanitation systems into 5 Outer islands of Abaiang, Maiana, Nonouti, Beru and Nikunau in the Republic of Kiribati.
- e. **Vunisea Mooring Project** - Kadavu
- f. **GENCON 1994 – GENERAL CHARTER** - Hall Contracting Pty Ltd  
149 Sippy Downs Drive, Burderim, 4556, Queensland, Australia

Transportation of dredging equipment from Port Moresby, Papua New Guinea to Fantasy Island, Nadi, Fiji:

## PART 2

In line with the Standing Committee on Natural Resources requirement for information on the MV Brianna the following is submitted:

### Background

The seed for the formation of VML was planted when an ex – trawler MV Sea Rakino was purchased in September 2013 and converted to passenger cargo ship, and it was working charters and did regular passenger cargo runs out to Lomaiviti, Lau Group and Northern Vanua Levu.



# VICTORIA MARINE LIMITED

After carrying out this form of operating for two years it was then decided that the company should tap into the Government funded Franchise Scheme which we thought would enable us to sustain the business and hopefully allow us to accumulate capital in order to purchase newer ships. At this point in time it was realised that MV Sea Rakino was insufficient in size and was not set out with respect to accommodation and other facilities to undertake the work required for a ship to do franchise work in the Lau Region, so the company decided to look for a suitable ship. We could not afford to purchase a ship offshore due to high costs of acquisition and so in order to satisfy the immediate need the local market was our best option.

## MV Brianna

In 2015 the owner of Seaview Shipping approached VML and offered to sell us the MV Sandy. MV Sandy was valued and a condition survey carried out and was found to be satisfactory. The Sandy as it was known at the time had been in survey under Maritime Safety Authority of Fiji and had a few years operating under the Fiji Government franchise scheme. The vessel was built in Japan in 1993 and as of now the vessel is just 26 years old. Because of these attributes and the affordable price tag, Victoria Marine made the decision to purchase the ship MV Sandy from Seaview Shipping Limited. The ship was renamed MV Brianna and shortly started servicing the Lau Group under the franchise scheme. The ship is contracted by Government to service Northern Lau and Upper Southern Lau with the occasional opportunity to do an alternative franchise voyage. *+ Lomaimhi groups*

Our assessment after one year of operation confirms that MV Brianna size of vessel is ideal to operate in the Lau Group considering the restricted accessibility and lack of infrastructure in the area. We have also assessed and noted the return of investment and we observed that the resources in most part of the Lau group have been severely depleted due to reasons commonly known resulting from improper harvesting techniques, over-exploitation of resources ill effects of climate change and natural disasters. As such we have noticed that the economy and volume of trade in these parts have decreased and we believe it will continue on that trend until physical assistance or meaningful intervention is realized to be forthcoming.

## Challenges

The isolated and much exposed islands of the Lau group provide a challenge to any ship visiting the area to discharge passengers and cargo, even more so in the usual



# VICTORIA MARINE LIMITED

adverse weather conditions that we are now experiencing in the region. Some of the additional issues that need to be highlighted are:

- a. The lack of suitable jetties for conventional vessels and mooring facilities furthermore, the exposed and unsuitable anchorages that on many occasions result in loss of chain which than has to be cut and left behind.
- b. The lack of accessibility at low tides for the ships work boats to get to the shore or across reefs causes long delays, resulting in the higher expenditure of fuel, rations and extended turnaround time.
- c. The duration of the franchise runs now is around 4-5 days per run and 6-7 days on inclement weather conditions. In a month, we can accommodate 3 runs which is about 3 weeks leaving the vessel laid up for one week which is a costly exercise. - Costly
- d. Long voyages result in passengers staying on board for lengthy periods causing discomfort and inconvenience.
- e. Providing service during off peak periods is costly to the operators and there should be serious consideration on finding alternative formulas to minimize the negative effects.
- f. Maintaining economic viability is a challenge to the company and it is crucial that costs factors are considered.

## Part 3

In response to the petition submitted by Hon Anare Jale, Victoria Marine Limited hereby submits its acknowledgement of the points raised and we shall attempt to address all at the best of our abilities. We support his recommendation for introduction of new ships to service the area and from an operator's point of view there should also be consideration for the review of franchise subsidy, fare and freight rates to ensure economic viability commensurate with the levels of service.

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# VICTORIA MARINE LIMITED

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## Conclusion

In conclusion, Victoria Marine Limited hopes that the information shared above meets the expectation of the Standing Committee on Natural Resources. We are a small shipping company trying to play our part in the servicing of the people of Fiji as expected. We employ to over 60 workers and we plan to continue to provide this service to the people of Lau as best as we can under the circumstances.

We must be mindful that achieving a high standard of service comes with a cost. If we need to maintain a high level of service all year through, the cost incurred must commensurate with the level of service required.

Yours Faithfully,

  
**Josateki TAGI**  
Director

22<sup>nd</sup> May 2019

**FIJIAN COMPETITION & COMMERCE  
COMMISSION**



22 May 2019

The Honorable Sanjay Kirpal  
The Chairperson  
Standing Committee on Natural Resources  
Government Buildings

**SUVA.**

Dear Hon. Kirpal,

**RE : INVITATION TO PRESENT TO THE PARLIAMENT STANDING COMMITTEE  
ON NATURAL RESOURCES.**

The Fijian Competition and Consumer Commission (FCCC) acknowledges receipt of the Invitation letter dated 17 May 2019.

The FCCC is an independent statutory body established under Section 7 of the Fijian Competition and Consumer Commission Act 2010 (FCCC Act 2010) to promote effective competition and informed markets, encourage fair-trading, and protects consumers and businesses from restrictive practices and controls prices of regulated industries and other markets where competition is lessened or limited.

In light of the above, the FCCC shall brief the Committee on the roles and responsibilities of the FCCC in ensuring affordable shipping services to the Lau Group.

**1.0 Introduction**

1. The provision of efficient, reliable and affordable transport infrastructure and services contributes significantly to economic and social development as well as inter- island cooperation, integration and cohesion. Domestic shipping plays an integral role in linking dispersed island communities. Travelling by ships is the main mode of transportation for many maritime islands in Fiji and the efficiency, reliability and affordability of the services is essential for trade and other economic activities.



2. Passenger and freight rates are regulated as per the ***Commerce (Control of Freight Rates and passenger fares) Order 2016***. Historically, these rates have been subject to regulation initially through the 1992 price control order. The order was reviewed and approved after extensive consultations in the maritime regions.

3. The ***Commerce (Control of Freight Rates and passenger fares) Order*** outlines the prices for the supply of all Maritime Shipping Service, Passenger Fares and Freight rates in Fiji which are subject to regulation. In order to ascertain the market dynamics further reviews were carried out in 2016. The current order will expire on 01 January 2020 and FCCC will undertake a thorough review exercise during this phase.

## **2.0 Issues Highlighted**

4. FCCC received a request to provide a response to this esteemed committee on Monday, 20<sup>th</sup> May 2019, and from the correspondence received was able to ascertain the three (3) main areas of concern which are as follows:

- a. Reliability of shipping services;
- b. Safety of passengers using shipping services; and
- c. Affordability – the ability of people to pay for these shipping services.

5. In the Shipping industry when the issues of **reliability** are highlighted, reference is generally to the frequency of services, as such meeting service timelines and whether the services are delivered on time. The appropriate authority to have such information for the two services reliability will be the Ministry of Infrastructure and Transport that currently administer the government franchise scheme and monitor the frequency of services. FCCC being the consumer protection enforcement agency has not received any complaints in respect of the two vessels not delivering its services on time.

6. When the issue of safety is considered this generally falls under the purview of the Maritime Safety Authority of Fiji (MSAF). Safety falls into two major areas, vessel sea worthiness and relevant safety standards of all vessels and passenger safety. While this is regulated and monitored by MSAF officers who ensure that issues such as overloading is mitigated by proactive enforcement, FCCC as the consumer protection enforcement agency is also an avenue for passengers to raise their concerns.

7. Affordability relate to the ability of people to pay for fares and rates. This is currently regulated and reviewed to ascertain the relevance.

8. Unfortunately, while the title of the petition mentions reliability, safety and affordability but the content only focuses on safety and comfort. The issues deal with old, lack of comfortable space and cabin for passengers and insufficient space to hold dry cargos and refrigerated goods.

### **3.0 Role of FCCC – Shipping Industry**

9. The FCCC as mentioned earlier, promotes effective competition and informed markets, encourage fair-trading, and protects consumers and businesses from restrictive practices and controls prices of regulated industries and other markets where competition is lessened or limited.

10. The FCCC in respect of the shipping industry controls the inter-island freight rates and passenger fares by way of the *Inter Island fares and freight charges in the maritime islands in Fiji 2016* as the Order expires on 01 January 2020.

11. Investigating fraudulent or deceptive practices in relation to matters that affect or are likely to affect the interests of consumers or persons negotiating or considering the acquisition of services as consumers and to take such action in respect of the practices as seems proper to the FCCC.

12. The FCCC also takes into account factors that generally govern market regulation and competition which include but not limited to the following:

- a. Conditions of service rendered and demand;
- b. Rate determination in the Fijian service supply chain;
- c. The influence of Vessel Operators; and
- d. Market competitiveness.

### **4.0 Initiatives**

#### **a. Review of Orders.**

13. The last review of shipping fares and freight charges was held in 2013 and the next review is due in December 2019. The FCCC is currently working with the Ministry of Infrastructure and Transport (MoIT) in ascertaining areas of study for this review. In addition, the FCCC is a member

of the Technical Working Group established by the MoIT in ensuring affordable and safer shipping services are provided to consumers.

#### **b. Inspection to Islands**

14. Since FCCC's establishment in 2010, it has visited the Lau islands on a number of occasions and these were mainly to conduct island monitoring and inspections in the Lau Group. The recent visit was last month when it attended the Lau Provincial Council meeting as well.

#### **c. Provincial Council Meeting**

15. The FCCC attended the Lau Provincial Council Meeting that was held last month in Lau. At the meeting, this issue was not highlighted during the meeting. However, this issue was raised during the "*Talanoa*" session. In response, the FCCC official had advised that FCCC will require submissions in respect of the rates and the shipping franchise. There were no issues highlighted in respect of the reliability and safety of the service providers. Those present were also advised that the current Authorisation will expire in December 2019. As of to date, the FCCC has not received any submission from the province of Lau.

#### **d. Strategic Alliances - MOU**

16. In February, 2019, FCCC has embarked on an initiative to strategically align itself with other relevant authorities in respect of ensuring service delivery in especially remote areas. As such, this coming month, the FCCC will be signing an MOU with the Ministry of iTaukei Affairs mainly to engage Turaga-ni-Koro's to assist in market surveillance and monitoring in villages. Remote villages including those in the Lau Province will be able to address issues directly to the Turaga-ni-Koro's who then will forward these issues to the Central office for appropriate actions.

#### **e. Monitoring and Inspections –Holidays**

17. Over the years, the FCCC has noted that the Christmas and New Year's holidays are peak seasons for consumers who prefer to return to their villages to celebrate the holidays. As such, the holidays in 2018 and early 2019 the FCCC conducted on spot inspections at the main wharf's and jetty's across the country.

18. It was noted that there are four (4) shipping companies operating out of the Narain Jetty, serving the outer islands such as Lau Group, Lomaiviti, Kadavu and the Northern Division. The four (4) shipping companies are Goundar Shipping Limited, Victoria Shipping Limited – who owns

MV Brianna, South Island Shipping – own MV Liahona and Uluinabukelevu. Out of the 80 inspections conducted six (6) Infringements and Warning Letters were issued against three (3) of the companies.

19. There were issues that were noted has been submitted to the relevant authorities for their necessary action.

## **5.0 FCCC Remarks**

20. With Respect to the petition from the people of the Lau Group and the travelling public in providing reliable, safe and affordable shipping service the FCCC will be reviewing the *Commerce (Control of Freight Rates and passenger fares) Order 2016* as the Order expires in December 2019.

21. In reviewing the Order, FCCC conducts consultations and calls for submissions from the general public. As such, the FCCC highly recommends that a proper submission is provided by people of the Province of Lau.

22. At this juncture, FCCC would like to highlight the need to have succinct submissions. FCCC faces a lot of difficulties in trying to ascertain issues in submissions; either the issues are not clear or the issues highlighted do not have supporting facts. For instance, this petition highlights reliability, safety and affordability but the petition content only addresses safety.

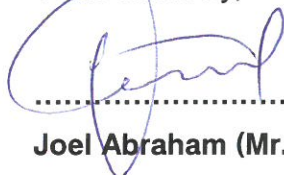
22. FCCC also over the years has not received any complaints from any member of the public in respect of the services provided by MV Brianna and MV Liahona.

23. FCCC would also like to emphasize that there are relevant authorities that are able to address such issues and these issues should be, with respect, submitted to the relevant authorities for proper investigations and appropriate actions. For the issue of safety this can be addressed to the MSAF, the issue of reliability can be addressed by the MoIT and the issue of affordability can be addressed to FCCC.

24. Consequently, FCCC has not received any submission with regards to the petition therefore it is assumed that there is no issue with the current rates set by FCCC.

25. In conclusion, FCCC's role is clear and it welcomes proper and clear submissions to be made in respect of the review of shipping rates. However, should there be any need to address any consumer issues this can be brought to FCCC's attention.

Yours sincerely,



Joel Abraham (Mr.)

Chief Executive Officer



**MARITIME SAFETY AUTHORITY OF  
FIJI**





## Maritime Safety Authority of Fiji



Who we are and what we do

## Who are we

MSAF is the Fijian Government's Commercial Statutory Authority (CSA) under the MOITDMMS regulates maritime safety, protection of the marine environment, Security for international Ports and ships, hydrographical services and, search and rescue.

In addition the MSAF takes necessary measure to meet the National and International obligations.

## Our History

MSAF became a CSA in 2011.

Prior to this, MSAF was a Government Department named Fiji Islands Maritime Safety Administration (FIMSA) within the Ministry of Infrastructure and Transport.



## What we do

- MSAF is responsible for surveying, registering and monitoring ships within our waters.
- Responsible for Standard of training and certification of seafarers
- Implementation and maintenance of Aids to Navigation
- We are also responsible for the protection of the marine environment from ships pollution.
- Auditing Maritime Service Providers
- We are responsible for the communication of developments relating to the Ports of Call, both local and international such as the closure of jetties or wharfs to stakeholders.
- Domestication of IMO conventions to which Fiji has acceded to.
- Implementation, Monitoring and reporting of all IMO Instruments

## What we do

- Provide service in administering and enforcing the law relating to relevant IMO Instruments.
- Maintain Ships and Seafarers Register
- Advise the state relating to all Maritime matters
- Representing the state Regionally & Internationally in respect of matters relating to maritime affairs. (IMO, IALA, Tokyo MOU, SPREP & SPC)

## CURRENT STATUS OF FRANCHISE SHIPS

- **MV BRIANNA (26yrs)**
- **11/05/19, 1030hrs -Main engine Failure 18 nm ESE of Nairai Reef. 6.35pm Restarted Main engine & headed for Qarani Jetty.**

➤ **Arrived Suva on 16/5/19 -Undergoing Repairs**

➤ **On completion a Special Engine Survey will be conducted to determine the operational status of its machinery & main engine**

## CURRENT STATUS OF FRANCHISE SHIPS

- MV LIAHONA II (23yrs)
- 19/5/19 0445hrs - ramp detached
  - Detained due to Loss of Ramp.
  - Undergoing Repairs
- On completion a Special Survey will be conducted to determine the structural safety requirements of the ramp.

## OTHER FRANCHISE SHIPS

- MV LIAHONA I (38 yrs) - Incomplete Survey  
Lower Southern Lau
- MV LOMAIVITI PRINCESS II (39YRS)-Operational  
Yasayasa Moala
- MV ULUINABUKELEVU (18YR) -Incomplete Survey
- MV PRINCESS CIVA (32yrs)- Incomplete Survey

## MSAF FUTURE PLANS TO REDUCE INCIDENTS AND ACCIDENTS

- Enforcement of Safe Ship Management System
- Reduce Age of second hand import of ships to 15years.
- Deregister ships exceeding 55years old
- Domestic Ships to have Insurance cover
- Introduction of Sea Route Licenses
- Continuous capacity building of MSAF Staff

## MSAF FUTURE PLANS TO REDUCE INCIDENTS AND ACCIDENTS

- Review of Maritime Legislation ( Effective and Practicable including fees & Charges)
- Latest Technical Equipment for Ship inspection
- Review of internal SOP to include stringent measures.
- Review and Update teaching syllabus aligned to STCW as amended
- Installation & maintenance of aids to navigation

VINAKA

ANY QUESTIONS  
PLEASE



**MR TEVITA TUIKABARA**

20<sup>th</sup> May 2019

**SUBMISSION**

The Chairperson  
Standing Committee on Natural Resources

Dear Sir,

I am Tevita Tuikabara from Vatoa, Ono-i-Lau and I am a retired Ship's Master.

My submission is about the vessel "**LIAHONA 1**" which belongs to the South Island Shipping Services (SISS) and the only vessel that servicing the Lower Southern Lau "Franchise" for many years.

The Lower Southern Lau consists of three Districts Kabara, Fulaga and Ono-i-Lau. There are 13 villages in these 3 districts and the total inhabitant is about 4,000 people.

The Vessel "**LIAHONA 1**" carries only 150 passengers that is why, sometimes most of passengers in these islands had to wait for another month to come to Suva, when it reached Ono-i-Lau it was full.

The Lower Southern Lau is only served by 5155 and they only servicing them once a month. In these islands they have lots of products to sell in Suva and these include; Tanoa, Magimagi, mats, copra, brooms etc.

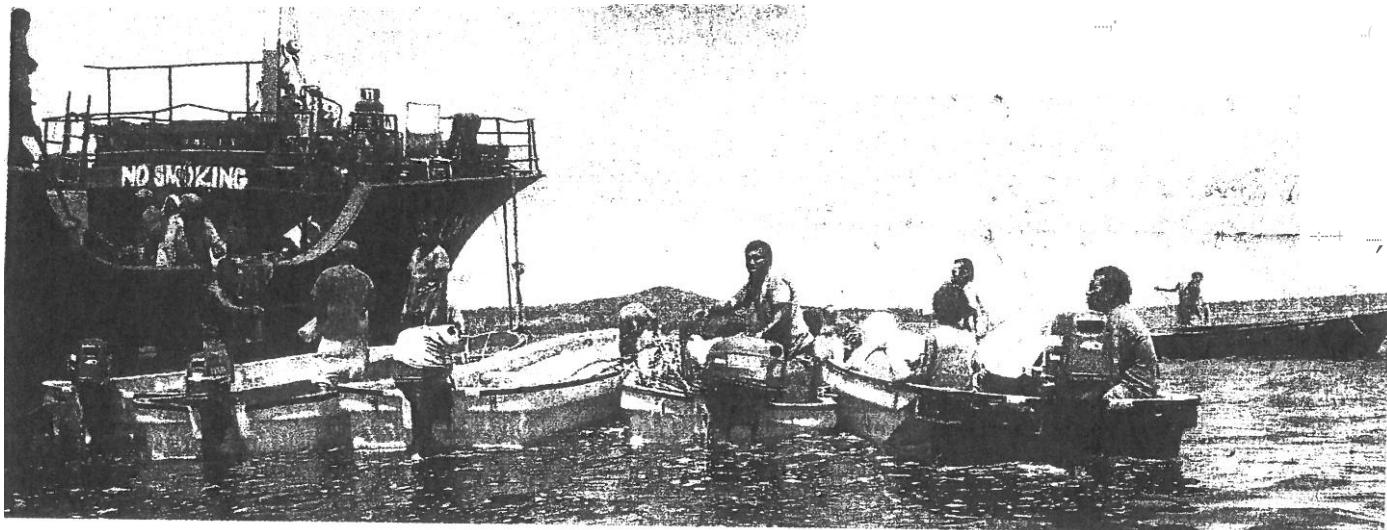
Fiji Sun Wednesday; April 19, 2017 during the company franchise trip to islands in the Lower Southern Lau group-Kabara, Fulaga, Ogea, Vatoa and Ono-i-Lau all were requesting Government if this vessel was given another franchise trip so that it made two trips in a month. The only main issue that the people from those islands raised during the company franchise trip to Lower Southern Lau is requesting the Government if the franchise vessel to make "Two Trips in a month".

Lastly, most of us from the Lower Southern Lau would like to visit their villages during annual leave waiting one month for next "franchise" trip is too long.

I submitted herewith two copies of the Fiji Sun which highlighted "Shipping Company Ready to Cater for the demand for Lower Southern Lau" and Islands want more Franchise trips and bigger vessel" to support my submission.

Thank you.

**TEVITA TUIKABARA**  
**TUI UVANA**



MV Uahona 1 at Ono-I-lau Island. Photos : Luslana Tulumalsala

# Shipping Company Ready To Cater For The Demand For Lower Southern Lau

LUSLANA TULUMALSALA

A local shipping company South Island Shipping Services (SISS) is ready to cater for the demand from the remote island in the Lower Southern Lau group. SISS operation manager, Ben Cavu, says islands in the Lower Southern Lau include Kabara, Ogea, Fulaga, Vatoa and Ono-I-lau.

The people on these islands raised this issue during the company franchise trip last month.

The Fiji Sun was also on this franchise trip and the people told the reporter Luslana Tulumalsala that their only mode of transport was the MV Uahona 1.

They told the SUN Shipping that they were requesting Government if this vessel was given another franchise trip.

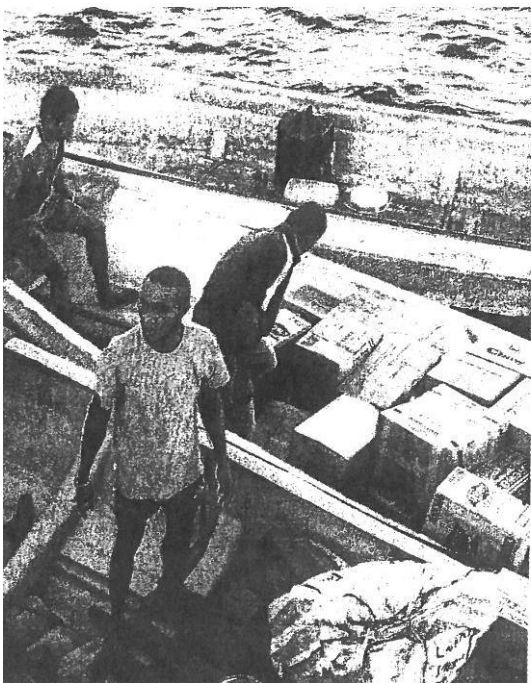
...We're only serving them once a month. The Lower Southern Lau is only served by SISS, and Mr Cavu has confirmed if given another franchise trip they will make it.

In these islands they have a lot of products to sell in Suva and these include: tanoa, magmagi, mats, copra, broom etc.

These products are loaded in the ship for their customers who will unload them in Suva.

Mr Cavu said their service to these islands to increase twice a month would depend on the Ministry of Transport (MOIT).

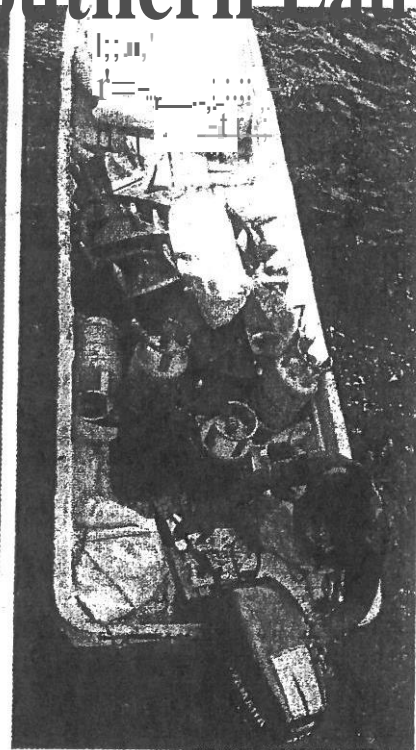
For SISS Mr Cavu said they were ready to cater for the demand for these remote islands, if approved by the MOIT.



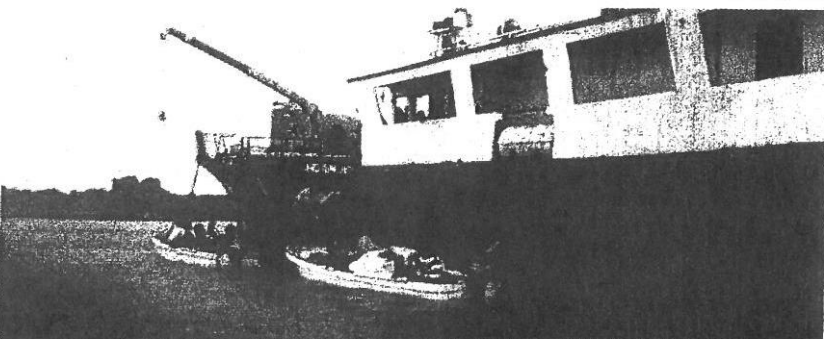
MV Liahona 1 discharges goods for the village shop at Ogea island.



Inoke Katia weaving magimagi at Vatoa village in Lau.



Products from Fulaga include tanoa and sasa broom to be sold in Suva.



MV Liahona 1 discharges cargo at Fulaga Island in Lau.

Tevita Tuakabara

**MINISTRY OF INFRASTRUCTURE,  
TRANSPORT, DISASTER  
MANAGEMENT AND  
METEOROLOGICAL SERVICES**

**MINISTRY OF INFRASTRUCTURE, TRANSPORT, DISASTER MANAGEMENT &  
METEOROLOGICAL SERVICES**

**Notes to Parliament Standing Committee on Natural Resources**

**Petition for Government to provide reliable, safe and affordable shipping services for the Lau Group**

**1.0 Role of the Transport Planning Unit**

The Transport Planning Unit (TPU) was established as a means to strengthen the capability of Government to better coordinate transport planning and monitor policy and development in the transport sector and advice, strategic planning and co-ordination and investment programming assistances and the overall direction of its activities is guided by inputs from external reference group comprising representative of key stakeholders in the transport sectors, primarily through National Transport Coordinating Committee (NTCC) and National Transport Consultative Forum (NTCF).

**2.0 Responsibility of the TPU**

The Transport Sector is responsible for policy, administrative, regulatory and operational services to Government, Transport Statutory Authorities, the Private Sector and the public at large.

To ensure that the respective sectors are provided the essential policy, regulatory, development, monitoring and support services; to constantly review sectorial policies and regulation with the view of up grading all services provided to these Sectors; to effectively introduce best practices with the aim of improving the quality and standard of the core sector thus providing our customer with the highest possible services; the TPU has been tasked to progress and fulfil the aforementioned initiative.

**Government Shipping Franchise Scheme [GSFS]**

The GSFS was first established in 1997 with its main aim to;

- i. introduce a shipping service to service uneconomical sea routes to maritime islands which would otherwise be un-serviced;
- ii. promote private shipping operators and internal traders for movement of goods and cargoes;
- iii. encourage the transportation of the maritime public between outer islands and major urban centers;
- iv. Incentivize transports operators through the support of a Government Subsidy, to service uneconomical routes.

### Current Status of the GSFS

The GSFS is provided a total budget allocation of \$2.3M for the financial year 2018/2019 to accommodate subsidies for the 9 uneconomical routes in Fiji. These 9 routes with their respective subsidies are;

1. Northern Lau - \$18,000
2. Yasayasa Moala - \$11,000
3. Upper Southern Lau - \$13,000
4. Lower Southern Lau - \$18,000
5. Northeast Vanualevu - \$13,500
6. Lomaiviti - \$11,000
7. Kadavu - \$9,000
8. Yasawa - \$7,000
9. Rotuma - \$25,000

Five (5) out of the nine (9) routes highlighted above are serviced twice in a month. These are 1. Northern Lau 2. Yasayasa Moala 3. Upper Southern Lau 4. Lomaiviti and 5. Kadavu. The remaining four (4) routes are serviced once in a month.

### Contract Duration

The contract duration the vessel operators holds with the Ministry is two (2) years. This contract period is subject to a performance review of 6 months to ensure adherence to terms and conditions of the contract.

### Current Franchise Routes and Status for MV Brianna

MV Brianna registered under Victoria Marine Ltd is currently servicing;

- 1) Rotuma – currently suspended due to MSAF's list of defects to address. The Ministry is providing services through an alternative vessel under Government Shipping Services.
- 2) 1<sup>st</sup> Upper Southern Lau – currently on-hold to attend to MSAF's list of defects. The Ministry is providing services through an alternative vessel.
- 3) 2<sup>nd</sup> Northern Lau – currently on-hold to attend to MSAF's list of defects. The Ministry is providing services through an alternative vessel.

### Current Franchise Routes and Status for MV Liahona 1

MV Liahona 1 registered under Brighton Holdings Ltd is currently servicing;

- 1) Lower Southern Lau – currently put on-hold to attend to MSAF's list of defects. The Ministry is providing services through an alternative vessel under Government Shipping Services.
- 2) Kadavu - currently put on-hold to attend to MSAF's list of defects. The Ministry is providing services through an alternative vessel under Government Shipping Services.

## Quality of Service

In its endeavour to enhance passenger satisfaction and improve the user experience of franchise services, the Ministry ensures that the level of quality of service is adhered to by the vessel operators. The quality of service through the quality assurance criteria are as follows;

- Availability of vessels
- Accessibility for the elderly and persons with disabilities
- Information on trips and routes
- Timely service
- Customer care service
- Comfort
- Security
- Environment management and
- Vessel facilities maintenance and care

## Vision of success for the shipping industry in Fiji

In the 5 year and 20 year Fiji National Development Plan states its strategic priority of providing a safe, efficient, reliable, and affordable shipping services to Fijians.

Given our geographical dispersion, improving inter-island sea transportation is essential for livelihood, trade and commerce. The private sector plays a lead role in providing domestic shipping services, including both passenger ferries and freight services. Over the past years, the number of vessels has increased and the frequency of services has improved.

An extended contract period to ten (10) years is currently being proposed as an incentive to provide collateral for private sector investments in new ships for services to uneconomical routes under the franchise scheme. Government will also continuously review the subsidy rate, passenger fares and freight charges in line with cost structures. More investments will be undertaken in the acquisition of new vessels to boost Government Shipping Services' fleet (GSS), to support development projects and for passenger transportation to the maritime islands.



## MINISTRY ROLE

With the view of transforming the lives of all Fijians, the Ministry develops robust policy, planning, design, regulatory, coordination for the implementation of resilient infrastructure, affordable energy sources and sustainable transport networks.

**Vision**

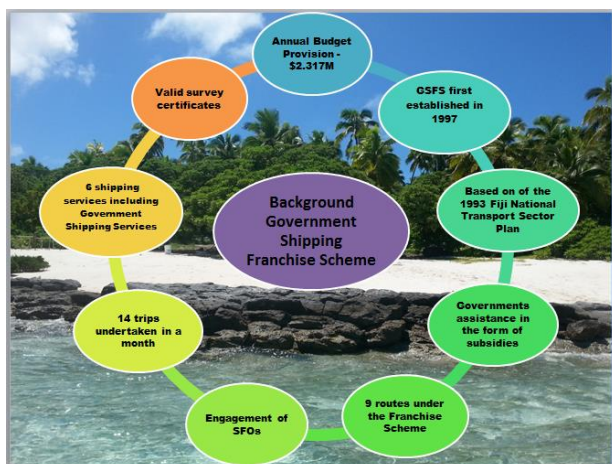
- "To transform the lives of all Fijians through Infrastructure and Transport development"

**Mission**

- Achieving higher economic growth and prosperity for Fiji through sound advice and service delivery by providing;
- Quality sustainable infrastructure;
- Safe dynamic transport systems;
- Safe clean water; and
- Affordable energy sources.

## Department of Transport

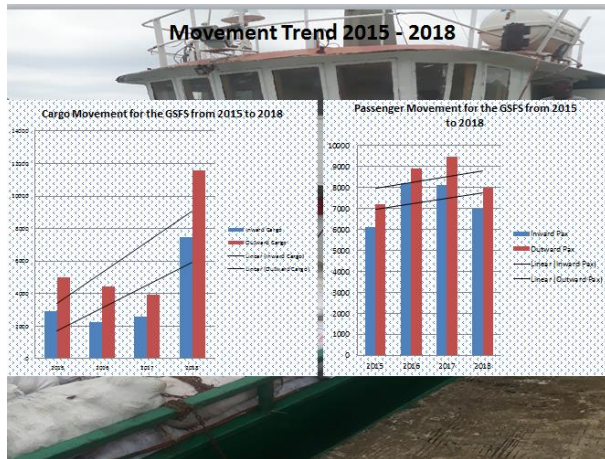
<p><b>Role</b></p> <ul style="list-style-type: none"> <li>• Better coordinate transport planning</li> <li>• Monitor policy and development in the transport sector</li> <li>• Strategic planning and coordination and investment programming assistance</li> </ul>	<p><b>Responsibility</b></p> <ul style="list-style-type: none"> <li>• Policy, administrative, regulatory and operational services to Government</li> <li>• Ensure provision of essential policy</li> <li>• Review sectoral policies and regulation</li> <li>• Effectively introduce best practices</li> </ul>
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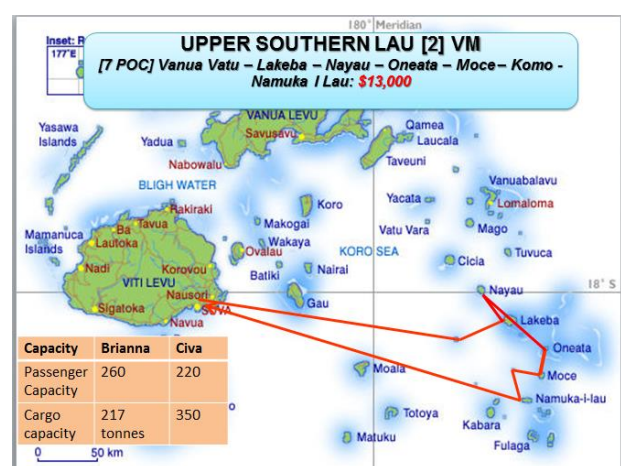
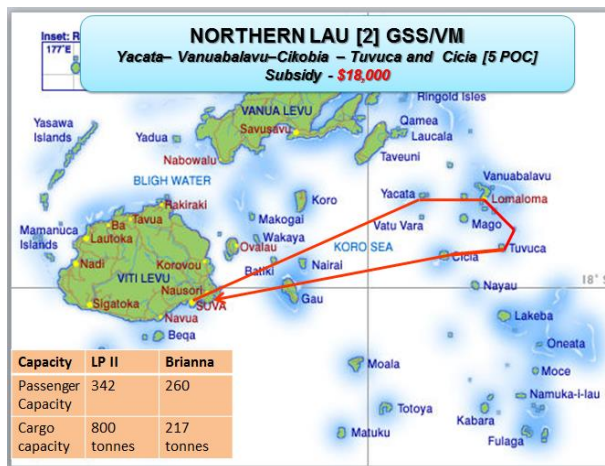
## Objectives of GSFS

- introduce a shipping service to service uneconomical sea routes to maritime islands which would otherwise be un-serviced;
- promote private shipping operators and internal traders for movement of goods and cargoes;
- encourage the transportation of the maritime public between outer islands and major urban centres;
- Incentivize transports operators through the support of a Government Subsidy, to service uneconomical routes.



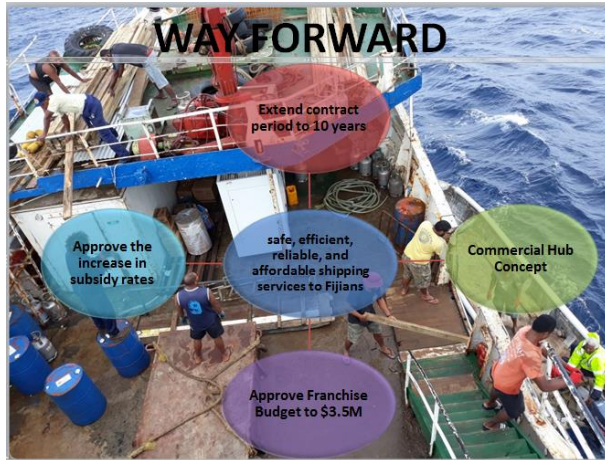


## CURRENT STATUS OF CONTRACTED VESSELS



## Quality Assurance

- Availability of vessels
- Accessibility for the elderly and persons with disabilities
- Information on trips and routes
- Timely service
- Customer care service
- Comfort
- Security
- Environment management and
- Vessel facilities maintenance and care



**MINISTRY OF RURAL AND MARITIME  
DEVELOPMENT & NATIONAL  
DISASTER MANAGEMENT**



## SUBMISSION TO THE PARLIAMENT STANDING COMMITTEE ON NATURAL RESOURCES

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*Parliament of the Republic of Fiji*

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### **Introduction**

The Chairperson of the Parliament Standing Committee on  
Natural Resources, Honourable Sanjay Kirpal

Members of the Standing Committee

### **Background**

The Office of the Commissioner Eastern Division of the Ministry  
of Rural and Maritime Development has been asked to provide  
information about the role and responsibilities of the Ministry of  
Rural and Maritime Development. We have also been asked to

comment and provide views on the current status of the franchise boats, the MV Brianna and MV Liahona.

### **Role and Responsibilities of the Ministry of Rural and Maritime Development (MRMD)**

The Chairperson and Members of the Committee, the MRMD has a very important role in the co-ordination and drive for the development of our country's rural and maritime regions.

The Ministry is guided by the broad goal set out in the 5-Year and 20-Year National Development Plan (NDP), which is to promote equal opportunities, access to basic services and building resilient communities. This is obviously a very broad goal and cross-cutting to various sectors for development purposes. The NDP has outlined a number of strategies that the MRMD is tasked with to support achieving the broad goal.

Sir, I wish to note a few as follows:

- Strengthening the integrated rural development framework to incorporate an inclusive package when undertaking rural infrastructure development that will strengthen interagency co-ordination in facilitating implementation;
- Develop Divisional Development Plans in consultation with divisional stakeholders including communities;

- Awareness programmes to educate rural population on Government programmes, social assistance schemes, and their civic responsibilities;
- Supporting development of Micro, Small and Medium Enterprises (MSME);
- Establish rural transformation centres;
- Review the existing government institutional mechanisms and develop integrated community capacity building programmes at grass-root level in collaboration with Non-Government organisations;
- Develop an overarching rural based industry policy;

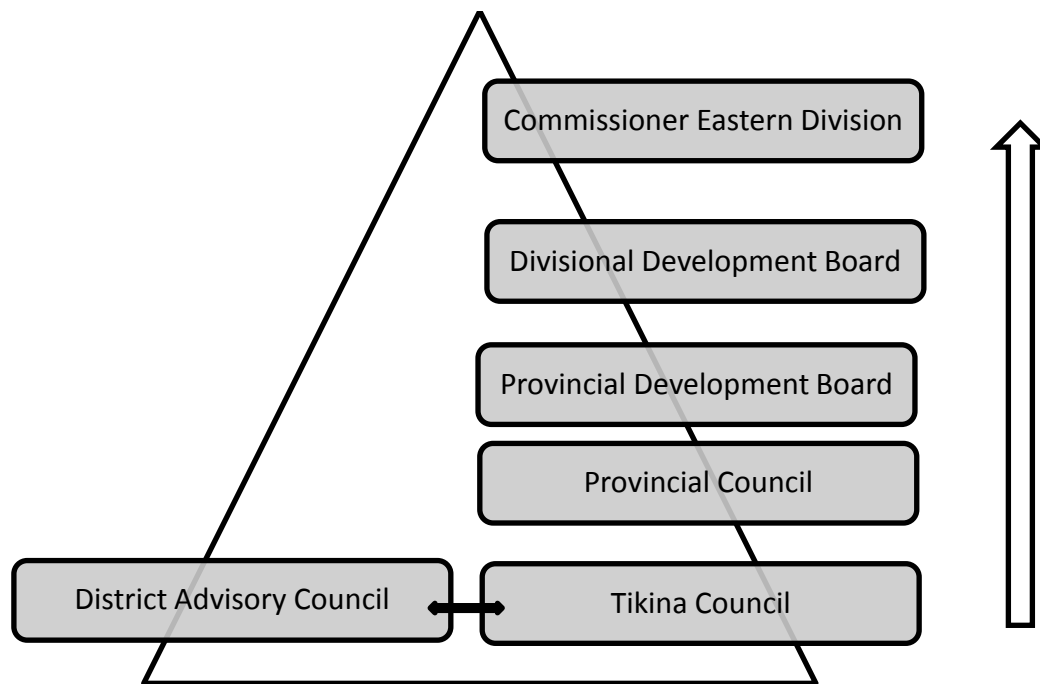
### **Role of the Divisional Commissioners**

Sir, having mentioned the above, the Ministry's institutional set up to enable effective co-ordination of the Government machinery at sub-national level is the existence of the Divisional Commissioners Officers. There are four Divisions, Central, Eastern, Northern and Western, each headed by a Divisional Commissioner.

The Divisional Commissioners drive the planning and co-ordination of development in their respective divisions. They are also the representative of the Prime Minister in the divisions.

## **THE RURAL DEVELOPMENT MACHINERY**

- i. The principal role of the Commissioner Eastern Division is to establish an Integrated Development Structure at Divisional level to effectively manage the coordination and implementation of development in Fiji's rural sector in line with Government's national direction for Rural and Outer Islands Development. This include development program implemented by other line agencies.
- ii. In doing so the Division is also responsible for the establishment of Provincial and Divisional Development Boards which will be the consultative and planning forums for development in the rural areas.
- iii. The Divisional Commissioner is informed through the Tikina Council Meeting whereby the District Officer act as the permanent Government advisor, the District Advisory Council of which the Provincial Administrator is the co-chair to the forum, the Provincial Council of which the Divisional Commissioner is the permanent advisor to the forum, the Provincial Development Board of which the Commissioner is the permanent Chair to the forum and the Divisional Development Board of which the Commissioner is the permanent chair to the forum.
- iv. The structure and flow of information managed by the Divisional Commissioner is as follows:



### **Issues Raised from the Lau Provincial Council**

The Lau Provincial Council Meeting that was held on the 23<sup>rd</sup> of April 2019, the Divisional Commissioner Eastern was informed on the issues regarding the two (2) franchise shipping services namely, MV Liahona operated by South Seas Ltd and MV Brianna operated by Victoria Marine Ltd. These issues were discussed at length during the Provincial Meeting and had been raised to the Ministry of Infrastructure and Transport which is responsible for the operation of Franchise.

- i. That the (2) vessels are old and conditions are unhealthy with spaces provided not suitable for long voyages;
- ii. That the (2) vessels do not comply to proposals made to stop off-loading on a Sunday;
- iii. That the (2) vessels off load in the night and therefore a risk to passengers and crew;
- iv. That the (2) vessels do not comply to franchise off-loading points and therefore materials were missing;
- v. That the Company do not reimburse when materials were missing;



- vi. That the people of Lau request for Government vessel to replace franchise services provided by the (2) companies.

These issues have been raised to the Ministry of Infrastructure and Transport which is fully responsible for the Franchise operation in Fiji and MSAF for the safety inspection of marine vessels.

### **Recommendations**

- I. The construction of new Jetties at Oru in Lakeba Island, Naikeleyaga in Kabara Island and Cakova in Moala Island as stated in the Eastern Division Development Plan.
- II. Upgrading of existing jetties in Lau by the Fiji Roads Authority
- III. Increase Government subsidy for Non-economical routes to cover for operation costs
- IV. Government to service Non-economical routes such as Southern Lau.

### **Concluding Remarks**

Sir, I hope that the above information has enlightened the Committee on the role of the MRMD with regards to development works for our nation.

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**End**



## PRESENTATION TO THE PARLIAMENT STANDING COMMITTEE ON NATURAL RESOURCES BY THE DIVISIONAL COMMISSIONER EASTERN

23/05/2019



## CONTENT

- Role of the Ministry of Rural and Maritime Development;
- Roles and responsibility of the Divisional Commissioner;
- The Rural Development Machinery in the Eastern Division;
- Profile of The Lau Province;
- Issues raised by the Lau Provincial Council Meeting on the franchise services of MV Brianna and MV Liahona.
- **Recommendation**



## ROLE OF THE MINISTRY

The Ministry's role is to oversee the development of Rural Communities and achieve the Ministry's vision on; Productive, Progressive and Resilient Rural Communities by championing the socio-economic development of rural communities through an Integrated Development Approach.



## ROLE OF THE DIVISIONAL COMMISSIONER

- ❖ The Divisional Commissioner is mandated to manage and coordinate all government efforts in the Development of Rural and Maritime Areas.
- ❖ The principal role of the Commissioner Eastern Division is to establish an Integrated Development Structure at Divisional level to effectively manage the coordination and implementation of development in the Division. This include development program implemented by other line agencies.
- ❖ Their role is also to promote good governance and transparent leadership, and provide directions to ensure effective and efficient implementations of government policies and development programmes in the Divisions.



## RURAL DEVELOPMENT MACHINERY

- In the Division, the Divisional Commissioners are responsible for the establishment of the Provincial Development Boards and the Divisional Development Boards.
- This Boards are the consultative and planning forums for development in the Division.
- Issues arising from Communities comes through DAC & Tikina Meetings then raised in the Provincial Meeting which then comes through the two Development Boards.



## RURAL DEVELOPMENT MACHINERY









# **SOUTH ISLAND SHIPPING SERVICES**





## Reasons for Shipping Services

- Initially purchased the vessel to service the people of Kadavu
- Growing up with hardships faced in hiring fiber glass boats to transport goods to the areas where the bigger vessels cannot anchor
- To assist the villagers that own small cooperatives stores in freighting their goods and building materials.
- Encourage economic activity and trade in the outer islands.

## Background of SISS

- Purchased vessel in January 2009
- Refurbished vessel in to Passenger and Cargo for about 4 years until 2013
- Refurbishment costs – initially financed within and later with FDB
- First maiden voyage mid 2013
- First franchise trip to lower southern Lau and then to northern Lau. That time was when the MV Lau Trader ceased to operate and the MV Sandy had a three months breakdown.

## Mission

- Provide quality affordable and accessible shipping services to its passengers for the maritime islands of initially Kadavu & then Lau
- Cater for demand in franchise shipping scheme to the uneconomical routes in the maritime islands on behalf of Government.
- Deliver cargo/freight to Govt Health centres, schools, Post offices, Co-Op stores business and individuals.

## Objective – Why Franchise?

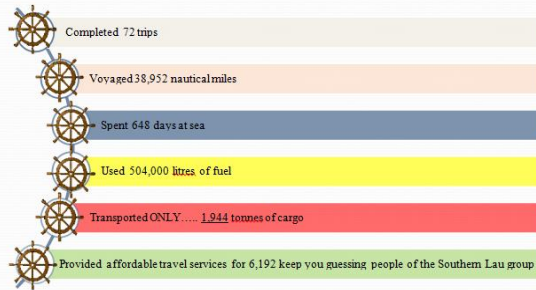
- Govt's notion for shipping woes for the people of Lower Southern Lau
- No vessel was willing to service the Lower Southern Lau group because its uneconomical.
- Not enough boats in 2013 to service the maritime islands. Even GSS didn't have the capacity
- Subsidy assist in some way but didn't actually meet its intention.

## Overall Operations

### Routes

- Service the Lower Southern Lau once every month
- Suva-Kabara-Fulaga-Ogea-Vatoa-Ono-i-Lau-Suva
- Trip lasts a 5 to 8 days depending on the weather
- One single trip manned by 19 crews out of which 11 are officers with credible Seaman accreditations

In the past 6 years of franchise services to the Lower Southern Lau Group, SISS has:



## Challenges

### Technical /Vessel Challenges:

- Difficulties in obtaining spare parts locally especially for aged equipment's and machinery. (Re-engine)
- High costs of repairs at the slipway and sub-standard workmanship in ship repairs. Local Vessels pay the same rates as Foreign vessels. Their standard rates are exorbitantly high and not equitably quantified.
- Constricted and unavailability of space (now) at the wharf when the vessel is scheduled for a trip due to the number of bigger vessels that are in operations.

## Challenges

### Governing Authorities & Stakeholders

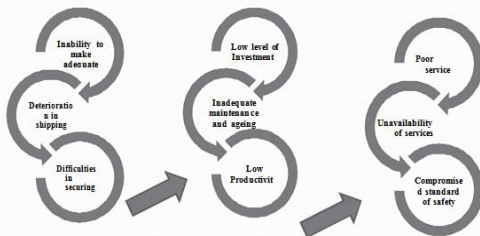
- Significant expenditure requisite needed to ensure compliance with new regulations (MSAF)
- Governments prompt reciprocity to commit the funds required to make subsidy payments for the full period of the franchise contract; Long collection period – 40 to 50 Day Sale Outstanding.
- Stakeholders high and unrealistic expectation.
- - Customers expectation to deliver to door steps
- - Bank interest rates/loan structure & accessibility
- - refinancing constraints
- - understanding shipping predicaments/situations
- - unforeseen breakdowns

## Challenges

### Costs

- Unpredictable cargo flows – to and fro
- Low freight rates by the Fiji Commerce Commissions
- Low and often irregular traffic volume approx. 9 month a year
- Ever rising cost of fuel
- Maintenance cost
- Safety equipment's cost (serviced yearly)
- Mooring issues at the islands. Difficulty in anchorage
- Vatoa & Ono i Lau - difficulty in unloading and loading outside reef
- Ono is most challenging due to the distance to shore. And the islanders typical "LET THEM JUST DO IT ATTITUDE"

## “Vicious downward spiral” of events



## Future Plans

- Stay committed to providing Franchise services
- Improving standard of fleets
- Govt to revise the subsidies for the Franchise Scheme in particular Lau group & Kadavu
- Purchase of new vessels
- Continue to be the extension arm of government's maritime transportation & vessel needs



# **LAU PROVINCIAL COUNCIL OFFICE**



# Lau Provincial Council Office

Yatu Lau Arcade  
P.O. Box 15163  
Suva

Enquiries: 3319073  
Fax: 3316801  
Email: [lauprovince@gmail.com](mailto:lauprovince@gmail.com)

**L.P.O - 1/Parl**

**27<sup>th</sup> May 2019**

The Chairperson  
Standing Committee on Natural Resources  
PO Box 2352  
Government Building  
**SUVA**

## **LAU PROVINCIAL COUNCIL**

### **SUBMISSION TO THE PARLIAMENTARY STANDING COMMITTEE ON NATURAL RESOURCES**

**Subject: PETITION ON GOVERNMENT TO PROVIDE RELIABLE,  
SAFE & AFFORDABLE SHIPPING SERVICES FOR THE  
LAU GROUP**

#### **A. Physical and Human Geography**

- a) The Lau Islands (also called the Lau Group) of Fiji are situated in the southern Pacific Ocean, just east of the Koro Sea. Of this chain of about sixty islands and islets, about thirty are inhabited.
- b) The province of Lau covers land area of 487 sq km(189 sq miles) with 60 islands scattered over a sea area of 335,895 km<sup>2</sup> . It takes approximately 10 hours to sail directly from Suva to the nearest island to the South - Moala and around 36 hours to the furthest Ono-i-Lau.

c) Historically Lau consist of 3 divisions;

- i. Lau Matanisiga (Tikina of Nayau, Lakeba, Moce, Oneata, Kabara, Fulaga and Ono-i-Lau);
- ii. Lau Tagane (Tikina of Moala, Totoya, Matuku); and
- iii. Lau Qio (Tikina of Lomaloma, Mualevu and Cicia)

d) The islands have a total population of 9,602 according to the 2017 census and 10,683 in the 2007 Census. This is excluding those who have migrated to the main island of Viti Levu, other parts of Fiji and overseas. Lau has a total estimated population of 172,500 according to the Vola ni Kawa Bula (VKB) register.

e) The population of 9,602 that reside on the islands recorded in the 2017 census therefore represents only 5.60% of the total registered population under the VKB. This is the result of urban drift in seeking better opportunities in life.

## **B. Economical Contribution**

a) Direct contribution from the province to the national economy through Agriculture, Forestry, Fisheries and other income generating activities is insignificant. However, major contribution in total population from the province is in terms of Human Capital, Tax Payments and Foreign Exchange Earnings through overseas remittance.

b) As an archipelago with islands scattered over a largest area of Fiji seascape, shipping is our main source of transport from the main economic centers in Viti Levu. Historically the quality of shipping services to and from the islands to Suva was at its best during the

Colonial days up to the 1960s. This was mainly due to the following reasons:

- i. World market price for copra, the major agriculture commodity for the islands was very high hence the high local farm gate price.
  - ii. The Carpenters and MHs group were the major importers and distributors of basic food items and hardware in Fiji and were also the major buyer and exporters of Copra and providers of shipping services and distributors of imported goods to the islands.
  - iii. Shipping services to the islands was economically viable. Quality of shipping vessels, accommodation and inboard service was at its best.
- c) As from the 1960s, the shipping services deteriorated to the current unsatisfactory level because;
- i. World market price of copra declined drastically over the years hence the decline in earning power of the two major shipping companies and its wholesale imported goods and hardware distribution services.
- d) In other words, the shipping services became an uneconomical business line to the Carpenters and MHs group as well as other aspiring shipping services providers.
- e) Because of the uneconomical nature of shipping services to the Lau Group as discussed, the Government decided to subsidize private

sector shipping operators to service the routes, hence the shipping franchise in place. This is one of the reasons why Government taxes the people who can afford to pay and spend the money to those who need assistance i.e. money to provide goods and services that private sector could not afford for a variety of reasons.

### **C. Lau Shipping Services Franchise**

The current Shipping Franchise Services for Lau are follows;

<b>Route</b>	<b>Frequency</b>
Northern Lau	Twice a month
Upper Southern Lau	Twice a month
Yasayasa Moala	Twice a month
Lower Southern Lau	Once a Month

We acknowledge Government Shipping Services' interventions in times of emergencies, example;

- I. special backup trips when franchise vessels breaks down
- II. to scheduled route service.
- III. to specifically transport teachers & students at beginning of school year to avoid delayed classes.
- IV. attend to other sea travel emergency evacuation calls

## **D. Problems (Users Perspective)**

- i. Poor quality of shipping vessels
- ii. Ships engaged to service the group were old second hand deep sea fishing vessels converted to passenger and cargo vessels e.g., Tunatuki, Civa, Brianna, etc.
- iii. The vessels that were purchased new and perfectly designed for passenger and cargo ships were short lived due to lack of proper maintenance. A lack of financial management and a high cost of operations relative to revenue or both. For example, Tui Lau, Lau Trader, etc.
- iv. Poor quality of services in terms of accommodation, in board services, frequent vessel breakdown prior to scheduled travelling time, hence causing inconvenience to passengers and food suppliers to resident islanders/retailers.
- v. High cargo charges beyond standard rates.
- vi. Lack of proper landing jetty at the islands to facilitate ship docking and unloading/loading of passengers/cargoes.

## **E. Suggested Solutions**

- i. Improve ship selection that meets modern inter-island shipping standards. Passenger/ cargo ships that meets modern ocean going shipping standards. In this we can avoid old converted deep-sea fishing vessels & second hand vessels over 3 years.
- ii. Standardize quality inboard service in terms of accommodation, food, passenger safety, etc.
- iii. Provide level of shipping franchise subsidy that ensures economic viability of service providers.
- iv. Standardize cargo rates and ensure compliance.
- v. Educate customers/crew to avoid willfully damaging ship due to frustration known only to them.
- vi. Provide public awareness program to shipping service users in their responsibilities in liaising with law enforcement agencies on complaints against service providers. Educate public/customers to raise complaints with law enforcement agencies with proper evidence. On the other hand, users are also to be educated to refrain from dishonest behaviors against service providers for their own selfish benefits.
- vii. Progressive inclusion/improvements to existing island jetties to add value to shipping service delivery.
- viii. Review shipping franchise subsidy rate to that acceptable to both parties.



- ix. Finally, for government to strengthen existing monitoring mechanisms currently in place to ensure strict compliance to legislative requirement.

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**Ilisoni Taoba(Mr)**  
**Chairman Lau Provincial Council**

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**Maikeli Waqatabu (Mr)**  
**Roko Tui Lau**

**MR PAULA VAKADRANU**

Paula  
Vakadranu  
(Mr)

- > Proprietor
- > Self Employed

25 Kia  
Makoi  
Nasinu

pwaqa@hotmail.com

May 18, 2019

The Chairperson  
Standing Committee on Natural Resource  
P. O. Box 2352  
Government Building  
Suva

Dear Chairperson:

**Re: Petition on Government to provide reliable, safe and affordable shipping services for the Lau group.**

First, I wish to thank your wisdom to explore public submission and opinion to the subject above.

Second, Mister/Madam chair I wish to raise the question of why this honorable committee is inclined to evaluate the travel safety and other ethical issues of the people of central Lau. In my simple mind, the Committee on Natural Resource. I hope that the committee in its wisdom is equating the people of Lau as, according to the Oxford Dictionary, to "coal, oil, forests, etc or wildlife in its natural habitat". This begs the question as to why such a deplorable correlation to the first inhabitants of the Fiji Isle with rich culture and foresight that allowed the introduction of Christianity, i.e., religion in general that have shaped the indigenous to this day. Madam/Mister Chair for the subject matter to be discussed by the committee is a sign of uncanny manipulation of facts into misappropriation of the same. One can assume that the Committee on Social Welfare or Transport of Human and Live Habitants, is heavily pre-occupied with issues that it was not able to schedule a hearing for the people of Lau.

I must apologise Madam/Mister Chair, but I hope I have made myself clear in the convulsion noted in the prefix in the request, as I presume this been the only place to express such obscurity.

Finally, Madam/Mister Chair, the people of Lau are well known for their natural association with the sea, as natural maritime people. History would have and record their numerous travels to and from each island in canoes much smaller than the subjected "MV Brianna". The question to the submission asks: i) ability to provide humane services; ii) cargo carrying capacity, and; iii) water serviceability of the vessels or dare I say, "Sea Worthiness" of the said vessel.

## MV Brianna Submission

Paula Vakadranu  
MECRD, GDAE, Bagr, DTP, CTA

## Content

- Intro
- Ethics
- Subsidies
- Subsidy Module in CompetitiveMarket
- Social Dynamics
- Solution

## Intro

- Paula Vakadranu, 47, Moala, Lau
- UNE Graduate 2014, former civil servant
- Resource and Development Economist

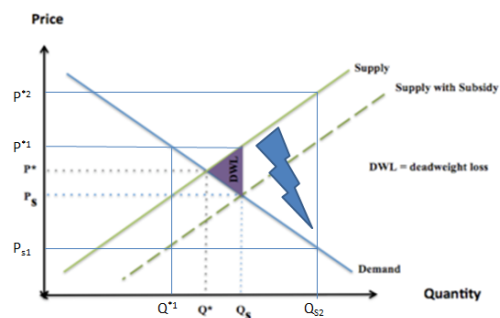
## Ethics

- Natural Resource vs Natural Persons
  - Political Ethics of having to discuss social matters under the committee
  - Mis-classification?
  - Mis-appropriation?
- There must be a Committee on Commercial Undertakings?

## Subsidy

- Subsidy is defined by the WTO as revenue forgone or contribution by governments for the provision of goods and services other than infrastructure and government purchases of goods.
- Studies have shown the benefits and err of subsidies
- Either way, the long term benefit of subsidy do not out weight the long term benefit of private development.
- Essentially, subsidies are offered to local goods/services that are competing with imported goods and services.
- Economically subsidy create dead weight loss in a competitive equilibrium market.
- Excessive dependence on subsidies impose perverse impact through inflated prices, and market inefficiencies.

## Subsidy Module in Competitive Market



## Social Dynamics

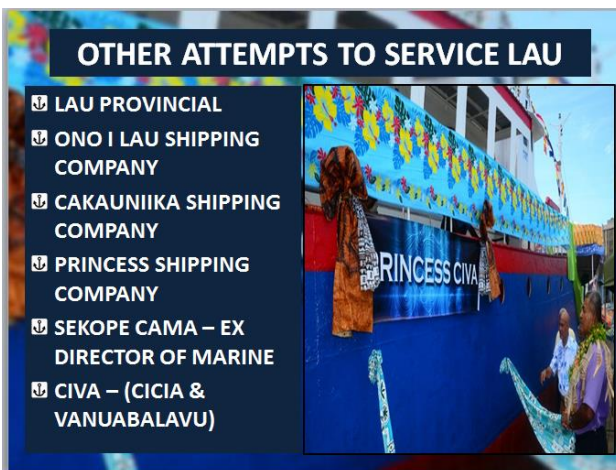
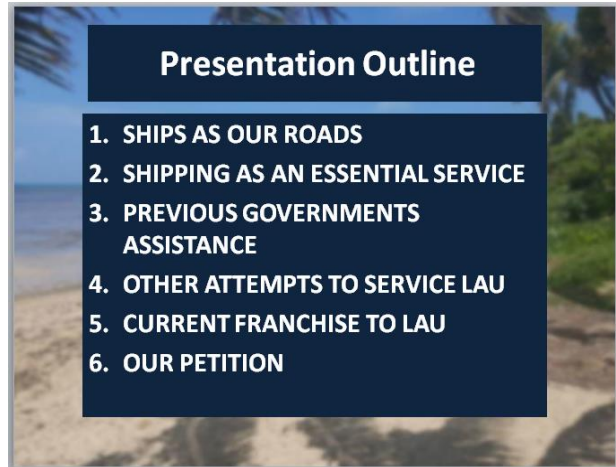
- Increase urban migration
- Increase social cost
- Increase squatter settlement
- Increase unemployment
- Decrease agriculture and fishery production
- Loss in rural economic productivity and efficiency
- Loss of cultural heritage, and tradition

## Suggestion for Solution

- Sustain current fuel & fare subsidy levels
- Increase support to production oriented programmes, e.g. agriculture, fishery and forest activity.
- Evaluate subsidy to infrastructure, e.g. uplift MV Brianna passenger and cargo space?
- MV Brianna to explore other avenues to access finance, e.g. stock market; Internal review, investment partners local or from abroad, etc.
- The suggested solution, in context, can be extended to other subsidy beneficiaries in any industry

Thank you.

**PETITIONER-HON. ANARE JALE**





## CURRENT FRANCHISE TO LAU

- ⚓ BRIANNA
- ⚓ LIAHONA
- ⚓ UNECONOMICAL ROUTE
- ⚓ CITED IN PETITION



## OUR PETITION

- 📄 HIGHLIGHT THE UNSUITABLE AND UNSAFE CONDITIONS OF MV LIAHONA AND MV BRIANNA TO PROVIDE SHIPPING SERVICE TO THE PEOPLE OF LAU
- 📄 BRING TO FORCE THE PROFESSIONALISM AND INDEPENDENCE OF THOSE THAT ADMINISTER THE FRANCHISE SCHEME FOR SHIPPING SERVICES TO LAU AND OTHER GROUPS IN FIJI.



### MV BRIANNA

**BOW**  
Front of the vessel



### MV BRIANNA

**STERN**  
Rear of the vessel



### MV BRIANNA

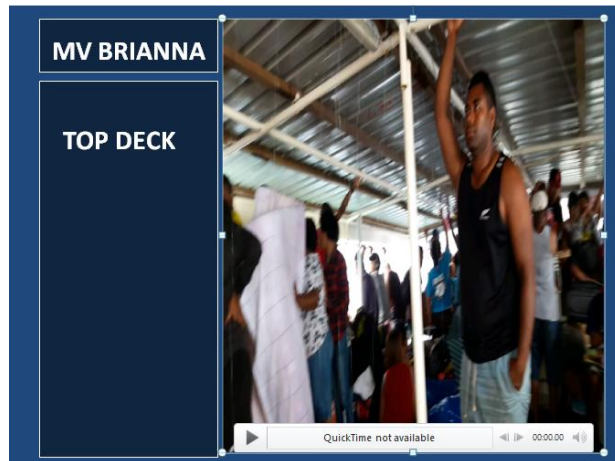
**LOWER DECK**



### MV BRIANNA

**MIDDLE DECK**





# **APPENDIX 3:**

## **VERBATIM REPORTS**

**MRS LEBA CIRIYAWA HALOFAKI  
MATAITINI**

**STANDING COMMITTEE ON**  
**NATURAL RESOURCES**

***[Verbatim Report of Meeting]***

**HELD IN THE**

**COMMITTEE ROOM (EAST WING)**

**ON**

**TUESDAY, 21<sup>ST</sup> MAY, 2019**

**VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON NATURAL RESOURCES HELD IN THE SMALL COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON TUESDAY, 21<sup>ST</sup> MAY, 2019 AT 2.20 P.M.**

**Interviewee/Submittee: Mrs. Leba Mataitini**

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MR. CHAIRMAN.- Honourable Members, good afternoon, and we welcome Mrs. Leba Mataitini who is here to present her submission on the Petition by Honourable Anare Jale (re: Petition by the People of Lau for the Provision of Reliable, Safe and Affordable Shipping Service for the Lau Group).

To introduce ourselves: On the far left is Honourable Mitieli Bulanauca, the Opposition Member of Parliament; on the far right is Honourable Peceli Vosanibola, Opposition Member of Parliament; and close to me is Honourable Jale Sigarara, the Government Member and Assistant Minister; and I am the Chairperson, Honourable Sanjay Kirpal. On my left is Akanisi, from the Secretariat; and far left is also from our Secretariat, Marica; we also have a Hansard Reporter. We also welcome the media group here.

We will give time for your submission. There will be no interruption to allow the easy flow of your presentation. After that, the floor will be open to Honourable Members if they have any questions or clarifications. Now the floor is open for your presentation, Madam Mataitini.

MRS. L. MATAITINI.- Thank you very much, Mr. Chairman. I would like to thank you for accepting my request to appear before you for this submission to the Standing Committee on Natural Resources. I had written up a submission and that is virtually the submission I want to make this morning.

My name is Leba Ciriyaawa Halofaki from Naividamu, Vulaga in Lau, presently residing at 65 Marine Drive, Lami Town.

I left my village with my parents and two youngest brothers in 1962 to join my other six brothers and three sisters who had come earlier to Suva for work and education. I had passed my Fiji Intermediate Examination and was accepted into Adi Cakobau School for further education. Technically, my whole family had migrated to Suva from Vulaga at that time, over 56 years ago.

**Shipping services and related infrastructures for Vulaga, Lau**

1. Availability: In 1962, the family came around October because that was when the ship was available, it was irregular. In the late 1990s to mid-2000, our family operated Saliabasaga Shipping Company, through the Government Franchise Scheme, and our ship *MV Tunatuki II* was scheduled for regular timetables covering the Lau Group, at least twice a month. There were also charter trips, not only for our family to Vulaga but to all our relatives in Ogea, Vatoa, Ono-i-Lau, Namuka, Komo, Moce, Oneata, Lakeba, Nayau, Vanuavatu, Tuvuca, Totoya, Moala, Matuku, Cikobia, Kanacea and Vanuabalavu. We made one or two trips to Rotuma as well.
2. Condition of ships: The condition of the ship we came in 56 years ago was not very good. It took us one week to get from Vulaga, Ogea, Vatoa, Ono-i-Lau. Those are the only places I remember we called at and other islands en route to Suva. I was sea sick all the way and hardly came out from the room we were allocated until the boat reached Suva. For days afterwards, one felt the swaying of the ship on the waves as you walked around on land, it took a while to stabilise. The *MV Tunatuki II* was restored and refurbished.

We salvaged and turned the old fishing vessel, *MV Sophia*, that was left on the Suva Harbour into a passenger ship, the ship could carry over 100 passengers. We undertook this project as a family to fulfil our late father's wish and our father's wish was to get a boat so that we do not travel in



like cargoes but with some human dignity. The ship achieved that but it came at great costs to our family.

We lost my youngest brother, Sailosi Vula Halofaki, who was the mover and shaker of the venture, he was only 48 at the time; my eldest brother, Joeli Bera Halofaki, three months later in December 2006 as well as a brother-in-law and three sisters-in-law during these 10 years of operation. None of the younger generations in our family has the interest and drive to continue the shipping business, we then returned the ship to the Fiji Development Bank and closed the business.

### **Lessons Learnt**

1. It is viable with the new ship and the Government Franchise Scheme to provide decent, safe, reliable and affordable shipping services to the Lau Group. It is because of the low cargo movement and high prices of fuel, the shipping services need heavy Government subsidy through the franchise scheme.
2. The critical need for marinas in Vulaga and all the islands that do not have them: With no marina or wharf for ships to berth next to in each island, the ships have to berth in the open sea and passengers offloaded onto *velovelos* to transport them ashore. The elderly, sick, disabled, mothers, babies and young children have to be carried like cargoes in boat winches and offloaded onto the *velovelos*. This is dangerous and inhumane. Many members of our Lauan community may be prepared to suffer the crowded conditions of travelling into their islands but the thought of being unloaded like cargoes or trying to get on a moving *velovelo* rocking beside the ship, inhibits them from making the journey. Islands like Nayau and Moce are difficult and very dangerous to get into at low tides and at times, the ship has to change schedules to accommodate timing for a high tide when it is safe to sail into the harbour and offload passengers and cargoes. This is a costly exercise with fuel and scheduled times of the Voyage.

I am pleading, on behalf of Vulaga, including Ogea, and all the islands in the Lau Group, that presently do not have marinas that the Government of Fiji to build marinas and wharves for safe, humane disembarking of passengers and cargoes. This could be joint ventures with the islanders themselves.

3. Roads construction alongside the Marina Projects: Roads are recommended to be constructed in Vulaga alongside the Marina Projects, to connect the three villages of Naividamu, Muana-i-ra and Muana-i-cake. Again, the village communities can be partners in these Projects. Local Quarries can be set up on the islands to enable the use of locally available building materials, sand, gravel (these are available), limestone, rocks and minerals to mine and crush and make into local cement and building materials initially for the roads, but it can be used for building homes, walls and other needed infrastructure in the villages.
4. Government Shipping Services: The Government of Fiji is recommended to be totally responsible for the provision of ships for the main Inter-island Shipping in the Lau Group, similar to that undertaken by the Government of Tuvalu for transportation between each islands. The standards of the ships used will comply with Government National Standards for Maritime Services, not only for ships but also for marinas, wharfs and the roads.

My Concluding Remarks: With the provision of safe marinas, shipping services and roads infrastructure in Vulaga, I will return home, like many of my relatives who have left for education and work. This will open up the development on my island for the future generation of the Vulaga people. The Lau Group of islands will once again be populated by its people who yearn and long to go home and



live and return to the Lord from there, but the thought of travelling in discomfort, disembarking as cargoes are enough to leave those sentiments merely as dreams.

I am urging you to be the Standing Committee that is courageous and adventurous enough to utilise the rich natural resources of the Lau Group of islands by providing safe, decent, reliable and affordable shipping services, constructing marinas, wharves and the roads that open up possibilities and hope for the Lauan people now and for generations to come.

Thank you for your time to receive my submission. *Vinaka*.

HON. M. BULANAUCA.- First of all, I wish to thank you, Leba, for your presentation in writing, and you were elaborating a bit on your oral presentation today, this afternoon. We understand that you have a lot of experience in owning and operating a boat, and you have been doing that for quite some time.

What is your experience with the existing boats? Are they providing better standards than your *Marine Vessel, Tunatuki*? From your own experience, have you travelled in the latest Marine Vessels, namely *Brianna* and *Liahona*, to be able to tell the difference between the services that you supply in your *Marine Vessel, Tunatuki* and these two?

MRS. L. MATAITINI.- I did not travel to my island until we got a boat. I did not want to travel in little boats like I have indicated here, because of the experience I had 56 years ago, and I went back to the island 40 years after, we left on a small boat. After that, I did not want to travel because of the conditions of the boat as described here, and I only travelled when we had the boat and we made it big enough not to feel the rocking and people to get seasick. I think this is a bit tricky question because, of course, I will say that our boat was as good as we could afford it, to ensure there was enough room and it was safe, clean and had toilets. Our father said, "You get a boat so we do not travel like cargoes" and you know when we travel from Lau, the cargoes and the animals and even when the boat is full, you have to find a place to sleep amongst those.

So, we tried to make sure that when we travel, we travel like human beings. It is a strong word but that is what it is, and we made the boat as comfortable as we can, but it was a very old boat and it costs a lot of money to repair and upkeep and that is really the reason why we gave it up because we could not get anyone to help us, the Government or further from the Fiji Development Bank to give us money. At that time we wanted \$150,000 just to repair the boat into a safe condition and I think we were worried. We did not want to have an accident while the boat is going that we may lose people. We have lost relatives as far as that is concerned, and shortly after we gave up the boat, there was an accident with the Tongan boats that went up, and that is what we did not want.

So, that is the reason, if we could not maintain it at a place where we ourselves would like to travel in, then it is better that we do not operate a boat. It is a boat that I wanted to travel in, but I have not and I will not go on a small boat to Lau, I will wait for a big boat like the Goundar Shipping boats if they go there then I will go. I hope that answers your question.

HON. M. BULANAUCA.- Why was the funding not sufficient to keep up with the standards of boats now?

MRS. L. MATAITINI.- Because of fuel costs, as I have said at the back there, if you get a big boat made and it is all new and with the franchise, it can work. When you get a new boat, made nicely with the franchise and the fuel under control now by the Fiji Commerce Commission, it can work, as you know, Honourable Bulanauca, and I know you will agree with me on that (I went to school together with the Honourable Member).

HON. J. SIGARARA.- Mrs. Mataitini, *vinaka vakakalevu* for your presentation. I think we need to go further on that because you have been a boat owner and also a passenger for the last 56 years, and I think you have already answered two of my questions which I wanted to ask. Do you travel regularly or not? You have not been travelling on this boat? No. When was the last time you travelled, you cannot tell me that, because the last time you travelled, you travelled on your boat.

MRS. L. MATAITINI.- That is correct. I think it could be around 2006.

HON. J. SIGARARA.- The other interesting point was that the route was viable but the situation now is, lately, we have two boats and people are complaining of the condition of the present boat. They are happy with two trips every month, but it is the condition of the boat, that is what we are here for, to hear submission on the Petition which include the concern with regards to the condition of the boat.

One other interesting point that you said was that, it was viable but most of the boat owners now, they say it is not viable. In the past, when our boats went to the island, they come back with cargoes, copra bags but now they are coming back empty. Do you think that this is a point that this route is not viable because on their way, they get passengers and cargoes, on their way back they bring cargoes from the other side which make things a bit viable for them, and that is a point that has been raised by boat owners?

I thank you for coming up with the submission and the point that you have raised regarding the condition of the boat, it took 56 years from then until now, but we are trying to change within how many years now, to a better boat.

We, from Vanua Levu are going regularly on the Patterson Brothers Shipping Co. Ltd. ships, which are good. I have been telling my Committee here that we are lucky that for the last 100 years, we have been going with the copra and animals but now we are ....

The Government is trying to improve that and we are glad to come here to support your people in the Lau Group or from other outer islands trying to get better boats, and I am thankful for your presentation this afternoon regarding the boat service because the Government wants to improve the boat service but there have been presentations that this is not viable. We need to get more money to buy new boats or bigger boats but our Tovata people from Lau are not regularly going every day. Only when there is an occasion then they can fill the boat. The condition of the boats that travel there now is all right but we need to improve that and we are glad that you have pointed this out with us and that is a point that I want to raise to you this afternoon regarding the boat service.

We are concerned here because there are two boats already serving the islands now, because we have been informed that when tenders went out, no one applied because it is not viable. I think and we hope that with your submission and with what you have told us this afternoon, you have supplied us with enough information for us to go further with what we can find and put that together to make these trips viable for our people in Lau. *Vinaka Vakalevu, Leba.*

HON. M. BULANAUCA.- Can I just add on to that, my question really is, how can you suggest that the shipping decision can be viable?

MRS. L. MATAITINI.- Thank you, Honourable Bulanauca. We were at that point where we felt it could be viable if we had a good boat but you have to do a lot of work in the beginning. You have to set up and make sure that the cargo is there, that you do not go empty. It is a process that when you go to the islands, they would have the copra and cargo to bring back to make it viable. The fuel cost is a killer, it is just so expensive but with the price controlled now, that could help with the cost and also the cargo to bring back to make it viable but in my suggestions, the islands in Lau are empty, there is hardly anyone there, just the very old and the very young because of the reasons that I have stated.

I am saying that if there is a wharf or just a marina, a good boat, a new boat to go in, I will go, I will move straightaway to Fulaga and operate from there because I see that the Government has given most of Lau, Tax Free Zones. Why should we operate in Suva when we can operate from Fulaga but the infrastructure has to be in place. We have got to have the marinas so that we can go and with good boats, either it is not viable for the little boats now because they have to do a lot of repairs to keep up the demand on their time to turn around within two trips a month, which is quite tight. You have got to be on that and if something happens to the boat you have to have it repaired, it keeps you for a few days here. But if you are a good business person and you know at this point, it was just our family that operated it, so that is the only way we saw that it was viable, that we were in control of the business. If you mind your costs, it can work, it can be viable, but we need good boats, cheaper fuel and we need proper places to go and berth and get off like human beings, and not to be winched like cargoes.

MR. CHAIRMAN.- Madam Leba, my question is with regard to your time with your *Marine Vessel Tunatuki*, how long would it take to travel from Lau to our mainland?

MRS. L. MATAITINI.- The fastest trip from here directly to Vulaga (which is the third last island at the bottom of the Fiji Group), if the weather is good and the boat condition is suitable for the ride, it would take about 21 hours, and that is the fastest we have sailed.

It was about, I do not know how many knots we sailed at, but the condition was optimum. We sailed 21 hours, but normally it is 24 hours to go directly, and I do not know how many nautical miles to reach Vulaga but it takes one day to go from Suva to my island; 24 hours, but when things were all right, our boat was quite fast considering it took 21 hours, that is the fastest we can travel, to leave from here and go to Vulaga directly. Well, sometimes stopping at Naikeleyaga to drop off my relatives there and going straight to Vulaga, it took us 21 hours.

MR. CHAIRMAN.- Thank you.

HON. P.W. VOSANIBOLA.- Thank you, Mrs. Mataitini. I would also like to thank you for your deliberation with regard to the subject matter that you are here appearing before the Committee this afternoon. Just a question: what we have been discussing shows that the Shipping Service in Lau is an uneconomical business altogether. But what is your view, taking into account the regulation governing the operations of the business like within MSAF or the Marine Checkers, taking into account the hardships you face, together with those regulations.

MRS. L. MATAITINI.- Thank you, Honourable Vosanibola, that is another barrier, and we have to comply. I think the Marine standards that are being applied are even more stringent now. For MSAF, they want to comply with International Standards, so it is even stricter or much harder to comply with that and that is quite a barrier too. But, when you start off with not such a good boat, with lots of things that are wrong, they need to be thorough with their checks, otherwise if they overlook certain things and said, "Yes, all right, this time but we will give you time to repair this," when you come back and something happens, they can get into trouble, you can get into trouble.

So that is another barrier that would be looked at and that to me, ideally, the Government should provide the shipping like Tuvalu to its islands, it sets the standards, builds the ships to ensure that mariners are out there, and it is Government's responsibility, I would be much happier with that.

I have my younger brother who had just passed away, he lived in Tuvalu for three years. It is the Government's responsibility and the standards that are there where little operators can still do the extra operations, but for the main shipping that goes twice a month out to the Lau Group, I really would like that to be a Government's responsibility; to set the standards and just give that kind of service to the people in the Lau Group. Thank you.

HON. P.W. VOSANIBOLA.- Mr. Chairman, through you, I think what she has mentioned is, if we look at the reality now, in islands that have proper jetties, big boats travel there, like in Vanuabalavu and Matuku, so I think the factor is, that should be developed as Mrs. Mataitini has mentioned. If those are being provided, I think those big boats will go there, I think that is one of the solutions. Why do small boats go there; because those jetties, wharves can hold them. Thank you, Mr. Chairman.

HON. M. BULANAUCA.- Through you, Mr. Chairman, you mentioned about the viability and non-viability of the shipping services there. It can be economical and it can be viable provided there are economic activities in the Lau Group, so there are more people there, how can you influence that by getting more people involved in there and engage them with more economic activities as well, from your own ideas?

MRS. L. MATAITINI.- That is why I have stated earlier that the first thing to do is to get good marinas; marina infrastructure, jetties and wharfs. The super-yachts come to my island and I will say that I have been around the world, but my island is still the most beautiful place on earth. It is paradise out there and people have wanted to come there. They come there but the thing is, we need marinas and jetties to be able to get people to come in. When I travel to Savusavu and Labasa, my words are “I live for the day when the Lauans could travel in luxury and safety like this to the Lau Group”, and we can only travel that way if we have marinas and jetties.

So for Lau, do that first, and I am appealing for Vulaga first because I am a Vulagan, do it in Vulaga and do it in all the islands out there. All of us, you at one time, people complain about us, Lauans. We are here because we cannot go back home, because there is nothing for us to go back to because the infrastructure and the services are so poor. You provide the marinas and the jetties, so that big boats can come too, easily, the whole lot of migration will take place. We will live here and we will live in Lau and we will start opening up the rich natural resources. I have said it here that that could be very very viable, so to me, build us nice, new marinas, the good boats will follow, but for now, I really cannot help with the present boat conditions. I will not travel to Lau in these boat conditions unless big, good boats go.

MR. CHAIRMAN.- Mrs. Leba, is this the first time you are doing a presentation or the submission to the Committee?

MRS. L. MATAITINI.- Yes.

MR. CHAIRMAN.- So after 2000, there was no such submission done with regards to the boat service to Lau.

MRS. L. MATAITINI.- No, I saw during the Parliament session the debate on this and it is something that is close to my heart, so I was on the lookout when it came in the papers and I wanted to come and make a presentation because it affects me and my people. It is important for me to come and make a presentation on our behalf.

MR. CHAIRMAN.- This is the first time after 2000 that you did a submission to a Committee?

MRS. L. MATAITINI.- That is correct.

MR. CHAIRMAN.- Thank you.

HON. J. SIGARARA.- You have been saying the trend, that people have been going from the island to Viti Levu. It does not concern only the Lau Group, it concerns the whole of Fiji and though everything is coming to our areas but people insist on coming to Suva, and this is one of the areas that the Government might be looking at. What guarantee is there that the people of Lau or around Fiji will go



back and develop the village, so that something might come back in return. We should work together and move forward. For Lauans, in the past, you had boats but they have all left the industry, why was that? Now the Government is trying to improve that, because something is not all right in the system. So, what the Government is trying now is just to improve the standard to get the people going, but to invest, that is another thing that we have to look at. What guarantee is there that there will be something there when things are implemented? It could be a waste, that when built, there is nobody to live there because the urban drift is continuing, especially from Bua in Vanua Levu, they are coming to Suva, but there is no guarantee that they will go back and try to improve.

MRS. L. MATAITINI.- I think you have to take it by faith, but I am telling you now, if there were marinas and a nice boat to travel in, I would live at least three months in a year in Vulaga and just come to Suva for visits and do business. But actually, that will be my new location and I speak for quite a lot. All the old people here when they are very sickly, you take them to our islands, with fresh air and that environment, including fresh food, they live much, much longer than they would if they were here. It will probably not be the young people, they may not be there except for the enterprising ones but certainly for the retired, we would prefer to be in Lau than here and stuck in some busy, traffic-congested roads in Suva when we have such beautiful places to go back to.

The people from overseas want to come and live in our islands and we cannot get there ourselves because of the lack of infrastructure. It is not only improving the boats that will enable us to go back, it is the whole picture, the infrastructure has to be developed together. I am sure the Government has already thought about all these things that I am talking about and is working on it but, I just add my voice to all that is going on; it is needed service. Thank you.

HON. M. BULANAUCA.- Just to add on, Mr. Chairman, through you, you mentioned about Lau being rezoned, what, EEZ?

MRS. L. MATAITINI.- It is Tax Free Zone.

HON. M. BULANAUCA.- Being from Lau, what do you think? What kind of economic activities can be done in Lau to attract youth to remain there; attract people from other places to come there and increase the mobility of people in there and therefore make ship-building viable; make the Government build marinas and jetties, more economical and really worth doing it; you being from Lau, what do you think should be done there? Should we have a hotel for each island or what do you think?

MRS. L. MATAITINI.- Well, I can only speak for myself. In Vulaga, we would like a marina. If the marina was there, we are actually thinking, we are going to propose to the young people (it may not happen in my lifetime) to relocate the village somewhere else because it is prone to tsunami, to relocate it and in that relocation, locals are to set up quarries and do our own roads and manufacture our own building materials there because it is too expensive to transport them from Suva. We will need labour at that time. We intend to employ our own people who are here in Suva to go back and develop that themselves. Just doing that and turning our village with a proper marina into an ecotourism venture where we build, improve our houses in the village and homestay but at our rate.

We have had the person who set up Treasure Island, he wanted to set up a hotel in Fulaga, and at the very last minute, Joji Kotobalavu from the Office of the Prime Minister asked his secretary at the time whether I knew about the venture, and he said "No, give it to me" and I actually got signatures from all my people to stop that development. We are carvers, we are the ones who carve, sell, weave - we are craftspeople. We came away and we are always working for people in the hotels.

They were coming to set up their hotels on our island, they would take the money, we will be workers and we said, "No, if any development that is going to happen in Vulaga, we will do it our way, at our rate." They are not going to come and make money out of our resources, and after 25 years, after

they have made the money, they sell it to somebody else and move on to the special places on earth where they can set up a hotel.

This is what happened at Turtle Island, and he himself said, 'Just promise me that you would sell, give somebody else the opportunity.' No, that is not his brief, that is for us to develop and we can only develop if we have the infrastructure, shipping is one main barrier. To me building the marina would be my first priority. I would build the marina because that will start the development and employing people there, and we would go back.

A lot of our people are there in the Mamanucas, in the Yasawas, because we are island people, we love that. We are married there and settled with people but we should be in Vulaga doing developments there.

So, Honourable Mitieli, for your information, we can do our own buildings, build our own roads, ecotourism, we have fishing, forestry, we are going to preserve our forests. They cut down our *vesi*, we are going to preserve them. We will set up nurseries there to provide all the indigenous plants that are running out, and we have got them and plenty are still at home. A lot of things we can do. If you can do it in the Yasawa Islands, why can you not do it in Lau? But we cannot get there, and when we get there, when we are old we get off winched-in, and that is not good.

HON. J SIGARARA.- The young generation now are trying to move out from the village, you are saying that you want to retire in the village and this is a conflict of interest, because we are relying on the young generations now to build up a good Fiji or a good Lau, but the young generations are moving out. One point might be, as you have said, to bring them back there, but all things are in Suva. Many of the young generation have not seen their island, not because of the boat.

MRS. L. MATAITINI.- For that, Honourable Sigarara, when we had the boat, it was the first time that people returned to Lau after 40 years, and we made sure at Christmas time, we loaded our boat with all the Vulagans. We provided free freight, and we said, "You can go around the island because you are from Vulaga. But if you haven't seen your island, you are not a real Vulagan". We actually loaded them and took them, and to this day, those 10 years when we travelled every Christmas and New Year, that experience lives in the minds of the people, and one of the good things is that, we can develop businesses.

We actually trained cadets on our boat and the people we trained as cadets are now sailing as Captains on overseas ships. It is a kind of training that we can train our people, to man the boats that go to Lau. There is a lot of possibilities, but I know like Vanua Levu, you have come here, well, Lau, I guarantee you, many many more will go back and would rather return to the Lord in Lau than in Suva. Thank you.

MR. CHAIRMAN.- Thank you, Mrs. Leba. Thank you for your submission. We will consider this in our Committee. Just listening to you, it seems that the past Government has forgotten about you, the Lau Group. We are doing it, and we will do it.

The Director, Transport, will be coming to give their submission, and we will see what is in the pipeline for the island. We respect the island people and we will consider that. We will come back once we finalise the Petition and submit the Report to the Parliament of Fiji.

Thank you very much, *vinaka vakalevu*.

The Committee adjourned at 3.05 p.m.

**1. VICTORIA MARINE LIMITED**

**2. FIJIAN COMPETITION &  
COMMERCE COMMISSION**

**3. MARITIME SAFETY  
AUTHORITY OF FIJI**

# **STANDING COMMITTEE ON**

## **NATURAL RESOURCES**

### **Submittees:**

- 1) Victoria Marine Limited (VML);**
- 2) Fijian Competition and Consumer  
Commission (FCCC);**
- 3) Maritime Safety Authority of Fiji (MSAF)**

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*[Verbatim Report of Meeting]*

**HELD IN THE**

**COMMITTEE ROOM (EAST WING)**

**ON**

**WEDNESDAY, 22<sup>ND</sup> MAY, 2019**



**VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON NATURAL RESOURCES HELD IN THE SMALL COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS ON WEDNESDAY 22ND MAY, 2019 AT 2.40 P.M.**

**Interviewee/Submittee: Victoria Marine Limited (VML)**

**In Attendance:**

- 1) Mr. Joe Tagi : Director
  - 2) Captain Felix Maharaj : General Manager
  - 3) Mr. Akuila Kaci : HR Manager
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MR. CHAIRMAN.- Good afternoon and *bula* to all. We welcome the Director, Mr. Tagi, and his co-partner.

First, I will introduce our Committee as Mr. Tagi has already met us: Honourable Peceli Vosanibola is on my left; on my far right is Honourable Mitieli Bulanauca; and close to me is Honourable Jale Sigarara. We have the Secretariat staff, namely: Ms. Akanisi, Ms. Marica and Ms. Leba with a Hansard Reporter, and we also have the media personnel in this room.

Director, I request if you can introduce yourself and your members who are here for the submission.

MR. J. TAGI.- Thank you, Mr, Chairman, Honourable Sanjay Kirpal and Honourable Members of the Standing Committee on Natural Resources.

First of all, I would like to introduce our team: On my right here is Captain Felix Maharaj, the General Manager for Victoria Marine Limited; on the left is Mr. Akuila Kaci, who looks after our human resources. Basically, our team is here to make our submission this afternoon and also respond to clarification if the need arises as per the letter sent to the Company last week. Thank you.

MR. CHAIRMAN.- Thank you, Mr. Tagi. We will give you time for your submission and there will be no interruption from our Members but once you have finished with your submission, then the floor will be open for questions, now the floor is yours.

MR. J. TAGI.- Thank you again, Mr. Chairman and Members of the Standing Committee on Natural Resources. I have sent in the script for our response, and I hope that it answers the queries on the Petition that was made in Parliament. I believe it is best for all of us that I read through. I will commence with this letter.

The subject is "Information on Victoria Marine Limited and its passenger cargo vessel, *MV Brianna* used under the Government Franchise Scheme." Sir, this is in response to the Parliament of Fiji's Standing Committee on Natural Resources' invitation as per Reference No. dated May 17th, 2019.

Victoria Marine Limited has the honour in presenting the following information to the Committee.

Part 1: It is important that I just give you a brief on Victoria Marine Limited.

Victoria Marine Limited is a local Company, based in Walu Bay and engaged in passenger cargo, transportation in Fiji as well as tug and barge services that conduct local and international, mostly Pacific cargo transportation and other logistic tasks as and when required.

The Company was established in 2014 with an objective to contribute to the maritime industry by providing an affordable and safe shipping services to the outer islands within the Republic of Fiji and the region. It is also to provide logistical advice when required in support of Government and non-government initiative.

The management and staff of the Victorian Marine Limited have had over 39 years of shipping operation experience within Fiji. The officers and the crew are all certified and have a great deal of experience in operating vessels and providing logistic support in the Fiji waters and the region. At this stage, VML has a tug and barge, our tug is called *Burdekin*, and our barge is called *Colossus* and our smaller passenger vessel is called *MV Sea Rakino*, and the larger one is *Brianna* which is the subject of our meeting today. (I will skip Page 2, and I will give some summary on the type of work that we do.)

Summary of projects undertaken by Victoria Marine are as follows:

- a. When we bought our tugs and barge, we dealt with large bulk movement of cargo, basically one of major projects was the ship movement of Clinker, in support of Pacific cement.
- b. Furthermore, we did a lot of work for FRA in moving their building materials, logistic materials and heavy machineries to the outer islands.
- c. Not only that, we are not only engaged in Fiji, we do outer service to the region. We did some work for the Government of Vanuatu in 2017 and 2018.
- d. We were up in Kiribati doing SPC European project. Apart from that, we did some local work and we just recently returned from Papua New Guinea in one of our vessels. That is our tug and barge.

Now I will shift to our passenger cargo and I will focus on *MV Brianna*.

Sir, the seed for the formation of Victoria Marine Limited was planned when our first boat, *MV Sea Rakino* was purchased in 2013 and we converted it to a passenger cargo ship. It was providing charter and did regular passenger cargo services to Lomaiviti, Lau Group and also the Northern Vanua Levu. When we talk about Vanua Levu, you are taking about the uttermost tip of Udu Point and the outlying islands. This was one of the franchise routes. After carrying out this form of operation for 2 years, while we were having the *MV Sea Rakino*, we then decided that the Company should tap into the Government-funded Franchise Scheme which would enable us to sustain our business because of poor return and hopefully allow us to accumulate capitals in order to purchase newer ships.

At this point in time, it was realised that our smaller boat, *MV Sea Rakino* was insufficient in size, and was not well set out with respect to accommodation and other facilities to undertake the work required for the shipping services to the Lau Group. So, the Company decided to look for a suitable vessel, we could not afford to purchase a ship offshore due to high costs of acquisition and so in order to satisfy the immediate need, we looked at the local market, and that was our best option.

*MV Briana:* *MV Brianna* is named after my granddaughter. In 2015, the owner of Seaview Shipping approached Victoria Marine Limited and offered to sell us the *MV Lady Sandy*. *MV Lady Sandy* was valued and a condition survey was carried out and found to be in a satisfactory condition. The *MV Lady Sandy* was known at that time, surveyed under Maritime Safety Authority and had few years operating under the Government Franchise Scheme. So, when we took over, the subject vessel was already engaged in the Franchise Scheme.

The vessel was built in Japan in 1993 for your information and as of now, the vessel is about 26 year old. Because of these attributes and affordability in the price tag, Victoria Marine made a decision to purchase the

Ship *MV Sandy* from Sea View Shipping Limited. The Ship was renamed to *MV Brianna* and shortly after that, we started servicing the Lau Group under this Franchise Scheme. The Ship is contracted by Government to service Northern Lau, Eastern Lau and up to Southern Lau with the occasional opportunity to do alternative routes or do charters.

Our assessment after one year of operating confirms that the *MV Brianna*-size vessel is ideal to operate in the Lau Group considering the restricted accessibility and the lack of infrastructure in the area. We have also assessed then noted the return of investment and we observed that the resources in most part of Lau had severely depleted due to reasons commonly known resulting from improper harvesting technique, over exploitation of our resources, ill-effects of climate change and natural disasters. As such, we have noticed that the economy and the volume of trade in this part have decreased and we believe it will continue on that trend until physical assistance or meaningful intervention is realised to be forthcoming.

Challenges: The isolated and much-exposed island in the Lau Group provides a challenge to any ship visiting the area to discharge passengers and cargo even more so the unusual adverse weather condition that we are now experiencing.

Some of the additional issues that need to be highlighted are:

- i) When operating in these areas, the lack of suitable jetties for conventional vessel or mooring facilities. Furthermore, they are exposed and unsuitable anchorage that on any occasion results in loss of chains, anchors, that towards the end, we have to remove it from the boat to allow us to return;
- ii) The lack of accessibility at low tide for ships, workboats to get to shore or cross reefs cause long delays resulting in high expenditure of fuel ration and extended turnaround time;
- iii) The duration of franchise run now is around four to five days per run and six to seven days on inclement weather condition;
- iv) In a month, we can accommodate three runs which is about three weeks leaving the vessel laid up for one week which is a costly exercise;
- v) Long voyages result in passengers staying on board for lengthy period causing discomfort and inconvenience;
- vi) Providing service during off-peak periods is costly to the operators and there should be serious consideration in finding alternative formula to minimise the negative effect; and
- vii) Maintaining economic viability is a challenge to the company and it is crucial that cost factors are considered.

Part 3: Sir, in our response to the Petition submitted by Honourable Anare Jale, Victoria Marine hereby submits its acknowledgement of the points raised and we shall attempt to address to the best of our ability.

We support his recommendation for the introduction of new ships to service the area. From an operator's point of view, there should also be consideration in the review of franchise subsidy, fare and freight rates to ensure economic viability commensurates with the levels of service that we do.

Mr. Chair, in conclusion, Victoria Marine hopes that the information we have submitted meets the expectation of the Standing Committee on Natural Resources.

We are a small shipping company trying to play our part in servicing the people of Fiji as expected. We employ over 60 workers, we plan to continue to provide this service to the people of Lau as best as we can under the circumstances.

We must be mindful that achieving a high standard of service comes with cost, and if we need to maintain a high level of service all year through, the cost incurred must commensurate with the level of service required. Thank you.

MR. CHAIRMAN.- The floor is open for questions from the Honourable Members.

HON. P. VOSANIBOLA.- Thank you, Mr. Chairman. I would like to thank Mr. Tagi and the two gentlemen for the brief report submitted this afternoon in regards to this Petition within our Fiji Parliament. We thank you so much for the detailed Report and as read I in the Report, I think there a lot of challenges which need to be also highlighted to the Committee this afternoon as mentioned.

My question to Mr. Tagi is, how do you recognise the franchise provided by the Government so far in terms of your operation?

MR. J. TAGI.- Thank you, Mr. Chairman. In general, I think the franchise scheme is one of our very important projects for the people in the outer region. The service that we do in response to Honourable Peceli's query, is that we believe that there is insufficient amount that is provided as subsidy for the area that is allocated for the franchise areas that we operate in, basically, it is not enough.

I will give you a simple example: To run a ship, it is important that we have an ideal condition or situation. So basically you need a 100 percent return, so 100 passengers full load, 100 percent cargo and return, 100 percent return cargo, and 100 percent passengers.

From our calculation and our various records and data that we have gained, for the Northern Lau area, it is about 40 to 45 percent, and peak periods, we are doing 80 percent. So in general, the franchise needs to be addressed to assist in the operation that we do. I think I will ask my friend here, Mr. Maharaj, if he can explain more.

HON. P. VOSANIBOLA.- Can you just tell us the islands in the Northern Lau and the upper Southern Lau?

MR. J. TAGI.- The Northern Lau region consists of Cicia, Tuvuca, Cikobia, Lomaloma in Vanuabalavu, Yacata and back to Suva. It takes us about 4 to 5 days to do that run.

HON. M. BULANAUCA.- Just adding onto that, Honourable Chairman, ....

MR. CHAIRMAN.- Let Mr. Maharaj explain something then you can ask another question.

MR. F. MAHARAJ.- Good afternoon, Honourable Members and members of the media. For the Franchise Scheme, our Company believes it is an excellent scheme and initiative. Without the Franchise Scheme, I do not think the Lau Group would be having any reasonable form of shipping transportation. It is a cost-effective initiative with respect to the taxpayer who, in fact, is funding the initiative.

Companies like ours have got involved in the Franchise Scheme because we thought that it would be a good business and there is a good business incentive. Once we got into the Franchise business, we found out the realities of it, that there were some lack, mainly in the subsistence provided. The whole idea of the Franchise Scheme was to create economic activity in the other islands. As we go back to the paper that was presented by the Canadian Consultant, the whole idea was to create economic activity in the other islands.



Unfortunately, I think it was not fully realised that the islands out there have only a certain amount of natural resources. That was the thing they were targeting, to create this economic growth out there, eventually, provide enough cargo and passenger movement for companies to be sustainable on their own by charging fares and cargo tariff, et cetera. Unfortunately, with the decline in the natural resources, this has not eventuated and the increasing cost of fuel, labour costs and maintenance for vessels. It has all gone out of proportion now and we feel that the subsidy provided under the Franchise Scheme, needs to be revisited and relooked at, probably the Scheme needs to be given a new name now, et cetera. I do not think it is going to create that economic activity it was intended to do.

Unfortunately, we are well into the contract and it is too late to turn around and back out. We need to move ahead and try and survive. We have mortgages to pay, we have staff to look after and fortunately, our company has a couple of other ships which, in fact, subsidises the franchise subsidy. So, we are surviving at the moment with our heads just above water. I think our request here is, if that franchise subsidy could be revisited and looked at. Thank you, very much.

HON. M. BULANAUCA.- Honourable Chairman, I just want to follow on from there. First of all, I wish to thank the company for submitting its report and I also appreciate the hard work that you have put into the shipping services, particularly to uneconomical areas of Fiji, in Lau. We thank you for that courage to go into shipping in the Lau Group. As you have mentioned that the franchise was probably supposed to create economic activities, but it does not, probably, just assist the shipping owners in their cost of operation. What do you think as you know Lau properly, what are the economic activities that needed to be encouraged there in order to increase economic activities, increase people going into there, including the cargo brought in to help you in those areas?

MR. CHAIRMAN.- I think that question is out of topic in comparing that with the Petition. The Petition is in regards to the service provided. So, I do not think they will be able to tell you the economical background of Lau or the outer islands, they are only the mariners. So, I request the question to be on the topic of the Petition, please.

HON. M. BULANAUCA.- I think they know the area, they can actually say something that can generate economic activities in that area. I think they know the ....

MR. CHAIRMAN.- Are you able to say anything about economic viability?

MR. TAGI.- Yes, just quickly responding to that, like what Captain Maharaj has mentioned, it is important that it is reviewed and then revisited, there is nothing coming out from the islands now. The amount of 3,000 bags of copra which we used to experience in 2015, now it is only 300 or 400 bags. Basically, our proposal here if people can review or revisit the franchise programme.

HON. J. SIGARARA.- Mr Chairman, first of all, I would like to thank Mr. Tagi, the members of the team for a well-presented message today and we thank you for our locals who are involved in this kind of business. I know it is a hard business, it is uneconomical and you as a “kai Lau” you feel the pain, you know the difficulty your people are facing and you are still carrying on with the business. That is why I am glad and happy that you are involved in the business in serving the people and service is only done by Government.

With the business, we are not there to serve but we need to have money to run the service. As you have said that mostly you are doing this to serve the people of Lau. Though you are getting less, the Petition says ‘affordable, reliable, safe’, I am happy with what I have seen today compared to what we faced in the previous years. I think as you have said, this trip is not viable and I want to ask about the safety of the vessel. Do you work closely with the Maritime Safety Authority of Fiji (MSAF) and Occupational Health and Safety (OHS) before you leave or after you come back, or how do you repair the boats, that is a different thing because we

know that the licence is given yearly, but before you leave for a trip, do they come and check that it is safe for the voyage, everything is inside or whether you have met OHS standards, do they do that or not?

MR. TAGI.- Thank you, the Safety Certificate for an approval to operate a vessel is granted by MSAF so it is the requirement that we fulfil this requirement and to the standard that they expect. And, yes, of course, all our certificates are valid and I believe, to deviate a little bit from the question, I know there has been a lot of mention regarding the condition of the vessel. I have highlighted the length of operating to do a run is quite lengthy. I proposed one when we had a meeting that it should be reduced to two days, so it is more comfortable and now we are doing four to five days and if it is bad weather, then six to seven days. If you talk about someone travelling on the boat for four days, that is like going from here to Tuvalu. There is discomfort and it is inconvenient so the safety issue is, yes, we are being checked before we depart. They call them Marine Checkers Enforcement, they would check all our documents, count all the passengers and ensure that everything is all right before they give us clearance.

Unfortunately, on the way, if you have an issue, we have to attend to it, that is why we have all of them on board: Engineers, Masters and Captains. I would like to relate it to transportation on land, if you have a punctured tyre, you need to stop your car and check it, or if there is smoke coming out from your bonnet, you will need to stop and recheck, if you can fix it otherwise then you call for assistance, similar treatment you would do for a boat.

If there is an issue, we believe that you need to stop the boat in the middle of all those, you have to do it, it is normal, big ships do that, big ships drift for two days, three days with bulk carriers, container vessels, they all go through this process. It is normal so I believe there has been some lack of understanding and perception from some members of the public, but I am very thankful that you came down to the boat today and you feel for yourself what an operator feels. Yes, sometimes we do not sleep at night thinking of our boat but we are confident, we have licensed crews on board, licensed and qualified by MSAF.

So all in all boats are in good hands. It is that situation that needs to not be over-exaggerated but at times, we can ask the operators but for safety “yes” before departure, we are checked - it is mandatory that they count the passengers, know all the list of names, should there be any disaster or incident, we know who all are on board. Thank you.

MR. CHAIRMAN.- Mr. Tagi, I know during the peak hours or peak time like maybe Christmas, New Year, Easter, the boat maybe full. During other months, what is the average number of passengers for one trip from the mainland to Lau during normal months if you are having two trips monthly?

MR. F. MAHARAJ.- Thank you, Honourable Kirpal, you will know that *MV Brianna* is licensed for 200 passengers; *MV Sea Rakino* is licensed for 100 passengers. During peak seasons, usually they are up to 90 percent capacity, sometimes 100 percent capacity. But say, come the months of March, April, May, June, out of the 200, we might get 60 to 70 passengers, so that is less than 50 percent. Cargo is usually stable because most of the cargoes are for the shops, because people out there need their noodles, et cetera. But majority of the income comes from passenger fares. Cargo rates are pretty low at the moment and these are the things we put to the Fiji Competition & Consumer Commission that they need to be revisited too and looked at because the cargo rates just do not match up with the expense of getting the cargo to the islands.

But we also would have liked the subsidy to be a bit more practical like you mentioned the peak seasons and the off-peak seasons. The subsidy is the same right through the year, they do not take into account the off-peak seasons and that should be looked at to buffer the off-peak seasons so the operator can continue to provide that service to the islands. So that is what we have asked, Sir.

MR. CHAIRMAN.- (Reads) "... are old, lack comfortable space and cabin for passengers, insufficient space to hold dry cargoes and refrigerated goods." What is your view in regards to that statement?

MR. TAGI.- Thank you, Mr. Chairman. We have submitted in our submission that *MV Brianna* is just ideal for those areas. So we have sufficient area to accommodate dry goods and we have sufficient cold storage for frozen goods. But there are times when we do not have sufficient storage space so we have to let the cargo owners to take back their items, especially building materials, and wait for the next trip. So when we come to a situation when there is a lot of cargo, we opt for the groceries and we ask the people with building materials to wait for another trip, so that is the priority. That is how we balance things off.

HON. J. SIGARARA.- ... but I think that is in the process and the Government will review the franchise every year, and we hope that the next one will be good after we have presented our Petition.

What guarantee can you give us that with that franchise, if they give 100 percent franchise? Can you do improvements to the boat to allow for the requirements, "... for safe, reliable and affordable shipping service" that we are focusing on in this Report?

MR. J. TAGI.- Thank you, Mr. Chairman. To start off, I think, if we are given at least 100 percent double up, I think it will be sufficient to do other works and improve our vessels.

For the Northern Lau Group, they give us \$18,000, that is Government subsidy.

HON. J. SIGARARA.- Per trip or per year?

MR. J. TAGI.- Per trip.

HON. J. SIGARARA.- Per year?

MR. J. TAGI.- Per trip, and that is once a month.

For the upper Southern Lau Group, it is \$13,000. But you look at the duration of voyages, they are the same and the engagement and commitment are almost the same, but they have different franchise allocation. I feel that it is important that it is reviewed first, because the people in the Lau Group and outer islands are poor people. I mean, what more expression I can say, the people are poor. They depend on remittance from Suva for their families and we know that because when they arrive in Suva, most of their fares are paid in Suva, their cargoes are paid for in Suva. Whatever cargoes are transported are paid in Suva.

So basically, the Government subsidy has to increase and then the cargo can go later because the poor people in the islands. If we can consider the increase in subsidy for both, I mean the review of the freights and passenger fares, if that can be all accumulated in the franchise, I think that should be good. But the poor members of the public, I think, I know there is a lot of request for Free of Charge (FOC) that we come across. School children coming to Suva and church conferences, those are the sort of things that we go through, but all in all, yes, I think the subsidy has to be increased. That is priority and leave the fare as it is at the moment because of the situation in the islands, it is difficult.

Just to add to that, we are doing a documentary about the area. It is very important that we physically see what is happening out there, and I hope once it is finished, we will pass it over to the Committee for them to view. I believe a lot of people have not gone out of Suva Harbour. They stay around the Suva area but I believe it is important that we feel what the real scenario is out there when we do our service.

Yes, for the franchise it has to go up. Thank you.



HON. J. SIGARARA.- Do you have future plans to buy a new vessel?

MR. CHAIRMAN.- Can we have one more question before we proceed with another submission? So we will have one more question, Honourable Mitieli Bulanauca, he can answer yours then after that then yours.

HON. J. SIGARARA.- Then I withdraw that question, I will ask another one.

MR. CHAIRMAN.- All right, Honourable Mitieli Bulanauca can ask another question.

HON. M. BULANAUCA.- You mentioned here the lack of suitable jetties. Can you just elaborate on that, whether all the islands that you service have jetties or they need some or a longer one?

MR. TAGI.- Mr. Chairman, out there in the Northern Lau, you have only Cicia and Vanuabalavu, and the jetties need some repair work.

MR. CHAIRMAN.- Maintenance work?

MR. TAGI.- And in other outer islands, there are no jetties, we have to wait outside the reef area, out in the open waters and that is where we transport our passengers. Up at the Northern and upper Southern Lau, the only jetty is at Lakeba, the others are the same. Most of the cargo are dropped off on the water, on the reef, and they come and take it on the reef, that is how bad it is.

HON. J. SIGARARA.- I am with you on long voyages and peak period, the frustration from people when they are not met, they make comments on issues regarding travelling by boat. We go to Vanua Levu, we only travel for two to three hours, no such complaints come from those who utilise the service, and I am with you in that because we as *iTaukei*, we will always be like that. But with regards to your fare, the fare is standard by Government and the cargo. How do you measure your cargo, the space, the weight, whether in cubic metres or you just take a bag and assume that it weighs this much and charge the people? What do you use to determine this type of things, especially during rush hours and people are coming in?

MR. TAGI.- Thank you, Mr. Chairman. To answer that, yes, we are guarded by the Fiji Competition and Consumer Commission rates. Yes, there is a formula that we have to use and basically we charge in cubic metres so volume metric space. The space is being charged per cargo. It depends on the cargo, there are some cargo that charge a bit higher and some a bit less, but we normally charge per volume metric space.

HON. J. SIGARARA.- What is the fare to Lau?

MR. TAGI.- To go to Vanuabalavu, it is about \$113.

HON. J. SIGARARA.- \$113 to Vanuabalavu?

MR. TAGI.- \$113 to Vanua Balavu but the cargoes to Vanua Balavu is about \$70 per cubic metre. So if you talk about our boat, 90 tonnes or 90 x \$70, that is about \$6,300, that is only for the cargo. It is small and \$70 a cubic metre, the maximum we can go is 90 cubic metre and basically, that is about \$6,300 now.

HON. J. SIGARARA.- What is the average cost of one voyage?

MR. CHAIRMAN.- Last question, Honourable Jale Sigarara.

MR. TAGI.- We will talk about Vanua Balavu, Northern Lau. To go to Vanua Balavu, our return of investment is about \$15,000 to \$20,000, that is it, and we get a subsidy of \$18,000, add those two and we come up with \$33,000 or \$38,000 but the ideal scenario would be about \$73,000, that is full pack up and full pack back. So when you put it in percentage, that is about 40 percent or 45 percent, very less and very bad for business.

HON. J. SIGARARA.- You also provide food for the passengers?

MR. TAGI.- Yes, we do. We have a small canteen.

MR. CHAIRMAN.- Thank you, Mr. Tagi. We would like to hear more from you but because of the time and because there is another submission coming up, we thank you for giving your submission. If anything, we will come back to you and our Secretary will write to you and we hope to get the documentary which you are preparing.

We will consider that one too if it comes to our Committee, we will welcome you for that and I like to thank you for providing service to the Lau people and to our Fiji. That is the best part, that you are doing it to the people of Fiji and we are proud of you, and I hope you keep on providing that.

The Fiji Competition & Consumer Commission is coming and after that the Director, Transport will be coming and we will discuss these matters about franchise and see what the Government initiative is regarding that and we will come back to you.

Thank you and *vinaka vakalevu*.

The Committee adjourned at 3.25 p.m.

The Committee resumed at 3.31 p.m.

**Submittee: Fijian Competition and Consumer Commission (FCCC)**

In Attendance:

- |                         |   |                               |
|-------------------------|---|-------------------------------|
| 1) Mr. Joel Abraham     | - | Chief Executive Officer (CEO) |
| 2) Ms. Senikavika Jiuta | - | General Manager, Operations   |
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MR. CHAIRMAN.- Good afternoon and thank you the Team from the Fijian Competition and Consumer Commission (FCCC).

(Introduction of Committee Members by the Chairman)

We would like to give you time to introduce your Team.

(Introduction of FCCC team by CEO)

MR. J. ABRAHAM.- Given the request that we have received, we are here to provide our views with respect to the Petition that was given. FCCC acknowledges the receipt of invitation, the letter that was dated 17<sup>th</sup> May.

FCCC is an independent statutory body established under Section 7 of the FCCC Act. Our role is to promote effective competition, informed markets, encourage fair trading, protect consumers and businesses from restrictive trade practices, regulation of industries as well as markets where competition is lessened or limited.

In light of the above, Sir, FCCC shall brief the Committee on the roles and responsibilities of FCCC in ensuring affordable shipping services and in this instance to the Lau Group.

The provision of efficient, reliable and affordable transport infrastructure and services contribute significantly to the economic and social development as well as inter island cooperation, integration and cohesion.

Domestic Shipping Services play an integral role in linking dispersed island communities. As such, travelling by ships is the main mode of transportation for many maritime islands and the efficiency, reliability and affordability of services are essential for trade and other economic activities.

Currently, the passenger fare and freight rates are regulated as per the Commerce (Control of Freight Rates and Passenger Fares) Order 2016. Historically, these rates have been subject to regulation initially through the 1992 Price Control Order which was under the then former Price and Incomes Board.

The Order was reviewed by the FCCC upon the merger and this review was done extensively, so in 2013 there was a technical working committee that was set up that comprised of all relevant stakeholders and extensive consultation took place, not only with the vessel operators but as well as different islands. At that time I was a manager at FCCC and in my capacity then I was leading this review and as such I know the intricate details of the consultations that happened. I personally travelled to Rotuma twice, and to all islands in the Lau Group, and I utilised this opportunity to travel to most islands. Now, Seni here has got roots in Lau, and I have been to Lau more than she has.

Currently, the Commerce Control Order of freight rates and passengers fares outline the prices that apply to all maritime shipping services, passenger fares and freight rates in Fiji which are subject to regulation. In order

to ascertain the market dynamics, further reviews were carried out in 2016 again. The current Order that is here will expire on 1st January, 2020. FCCC will undertake a thorough review exercise during this phase. Now the issues highlighted as far as the Petition is concerned, we noted that although the letter was dated 17th, we received it on Monday which is 20th May, and from the correspondence received, we are able to ascertain three main areas of concern that were highlighted:

1. Reliability of shipping services;
2. Safety of passengers using shipping services;
3. Affordability or inability of people to pay for these shipping services.

This is what we gathered from the title of the letter.

In the shipping industry alone, when we talk about issues of reliability, we generally make reference to the frequency of service. As such, meeting service timelines and whether the services are delivered on time.

The appropriate authority to have such information for these two services of reliability will generally be the Ministry for Infrastructure and Transport that currently administers the Government Franchise Scheme and monitors the frequency of services. However, FCCC, being the consumer protection enforcement agency has currently not received complaints pertaining to these two vessels not being able to deliver services on time. When the issue of safety is concerned, this generally falls under the purview of Maritime Safety Authority of Fiji.

Safety falls in two major categories:

1. Vessel Seaworthiness; and
2. Relevant safety standards for all vessels and passenger safety.

While this is regulated and monitored by MSAF officers, who ensure that issues such as overloading is mitigated by proactive enforcement, FCCC being the consumer protection enforcement agency, is also an avenue for consumers to lodge their complaints or raise their concerns.

The third issue that was highlighted was affordability, which relates to the ability of people to pay fares and rates. This is currently regulated and reviewed to ascertain its relevance. Unfortunately, Sir, when we looked at the title and the content, the content only focused on safety. The issue of reliability and affordability were omitted. The issues generally dealt with old or lack of comfortable space for cabin, passengers and insufficient space to hold the cargo and refrigerated goods.

The issue of lack of space generally will do with passenger safety in terms of passenger overloading. So, you will only have lack of space when a vessel has capacity to sit 50 people and you are selling 60 seats. If that happens then it not only violates maritime safety standards, but it also breaches Consumer Protection Laws, which is misrepresentation, which means you are selling more than what you can deliver. As such, the passengers would be entitled to raise their grievances and FCCC would investigate and prosecute.

Given that MSAF and I have personally seen this, because I have been to the Ports myself personally, I have seen MSAF officers actually counting passengers who go into vessels. So, issues of overloading, you will not find it generally. As such, the issue of lack of space is one thing, lack of comfortable space is another.

Just recently in December during Christmas season, I actually saw some posts online. The post actually had passengers sleeping on the floor in one of the vessels going down to Vanua Levu.

Despite not having received any complaints, as a proactive measure, FCCC sent out its officers to go and check this and actually carried out a survey with passengers. What we found is, the seats were empty, passengers just preferred to sleep on the floor. This has been something that is a cause of concern because when we raised this issue with the shipping company, we were informed, and they in fact gave evidence that their crew members were assaulted by people when the crew members told people not to sleep on the floor and this was not taken very nicely by passengers.

Given those issues, coupled with the fact that we have not registered complaints pertaining to this, we will still try and provide what the role of FCCC is and what are some of the initiatives we are doing to ensure that we safeguard the interest of people.

As mentioned earlier, FCCC promotes effective competition and informed markets, we encourage fair trading and protect consumers and businesses from restrictive trade practices. FCCC, with respect to shipping services regulates inter-island freight rates and passenger fares by way of the Order, which I had earlier alluded to which expires on 1st January, 2020. Investigating fraudulent or deceptive practices in relation to matters that affect or likely affect the interest of consumers or persons negotiating or considering the acquisition of services as consumers, or to take any action with respect to practices that seem improper; conduct by traders or on the other hand seems proper for FCCC to investigate, we do so.

FCCC takes into account factors that generally govern market regulation and competition which include, but is not limited to:

- Conditions of services rendered and demand;
- Rates determined in the Fijian service supply chain;
- Influence of vessel operators; and
- Market competitiveness.

Some of the initiatives that FCCC has undertaken to ensure that we are able to safeguard the interest of consumers is:

#### **1. Review of Orders**

The last review of shipping fares and freight rate was done in 2013, the charges were reviewed and the charges have not been amended and it is due for review in 2019. For the last six years, this has not changed. While the vessel operators may come up and say, “this has not changed” but this has worked to the advantage of the consumers because rates have remained constant over the last six years. FCCC is currently working with Ministry of Infrastructure and Transport in ascertaining the areas of study for this review.

In addition, we are also a member of the Technical Working Group established by the Ministry of Infrastructure and Transport in ensuring affordable and safer shipping services are provided to consumers.

#### **2. We also undertake inspection to various islands**

Since 2010, and even prior to that when Prices and Incomes Board used to be around, we have visited many maritime islands, as I had mentioned earlier. I personally have visited almost all the islands in Fiji and it is just as a result of the fact that there is trade and commerce, and there is businesses on these islands and as such, our role is to go and conduct island inspections and when we do, our officers take the same shipping services so they are able to undertake a review of the sentiments on the ground as well.



What we found as the sentiment on the ground is that there are certain people when you ask them, “Do you want better?” People will always say “Yes, I want better”. If someone is driving a bicycle and you offer him a car, of course, he will want a car. If he is driving a Sedan and you offer him a Prado, of course, he will want it. The ever changing needs of consumers is what drives the modern economy.

FCCC on its own accord, what we do is we also attend various Provincial Council meetings and in the last one that we attended which was just held last month, the Lau Provincial Council meeting. At that meeting, we noted that there were no issues highlighted pertaining to shipping services.

However, what we did is, we proactively spoke to them and then someone raised the issue during the *talanoa* session later and our official who was present, had advised them that if they had anything to do with the shipping services, they need to follow proper process and be able to make submissions, for which we encourage members of the public to continuously make submissions.

Unfortunately, there were no issues highlighted in respect to reliability and safety of services that were being provided. At present, the authorisation that exists will expire in December, 2019 and as of date, we have not received any submission from the Lau Provincial Council or anyone from Lau for that matter. We are not stopping at that, Sir, apart from inspections and attending Provincial Council Meetings.

We are also looking at strategic alliance with the Ministry of iTaukei Affairs. We understand that there are people on the ground and there are businesses happening on the ground and FCCC cannot be everywhere. As such, we have embarked on an initiative to strategically align ourselves with relevant authorities to ensure service delivery, especially in remote areas and maritime islands, ranks highly.

As such, this coming month, FCCC will be signing an MOU with the Ministry of iTaukei Affairs, mainly to engage *Turaga ni Koro* to assist in market surveillance and monitoring exercise in villages. Remote villages, including those in the Lau Province will be able to address issues directly to the *Turaga ni Koro* who will then forward these issues to the Central Office for appropriate action. What we find is that this has a greater reach than publishing in papers or using mainstream media.

We also undertake monitoring and inspection during festive seasons, so over the years, FCCC has noted that the Christmas and New Year holiday breaks are the peak seasons for consumers who prefer to return to their respective villages to celebrate holidays. As such, holidays in 2018 and early 2019, we conducted on spot random inspections, we did not tell anyone, at the main wharves and jetties across the country. It was noted that there are four shipping companies operating out of Narain Jetty serving outer islands such as the Lau Group, Lomaiviti, Kadavu and the Northern Division. These four shipping companies are:

- i) Goundar Shipping Limited;
- ii) Victoria Marine Limited (who owns *MV Brianna*);
- iii) South Island Zones (who owns *MV Liahona*);
- iv) *MV Uluinabukelevu*.

Out of the 18 inspections conducted, 6 infringement notices and warning letters were issued to three companies. These issues were noted and have been submitted to relevant authorities. When I say “relevant authorities”, these issues were not directly a breach of the FCCC but because we identified it, we highlighted them.

With respect to the Petition from the people of the Lau Group and the travelling people in providing reliable, safe and affordable shipping services, the FCCC will be reviewing the Commerce’s Control of Freight Rates and Passenger Fares Order of 2016 as the Order expires in December 2019. In reviewing the Order, FCCC



will conduct consultations and call for submissions from the general public. As such, FCCC highly recommends that a proper submission be provided by those who feel that more needs to be done.

At this juncture, FCCC would like to highlight that there is a need to have succinct submissions. Having said that, Sir, FCCC faces a lot of difficulties in trying to ascertain issues in submissions, either these issues are not clear or issues highlighted do not have supporting facts. For instance, this Petition highlights reliability, safety and affordability, but the Petition content only addresses safety.

FCCC also over the years has not received any complaints from any member of the public with respect to services provided by *MV Brianna* or *MV Liahona* and as I have said, it is not only that we are waiting in our Central Office for submissions or complaints to come in, our officers are at the Ports. We attend Provincial Council Meetings, we do inspections, we go out to these areas and we do awareness exercises where we invite people to come in and listen to what FCCC does and how they can raise their concerns. Unfortunately, we have not received any complaints.

FCCC would also like to emphasise that there is a need for relevant authorities to address issues and these issues should be with respect to submitting whatever issues are coming up to the relevant authorities for appropriate action. As such, for issues of safety, this can be addressed to MSAF; the issue of reliability can be addressed by the Ministry of Infrastructure and Transport; and the issue of affordability can be addressed by FCCC.

Consequently, we have not received any submission with regards to the Petition and therefore the current rates that have been there for the last six years pertaining to affordability, is not just from the Lau Group, generally people have not come and said that the rates are high or the rates need to be revised down, no one has said anything. Because there is no major feedback from the members of the public, as well as the traders, we are sticking to the timeline of the review which is December 2019. Should there be submissions that come in that require urgent *ad hoc* review, we will be more than glad to conduct that, Sir.

In conclusion, FCCC's role is clear and it welcomes proper and clear submissions to be made with respect to the review of shipping rates. However, should there be any need to address any consumer issues, this can be brought to FCCC's attention. *Vinaka*.

MR. CHAIRMAN.- Thank you, Mr. Abraham. I open the floor for maybe one question each, if any Honourable Members wants to ask any questions.

HON. P.W. VOSANIBOLA.- Thank you, Mr. Chairman. First, I would like to thank Mr. Abraham for the very precise submission this afternoon, it clearly indicates your role towards shipping services in Fiji as discussed amongst the maritime islands, and what you have planned. We thought that things can be done almost every six months but now you intend to review the charges on the date mentioned or the period under review. The boat owners have already given their submission, we thought of asking you questions but it has already been answered in your presentation. So, we thank you so much this afternoon on behalf of the Chairman and Honourable Members.

Just a question to the Team, with the current human resource within the office, will you be able to carry out the duties?

MR. J. ABRAHAM.- Sure, Sir. What happens is, we find that FCCC is a multi-sector regulator so we regulate different sectors. Now, as you will see, say for shipping services alone, it does not make sense for us to keep a separate team just to look at shipping services because there are periodic reviews. So, we have got a regulated industry's team as well as a team that looks after pricing regulation and when the need arises, we are

able to mobilise resources and undertake the review. There are instances where some reviews can be done easier, some reviews require a lot more time just because of the nature.

Recently FCCC has received a proposal from Energy Fiji Limited for review of electricity rates for which it is easier because generally EFL provides electricity only on three islands. But if you look at maritime shipping services, you are talking all the way to Rotuma and if anyone has been to Rotuma, it takes a good two and a half days to get there (I have been there twice myself). It is just that the commuting, if you take out five days to go out and do one consultation in Rotuma, it does take quite a fair bit of time so as such, the time taken to complete the review exercise, say for shipping services, would be much longer as opposed to say, food items or pharmaceutical items, so it is different. However, the underlying assumptions or the cost models that are used are not too indifferent which means, the people that we have are more than capable of undertaking the review and so no issues as far as human resources is concerned, Sir.

HON. M. BULANAUCA.- Mr. Chairman, it is good that you are reviewing your affordability by December this year. What about the cargo fees, you also do review that, I suppose?

MR. J. ABRAHAM.- Yes, passengers fare and freight rate.

HON. M. BULANAUCA.- You review it every what - four years or five years?

MR. J. ABRAHAM.- The last review was done in 2013 and the Order was reviewed again in 2016 and then the Order is subject to review again by the end of this year.

HON. M. BULANAUCA.- So, that review will probably have some bearing on the franchise as well, I suppose? How much franchise they charge?

MR. J. ABRAHAM.- Yes, and as such that is why we work closely with the Ministry of Infrastructure and Transport. We understand that there are different agencies doing different things. However, when you talk about affordability, issues of safety, issues of frequency and reliability of services; all of these things get factored into the cost which then get factored into the price, and as such whatever price is determined is a result of all of that. So we work very closely, and as I mentioned, we are part of the technical working group.

HON. M. BULANAUCA.- At the same time, you also need to recognise the return to the shipping operator.

MR. J. ABRAHAM.- Yes, of course.

HON. M. BULANAUCA.- In order to operate and give the service.

MR. J. ABRAHAM.- After the last review which was done in 2016, the market dynamics have changed quite a lot because a huge number of vessels that were just put out due to *TC Winston* and new vessels have been brought in at different costs. So all of these things will be factored into the review when we undertake the review. Also, the capacity of each vessel is considered, the number of people that they can sit, the amount of cargo that they can hold, the speed at which they can travel, the age of the vessel and the fuel cost. There is quite a lot of consideration when we look at different cost variables in arriving at what the fares should be and it is all by taking into account what is the appropriate level of return.

We also consider that when we do that, we also adjust for market risk. When I say market risk, for the businesses that operate shipping services, if you look at Venu Shipping Limited, during *TC Winston*, most, if not all of their vessels have, that is, they went out of market. It was just because they were damaged in the tropical

cyclone and as such an entity also operates in a market that is highly risky. As such, all those risks are factored in and say if there is a tropical disturbance then, of course, the boats cannot sail and because they cannot sail, the passenger, of course, arrives later but the money that the passenger pays does not get wasted. If you have paid to go to Lau today and due to a cyclone, you cannot go and you will have to go next week. Now the business will lose out that one week that they were not able to travel so there is a loss in revenue. So all of those things are adjusted. The model is quite comprehensive and as such all those things are taken into account.

HON. J. SIGARARA.- Thank you very much for your deliberation. My concern is that the Government is providing the service and the people do not know what we have there. What is the way where we can be closer? I was in Lau in the last Provincial Council meeting and the issue was raised. They paid \$500 for one pig to travel on the boat to Suva.

MR. J. ABRAHAM.- Expensive pig.

HON. J. SIGARARA.- It was very expensive, less than the cost of the pig itself. They also paid for fish. The fridge was there. When they unloaded the fish, they paid again. But they were told to provide the receipts. We need to work together because I know *iTaukei* thinking, they accelerate things. They just want their voices to be heard but I am surprised that nothing came to your Office. Your staff were there.

MR. J. ABRAHAM.- Yes.

HON. J. SIGARARA.- They need to provide receipts.

MR. J. ABRAHAM.- Yes, Sir.

HON. J. SIGARARA.- But the concern is, they do not know that we are there. The Government is there to assist them. Can we improve our awareness programme whether on radio or other means to advise them that you are there if people need help. I understand that you only have limited staff but this is a concern.

MR. J. ABRAHAM.- Sure, Sir.

HON. J. SIGARARA.- Another concern is the attitude of the passengers. I experienced this going to Vanua Levu. They use the whole seat to sleep and when we come, we cannot say, "Hey, move out from there." They have to sleep on the floor and that is usual for us going to Vanua Levu; no complaints.

HON. MEMBER.- Short periods.

HON. J. SIGARARA.- Yes, for short periods. But now for the long periods and peak hours, we came back 17 hours, so we went through 36 hours. This was the first time, you have been going there often, I think you are good at it. That is why I want to raise that concern; the awareness programme from the Government to the people on the ground regarding the issue of shipping service. That is what I want to raise.

MR. J. ABRAHAM.- *Vinaka*, Sir. In fact, we have noticed this quite often. We attend meetings. We also go on *Radio Fiji 1*, the *iTaukei* Programme and we are there almost twice a month. We do get calls and people give complaints, different things. Now when it is time to materialise the complaint and when we investigate it, eventually to lay certain charges, we have to take the matter to court and when we are going to court, and for Ms. Senikavika, before she became our General Manager, Operations, she was the Manager, Legal and one of the requirements that she can shed more light on is the evidentiary requirement in court. When you go to court, the complainants just will not turn up. Yes, they will complain that we have paid so much money for the pig, we

have paid this much here and we paid that much for one bag of *yaqona* or we have brought some mats and we have paid this much, but when we try and locate them, those are some issues. I will let her talk on that.

But with respect to the awareness programme, we do go on *Radio Fiji 1*. We also undertake inspections and awareness exercises. We have found that we need more presence on the ground and that is why we are initiating the MOU with the Ministry of iTaukei Affairs, so rather than having an officer based there full time, we will utilise the existing system where the *Turaga ni Koro* are able to then take complaints and pass them. Once a complaint is registered, we go and investigate and lay the necessary charges. Probably the GM can provide more insight on that.

MS. S. JIUTA.- Thank you. In respect of taking matters to court, well, that is correct. Not only do we have difficulties in locating the complainants but we also have difficulties in getting the complainants to give us their receipts. Like for instance, you have mentioned they have to first give their receipts then the cargoes can be released. Sometimes they give the receipts and they forget to give that back to the complainants so when they come and lodge a complaint at FCCC, we ask them for those documents, they are unable to provide that. So in terms of prosecuting matters, we try our best but also at the same time, we also need complainants to provide relevant documents to assist us.

MR. CHAIRMAN.- Thank you, CEO and the GM. You have provided healthy information today which will be very effective in our Petition. Thank you for coming and giving your submission. We will call you if we need further information. Thank you and *vinaka vakalevu*.

The Committee adjourned at 4.03 p.m.

The Committee resumed at 4.10 p.m.

**Interviewee/Submittee: Maritime Safety Authority of Fiji (MSAF)**

**In Attendance:**

- 1) Mr. Philip Hill : Acting Chief Executive Officer
- 2) Captain Tomasi Kete : Manager, Qualification and Licensing

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MR.CHAIRMAN.- Good afternoon, and we welcome you here this afternoon to our Natural Resource Committee Meeting.

To introduce our Committee Members, on my left is Honourable Peceli Vosanibola; on my far right is Honourable Mitieli Bulanauca; and close to me, is Honourable Jale Sigarara. We have members of our Secretariat staff: Ms. Akanisi, Ms. Marica and Ms. Leba; and we also have a Hansard Reporter and the media personalities are here.

We will not interrupt during your submission to allow the flow of your presentation but after the submission, then the floor will be open for Honourable Members if they have any questions. The request is, if you can introduce yourselves then start with the submission. Thank you.

MR. P. HILL.- Thank you, Mr. Chairman and Honourable Members of the Parliamentary Standing Committee on Natural Resources: I am Mr. Philip Hill, I am from Taveuni, and currently the Acting Chief Executive Officer (CEO) of the Maritime Safety Authority of Fiji; and to my left is Captain Tomasi Kete, he is our Manager, Qualification and Licensing, dealing with the qualification and licensing for all our seafarers.

We will just start with our presentation: Our presentation will begin with just a brief explanation on what are the roles of the Maritime Safety Authority of Fiji, what do we do and who we are?

The Maritime Safety Authority of Fiji is a Government statutory authority, under the Ministry of Transport, Disaster Management and Meteorological Services, and we regulate maritime safety, protection of the marine environment and security with regards to our international ports, domestic ports and our ships.

Just a very quick of a bit of history: The Maritime Safety Authority of Fiji became a commercial statutory authority in 2011, under the Maritime Safety Authority of Fiji Decree 2009. Previously, the organisation was known as the Fiji Islands Maritime Safety Administration (FIMSA) and we have adopted whatever was in that administration now into the current Authority.

What do we do? Surveying, registering and monitoring of ships within our waters and also we are responsible for standards of training and certification for seafarers. This is again with regards to the seafarers that come out of our Fiji Maritime Academy. We do all the syllables, checking and also we do the oral examination after they have passed the formal examination for Maritime Academy.

We are also responsible for the protection of the marine environments from ships pollution. Whatever pollution that is land-based, we work together with the Ministry of Environment to see how we contain whatever pollutant that comes from the land. But with the Maritime Safety Authority of Fiji, we have oil spill response equipment and most of our staff are also trained to attend to any oil spill that may emanate from the ships.

One of the recent cases which Honourable Members may know is the *MV Southern Phoenix*, that is in front of the foreshore. The oil spill response was done by the Maritime Safety Authority of Fiji until the company that was brought from abroad to extract the 170 tonnes of heavy fuel oil that was on board. You will note that



there were no complaints from the coastal areas within Suva Harbour from this oil spill and this is from the Maritime Safety Authority of Fiji oil spill response capability that we have.

We also audit our maritime service providers. These are the boat builders that build even the small boats. We do audits on these small boats to ensure that they are building according to standards, in a way it is a proactive action to reduce fatalities from boats which may be structurally unsafe from going out to sea and people are buying from these companies.

Maritime service providers also include those companies that service lifesaving appliances from ships. If you look at ships, you will see those conical shapes (the white ones), those are the life rafts, those companies that service also come under us.

There are other service providers that we audit, including shipping agencies. We do audit for them on the variable gross mass which is an international requirement that all containers are weighed and certified before they go on board international ships.

We are also responsible for communication and developments on all our wharfs (domestic and international), especially when there is any safety issue with regards to the wharf. Any closure or any repair works that is done on the wharf or if the wharf is out of operation for certain structural changes, we put out those communication to our stakeholders.

Also, the domestication of all our international maritime organisation conventions, for Fiji, we have signed up to 26 Maritime Conventions and we have domesticated those Conventions into our local legislation. So, most of our enforcement and administering of our local legislations are based on the international Conventions.

The implementation, monitoring and reporting of all International Maritime Organisation (IMO) instruments, for all of these Conventions, we have a reporting system to International Maritime Organisation, so the Authority also does that, and we provide service in administering and enforcing the law relating to the relevant IMO instruments, just to follow up from the last one. We maintain Ships and Seafarers Register, we have two different registers. One of the legislation that register ships is the Maritime Ship Registration Act 2013, those registers come under that Act for ships. We have two different registers:

- i) Register A; and
- ii) Register B (which is demarcated by a 50 metre ship's length).

We also have the Seafarers Register. All the seafarers that are qualified, they have the Certificate for Competency or Certificate for Proficiency or even both licences, they are registered under us. At the moment, we have registered seafarers. How many do we have?

CAPT. T. KETE.- We got about 2,000 in total, and for the small boat operators, we have got about 7,000 in total.

HON. MEMBER.- That is quite a lot.

CAPT. T. KETE.- Yes.

CAPT. P. HILL.- They are the registered ones.



HON. MEMBER.- Registered and Unregistered?

CAPT. P. HILL.- We can only check on the unregistered one when one of our enforcement compliance officer sort of catch up with him on the wharf or during their tours.

CAPT. T. KETE.- But definitely, there are unregistered operators as well but we go around doing awareness trying to get them on board to do the relevant training as part of our proactive action to reduce accidents and incidents.

We also represent the State on all regional and international matters relating to these Organisations. The first one is International Maritime Organisation (IMO). I have just returned from London attending the International Maritime Organisations. They call it the Marine Protection Environment Committee (MPEC). This Committee makes decisions on anything to do with the environment and this last meeting was to do with the Greenhouse Gases (GHG).

The reduction of GH Gases to 3½ per cent to the Year 2020 and then to the Year 2050 at zero per cent. So that discussion comes out from this body, which is a UN Body, and then they put out conventions where all the member States will comply to.

The other one is the International Aids to Navigation and Lighthouse Authorities (IANLA). This is the body that looks after the standards for all our aids to navigation. Our Aids to Navigation, these are the lighthouses, the beacons, the navigational buoys that you see around that is aiding the safe passages of ships.

Also, the Tokyo MoU looks after the Port State Control. The Port State Control means that we inspect all the international ships that come into our port. This is the regime, the Tokyo MoU, it is the Asia Pacific Memorandum of Understanding that looks after the area, we are a member also of that.

South Pacific Regional Environment Programme (SPREP): This is a regional one that is based in Samoa and the one in Nabua, the Secretariat of Pacific Community (SPC). We also attend meetings and we also collaborate for capacity-building for our staff.

Honourable Members, my apologies, we could not open the Organisational Structure, but under the Organisational Structure, we have the Finance Section which looks after our finance, then we have our HR Section which looks after all our HR responsibilities, then we have the Qualification Licensing Section (Division), which is headed by Captain Tomasi Kete. That looks after the Qualification and Licensing of Seafarers, and also the certification of the statutory documents of all our ships that we survey. We also have our Ship Inspection Division which looks after the survey of ships.

Under the Ship Inspection Division, we also have small craft surveyors which look after all our small boats, punts and the open boats that we normally use throughout the islands. These ones are looked after by another group of surveyors as well. The Ports State Control officers also come under that Division, to look after the regime on inspections of international ships that come into our port.

Then we have the Safety and Enforcement, Compliance and Response Division that looks after the enforcement side on all our domestic ports. So these Enforcement Officers look after the cargo loading and discharge on all these domestic ports to ensure that they are loaded according to what is on the certificate. So they prevent overloading and any breaches that may affect the safety of the ships.

Then we have our Policy and Planning Division, we have our Legal and our Data and Auditing Officer, also our Investigator on investigating marine accidents and incidents. They are separated from the Surveyors and separated from the Qualification and Licensing so that they have independence in conducting their investigation.

What was required on the *MV Brianna* regarding the two incidents that were highlighted, on the 11<sup>th</sup> of May, 2019, at 1030hours, there was a main engine failure at about 80 nautical miles East, South East of Nairai. So Nairai is slightly on the top and then you have Gau and the route was going towards Vanuabalavu, so they had an engine failure there. But they managed to recover power again on the engine and then they went around to Qaravi, where they unloaded the passengers and the cargoes, and returned to Suva on the 16<sup>th</sup>.

To date, the Vessel is still undergoing engine repairs and once they complete that, then they will notify the Authority where we will conduct another special engine survey, where we will run the ship out, again out of the Harbour, at full steam to see whether the power is really back to 100 percent. So that is how we recover those deficiencies.

The other one is *MV Liahona*, which is a famous one. On the 19<sup>th</sup>, also the ramp detached en route to Dravuni and down to Kavala. Again, the Vessel is currently detained because it does not have any ramp so we have stopped it from operation. Until they refit another new ramp, then we will again conduct the special surveys to ensure that the ramp is fully functional and is secure to prevent the incident from occurring.

Other Franchise Ships: We have five franchise ships in total. Two are detained at the moment.

The next one is *MV Liahona I* which is 38years old and is also under going survey, it is not in operation. You will note that *MV Liahona* is there to serve the Lower Southern Lau. This is one of the smallest, out of the vessels that are there, but that is the only one that applied through the Franchise Scheme hence that is why they provided *Liahona* that franchise route.

The other one is *Lomaiviti Princess*. This is the only one that is in operation and it is a 39 year old Vessel, belongs to Goundar Shipping and serves Yasayasa Moala.

Then *MV Uluinabukelevu*, which is 18 years old. It is probably the youngest out of all the five franchise vessels, but is still in an incomplete state, it is still undergoing survey. The *Princess Civa*, of course, is 32 years old, is also undergoing survey. So out of the five, only one is operating at the moment on the franchise route.

Our future plan is to also reduce accidents and incidents. You will note, Honourable Chairman and Honourable Members, that we have quite an aged fleet with us at the moment. We have inherited from the previous organisations but we are trying to put in measures to try and minimise accidents and incidents of these old ships. We have enforcement of safety management system which has not been applied into any of our ships, some they apply part of it. It is like a quality management system for ships, whereby there is a trail of what is being done, what has not been done, who is responsible for what, and when there is an accident, you will be able to track who has not been doing their duty, and it also ties in the shipowner. The shipowner also has a quality management system that ties in with the ships management system. So this is one of the systems that we are introducing and by 1st July, we will enforce it. It is already being implemented now and then enforce, meaning that we are already conducting auditing on all these ships, to see that they are already putting the system in place.

The other one is the reduction of age of secondhand import of ships to 15 years. In the current legislation, we have cut-off of 20 years. However, it also has an opening where any vessel above 20 years, after an assessment from the Authority, we can make recommendation to the Minister to import these vessels. So we do not have a clear cut-off, we still have opening on vessels that are older than 20 years, that can still be imported into the country. What we are planning to try and ask the Government is, if we can reduce it to 15 years. Of course, this

will also require some incentives from Government for shipowners to be able to afford to purchase ships that are less than fifteen years.

De-registration of ships; again we have to have a cut-off year for ships operating within our domestic waters. At the moment, we have some ships that are already 55 years old and they are still operating, but we will try and put in stringent measures.

With the older ships, we put in stringent measures, for example, the new ones, they go through a four-year cycle for survey whereby the four-year cycle have periodical surveys. Within those four years, on the fourth year, they go up on the dock because they are new ships, but the older ones, depending on what age bracket they are, anything above thirty years, we will be going on the slip every year with stringent measures on the inspections, because with any ship that is built, after twenty years, the strength of the steel is not all there because of the chemical reaction that has gone into the steel, there are some movements in the steel atoms.

HON. MEMBER.- And your survey will identify all that.

MR. P. HILL.- Our survey, we can only check the current status of the steel, so usually when there is a wastage meaning the steel has wasted for over 20 percent, and that steel needs to be replaced. So if the steel thickness is 10 millimetres, if 20 percent is wasted from that 10 millimetres then that whole plate needs to be changed. That is the way it is done.

The deregistration of ships exceeding 55 years old, of course, they will undergo full survey to justify that that ship is not safe and domestic ships to have insurance cover. With our aged ships, it is highly unlikely that any insurance company would like to provide cover for insurance. Again, that ties into the years of ship that is brought in to our country.

The introduction of sea route licensing is similar to what we have with the bus route, so we license each route, for example, the Nabouwalu-Natovi Route; that will be a licensed route, and this only applies to the commercially-viable routes.

The non-commercial routes or the uneconomical routes which are covered under our franchise scheme is not included in the sea route licensing.

Other initiatives on the review of our maritime legislation, we have two primary legislation; the Maritime Transport Act 2013; and the Ship Registration Act 2013; and the subsidiary regulations that come out of that, we have 34 regulations, so it quite a big volume of legislation whereby the stakeholders need to also understand.

Looking at the legislation, there are some areas where we need to review to make it more practical to our situation and more effective to enforce.

We are also looking at bringing state-of-the-art equipment for our surveyors to fully check the ship and get a better understanding of what the ship status is.

We are also reviewing our internal standard operating procedures to include stringent measures. Stringent measures here means if there is a ship that comes in and there is one engine which is not working, usually there is always time given for them to repair those engines and on occasions based on the previous administration, the ship has been allowed to run on one engine until they fix the other engine, but the stringent measures that we are talking about here, if there is one engine that does not work, the ship is stopped from travelling because the ship is designed to run on two engines. Two engines are supposed to be operating, so those are just an example of stringent measures that we will put in place.

Another one, maybe a simple one like if an anchor is dropped and then it breaks the chain, they cannot recover the anchor. As soon as they come in, they are told that they are not going to proceed until they get another anchor.

Review and update of teaching syllabus aligned to Standard of Training Certification for Watch Keeping of our Seafarers (STCW) as amended: As I have alluded to earlier, we look after all the syllabus that is provided by the Fiji Maritime Academy, so we vet all those syllabus and that it is according to that standard and we agree that they run those courses.

Installation and maintenance of aids navigation: This is also one of our big responsibilities. We have within our waters 1,400 beacons to maintain and at the moment we have 84 lighthouses. That is it, Honourable Chairman and Honourable Members.

HON. M. BULANAUCA.- Honourable Chairman, thank you for the presentation. It gives us assurance that our boats are well here in Fiji, also the record too is good. Thank you for looking after our ships and particularly the licensing conditions that you fulfil.

One thing that bothers me if I go out there and having a look at the two boats, particularly the *MV Liahona* that travels far right to Ono, I just fear and a bit frightened when going inside there, the congestion that is there, insufficient areas for the passengers to move around, et cetera. Can you just comment on that, particularly, seaworthiness, I suppose?

MR. P. HILL.- Thank you.

HON. M. BULANAUCA.- I feel a bit better with the other one, *MV Brianna*.

MR. P. HILL.- Yes, Sir, definitely, you are correct, Sir. With some of our vessels, it drives fear into the passengers that travel in them. We are now working with the franchise team in the Ministry of Infrastructure and Transport to re-look at these vessels where, for example, the one that is going right down to Ono-i-Lau. I think it is one of the smallest vessels that is in the franchise scheme. We have just recently looked through its documents and we will have to review its operational area and from what I have seen so far, we do not think that we will give them that operational route because of the size and the distance of the journey. I hope that answers your question, Sir.

HON. M. BULANAUCA.-Yes, thank you, also because that was part of the complaint in the Petition.

MR. P. HILL.- Yes, Mr. Chairman, just to add to that, yesterday I was called up as a party to the Committee that picks the franchise scheme for the Yasayasa Moala, I know that we have all the documents sitting in front of us, so yesterday I asked the Committee, it was the first time for me to be part of that Committee also, it is best for them to go and see the ship for themselves rather than just viewing the documents in front of them. So I think there was a change of heart when they went down to the wharf yesterday to see the ships that they will be picking for the franchise scheme. Thank you.

MR. CHAIRMAN.- For *MV Liahona*, there is no seating arrangement, it is just an open space there. It is just like there are no seats, nothing, just an open space. Do you have anything to say on that?

MR. P. HILL.- Thank you, Sir, like I have mentioned, we have inherited this from the previous administration and from the review that we are doing, we are restricting them from those long routes. They have



taken out the seats to accommodate those long routes so the passengers can lie-down but definitely the vessel is too small for the route based on the distance and the elements that are out there along that route.

HON. M. BULANAUCA.- I see here 15-year old ships. I am a bit worried about the ones going over 35 years and up to 55, maybe I am a *kai Colo*, I do not know much about the boats but I see that you have stringent surveys on the way.

CAPT. P. HILL.- Yes, Sir. Definitely, you are right. I am also worried about those aged vessels hence putting in those stringent measures because we cannot just take them off service. We will also have to think of the operators but at the same time, we will ensure that safety is not compromised on these ships. Safety is always paramount and that is the reason for us giving more stringent measures. With the ship operators, they are coming back and they are saying that you are changing the law but the law has not changed. The law has been there. We are just enforcing it more to ensure that these ships are safe, especially when they are aged.

HON. M. BULANAUCA.- Especially, the *qaloqalo*, if something happens ....

HON. J. SIGARARA.- Sir, thank you for your deliberation. I am thankful for your interest in this industry because I think from Lau, from Taveuni, you know better than us. The last presentation is from Lau also and I think he has experienced what we are facing. The 55-year policy, this is a policy laid down by the Government and it is followed now. We cannot go out from there unless anything happens. Another thing is, because incidents happen, we cannot stop it because nature is there. Once it is checked, it goes out into the sea and what is faced in the sea, that is another issue.

I am glad that the Ministry has done much for us, the people who rely on the boats for their transportation especially for the islands like Lomaiviti, Lau, Kadavu and some parts of Vanua Levu. I am glad for what you have done so far with regards to safety. My point is, when you do your marine check, it is on a yearly-basis, the licence like vehicles and when they go on a trip, they have to check. You have the power to stop a boat, even at the last minute if you deem it unsuitable. I think you have that power.

CAPT. P. HILL.- Yes, Sir, we have the powers to detain ships.

HON. J. SIGARARA.- Yes. That is why I am putting this up. I think from your part, what you have presented today, it is very well-received by the Committee. Apart from that, the protection of the ocean because we deal with matters relating to natural resources and all the time we forget you, but now when you mention that you are also involved in marine protection, I think we will be working closely. Next time we can do a CEO report because your report is going to other Committees and we never view it. I am glad about that matter, Sir. Thank you very much for your service to the Government, *vinaka vakalevu*.

CAPT. P. HILL.- Thank you very much, Sir. Just going back to the survey of the ships, we have periodical surveys for all the commercial vessels. They are surveyed every six months. So six months period, they are surveyed and there are various surveys until the second year, they go up the dry-dock so that is the full dry dock survey again. After six months, then another survey and every six months for commercial vessels. But for fishing vessels, they are surveyed every year because they only go out fishing, they do not carry passengers. The risk is not as much as vessels carrying passengers. For privately-owned vessels, they are surveyed every three years. So if you own a boat and it is for your private use then you are surveyed every three years. It is staggered to three years because of the safety equipment that is required for the boat which expires after three years. So after three years, we do another survey then all the expiry lifesaving apparatus that is on board are removed and then the new ones put in.

HON. J. SIGARARA.- Who does the survey because there are experts there? I heard rumours about the ship that went to Kadavu, who does the survey?

CAPT. P. HILL.- Thank you, Sir, for that so we can clarify it. With all our new surveyors, they undergo training, so we do not give them any solo survey. They will undergo training for the number of ships that they need to do under training; some of them have to do 60 ships with a trained surveyor. So after that they will sit an oral exam and then they run through the legislation, see if they are familiar with the legislation, if they are not, then they have to continue their training. So we have that training programme in-house but definitely with your question, Sir, that was surveyed by a qualified surveyor.

HON. P.W. VOSANIBOLA.- Thank you, Acting CEO. I think in the last week's Parliament session, the Honourable Minister for Infrastructure, Transport, in response to the mishap of the *MV Liahona*, one issue brought up was that there will be a need to review the quality of officers within MSAF, but you have answered my question on the issue of training to be done. Thank you.

CAPT. P. HILL.- Thank you, Sir.

HON. M. BULANAUCA.- Mr. Chairman, I am still a bit worried about this insurance thing, I am not too sure whether all these boats are insured (the passenger ones) over 30 years or whatever. What is the implication of vehicle going in there and if something happen regarding insurance? Can you just elaborate on that?

CAPT. P. HILL.- Thank you, Sir. With most of the ships, whatever ship that is insured, they are insured only for cargo and maybe the hull of the ship. But passenger wise, I am not too sure whether they have those insurance because according to our legislation, we do not require them to submit to us the insurance that they take out. But we are trying to ask the Ministry if we can make it a policy that they have insurance covers for even passengers, cargoes, the hull and machinery of the vessel, including the removal of wrecks because some of these ships when they are wrecked, they just declare bankruptcy and then the State again is responsible to remove these wrecks.

MR. CHAIRMAN.- Thank you, Mr. Hill. Coming back to the Petition by the Honourable Anare Jale, the *Marine Vessel Liahona*, it is not in a running condition now or is it still going to the Lau Group?

CAPT. P. HILL.- Thank you, Mr. Chair. It is not in a running condition now. It still undergoing repairs to rectify all the defects that were there on board. But also we have reviewed the file and we will adjust the operational area. So, going right down to Lau, it is an open operation where under our grading, it is a 3D where it can operate anywhere in Fiji waters. But we had reviewed that and there is an understanding that we will need to reduce the operational area; one, because of the age; and two, because of the size of the vessel. So, that will come to our near coastal waters, meaning that it will just go around our coastal area.

MR. CHAIRMAN.- So, it will not be going far as Lau.

CAPT. P. HILL.- It will not travel to those long distances.

MR. CHAIRMAN.- The next question I would like to ask, in regards to *MV Brianna* as it is stated, what is your view on this statement that the ship is old, lacks comfortable space and cabin for passengers and insufficient space to hold dry cargoes and refrigerated goods? What do you have to say because for now *MV Liahona* is going under repair.



CAPT. P. HILL.- For *MV Brianna*, on the lack of space, I am not sure about that because they are only there to load to a certain amount. They cannot load over because we normally check the water line under the plimsoll mark. If that is below the water line, then we will detain the ship and they have to unload the cargo. So, for space-wise, that vessel has been operating for years and it has been taking cargo (building materials, et cetera).

MR. CHAIRMAN.- The passengers are all right?

CAPT. P. HILL.- For the passengers, we have re-calculated the passengers and we have reduced the passenger numbers. The Company was not happy but because of the complaints of overcrowding, I had to send the surveyors back in, relook at the space and re-calculate the passenger numbers. So, we have reduced the passenger numbers also.

MR. CHAIRMAN.- Why I have asked this question, I wanted your view because that is a Petition that has come to us on the lack of space and all those things. We understand about this and we have visited both boats. *MV Brianna* seems to be all right, our only concern was the *MV Liahona* which is a very small boat and no seats. So, we have got your views on it and what you are doing to the ship, so we are happy with that.

CAPT. P. HILL.- Thank you, Mr. Chair.

HON. M. BULANAUCA.- How many passengers does *MV Brianna* carry?

CAPT. P. HILL.- I cannot give you the right number but I understand that we have reduced it by almost 40 passengers.

MR. CHAIRMAN.- No problem. You can send that information across to our Secretariat staff.

CAPT. P. HILL.- Yes, we will be able to give you the passenger numbers.

MR. CHAIRMAN.- I understand that it is only during peak period where you encounter problems like that; perhaps during the Christmas and Easter seasons. Other than that, I think only 40 to 60 passengers are boarding.

CAPT. P. HILL.- Yes.

MR. CHAIRMAN.- So, we do not see much of the problem there.

CAPT. P. HILL.- It is good you brought that up, Mr. Chair, because the peak period we definitely are challenged. So, we have to go outside our scope. We do access control on the wharf. So, only those with tickets they enter the wharf to board the ship because there can be maybe 60 coming to board the ship and then you have about another 150 coming to say goodbye. So, that tends to crowd the wharf area and then, you know, the risk of having accidents is really high, especially when they are loading at night. So, we do those extra measures during the peak period.

(Vote of thanks – Mr. Chairman)

CAPT. P. HILL.- Thank you, Mr. Chair and Honourable Members.

The Committee adjourned at 4.56 p.m.

- 1. MINISTRY OF INFRASTRUCTURE,  
TRANSPORT, DISASTER  
MANAGEMENT AND  
METEOROLOGICAL SERVICES**
- 2. MINISTRY OF RURAL AND  
MARITIME DEVELOPMENT &  
NATIONAL DISASTER  
MANAGEMENT**
- 3. MR ENELE MALELE**
- 4. MR TEVITA TUIKABARA**

**STANDING COMMITTEE ON**  
**NATURAL RESOURCES**

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*[Verbatim Report of Meeting]*

**HELD IN THE**  
**COMMITTEE ROOM (EAST WING)**  
**ON**  
**THURSDAY, 23RD MAY, 2019**

**VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON NATURAL RESOURCES HELD IN THE SMALL COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS ON THURSDAY, 23<sup>RD</sup> MAY, 2019 AT 9.40 A.M.**

**Interviewee/Submittee: Ministry of Infrastructure, Transport, Disaster Management and Meteorological Services**

**In Attendance:**

- |    |                           |   |  |
|----|---------------------------|---|--|
| 1) | Mr. Taitusi Vakadravuyaca | - | Permanent Secretary                          |
| 2) | Mr. George Tavo           | - | Deputy Secretary, Operations                 |
| 3) | Mrs. Lesi Vuatalevu       | - | Acting Director, Transport and Planning Unit |

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MR. CHAIRMAN.- Honourable Members, we welcome the Team from the Ministry of Infrastructure and Transport this morning.

(Introduction of Committee Members, members of the Secretariat staff and the media by Mr. Chairman.)

Mr. Permanent Secretary, the floor is now open for you to make your submission. If you can introduce yourself and the Team then continue with your submission this morning. Thank you.

MR. T. VAKADRAVUYACA.- Good morning, Mr. Chair and Honourable Members of the Parliamentary Standing Committee on Natural Resources. As per directive from the Committee, we are present this morning from the Ministry of Infrastructure, Transport, Disaster Management and Meteorological Services to report on the Petition for Government to provide reliable, safe and affordable shipping services to the Lau Group.

(Introduction of Team by Mr. Permanent Secretary.)

MR. T. VAKADRAVUYACA.- Before we go to the actual presentation proper, I would like to provide a brief to the Committee on the roles of the Transport Planning Unit and some of the issues or challenges and the vision of the Ministry and the Government in terms of the Franchise Scheme.

Under the roles of the Transport Planning Unit, it was established as a means to strengthen the capability of Government to better coordinate transport planning, monitor policy and development in the transport sector and advice, strategic planning and coordination and investment programming assistance.

The overall direction of these activities is guided by the inputs from the external reference groups comprising of representatives of key stakeholders in the transport sector, primarily through the National Transport Coordinating Committee and the National Transport Consultative Forum.

The Transport Planning Unit is responsible for policy, administrative, regulatory and operational service to Government, transport statutory authorities, the private sector and the public at large, through the following:

- To ensure that the respective sectors are provided essential policy, regulatory development, monitoring and support services;
- To constantly review sectoral policies and regulations with the view of upgrading all services provided to the sectors;
- To effectively introduce best practices with the aim of improving the quality and standards of the core sector, thus providing our customers with the highest possible services.

The Transport Planning Unit has been tasked to progress and fulfil aforementioned initiatives.

Under the information on the Government Shipping Franchise Scheme, this was established in 1997 with its main aims to:

- introduce a shipping service to service uneconomical sea routes to maritime islands which would otherwise be un-serviced;
- promote private shipping operators and internal traders for movement of cargos and goods;
- encourage the transportation of maritime public between outer islands and major urban centres; and
- incentivize transport operators through the support of Government subsidies to service uneconomical routes.

The Government Shipping Services is provided a total budget allocation of around \$2.3 million for the financial year of 2018 to 2019 to accommodate subsidies for the nine economical routes in Fiji.

These nine routes, with their respective subsidies, are:

- Northern Lau (the Government provides \$18,000 a month per trip in this area);
- Yasayasa Moala (\$11,000 per month per trip);
- Upper Southern Lau (\$13,000);
- Lower Southern Lau (\$18,000);
- North Eastern Vanua Levu (\$13,500);
- Lomaiviti (\$11,000);
- Kadavu (\$9,000);
- Yasawa (\$7,000); and
- Rotuma (\$25,000).

Five, out of the nine routes highlighted above, are serviced twice a month. These are: Northern Lau, Yasayasa Moala, Upper Southern Lau, Lomaiviti and Kadavu. The remaining four routes are serviced once a month.

The contract duration of this Government Shipping service providers through the franchise scheme: the contract duration of the vessel (that is between the Ministry and the company), is two years. The contract period is subject to a performance review of six months to ensure adherence to terms and conditions of the contract.

Current Franchise Routes and Status of the *MV Brianna*: The *MV Brianna* is registered under the Victoria Marine Limited and is currently serving the Rotuma Franchise Routes and the upper Southern Lau and the Northern Southern Lau.

The *MV Liahona* is registered under the Britain Holdings Limited and is currently serving the lower Southern Lau and the Kadavu route.

In its endeavour to have quality service and enhance passenger satisfaction and improve the user experience of franchise services, the Ministry ensures that the level of quality of service is adhered to by the vessel operators. The quality of service through the quality assurance criteria are as follows;

- Availability of vessels;
- Accessibility for the elderly and persons with disabilities;
- Information on trips and routes;

- Timely service;
- Customer care services;
- Comfort;
- Security;
- Environment management; and
- Vessel facilities maintenance and care.

Vision of success for the shipping industry in Fiji: The Vision of the Ministry in terms of the Government Shipping Franchise Schemes; the 5-year and 20-year Fiji National Development Plan states its strategic priority of providing a safe, efficient, reliable, and affordable shipping services to Fijians.

Given our geographical dispersion, improving inter-island sea transportation is essential for livelihood, trade and commerce. The private sector plays a lead role in providing domestic shipping services, including both passenger ferries and freight services over the past years. The number of vessels has increased and the frequency of services has improved.

An extended contract of around ten years is currently being proposed as an incentive to provide collateral for private sector investments in new ships for services to uneconomical routes under the franchise scheme. Government will also continuously review the subsidy rate, passenger fare and freight charges in line with cost structures. More investments will be undertaken in the acquisition of new vessels to boost Government Shipping Services' (GSS) fleet under the Director, Government Shipping Services, to support development projects and for passenger transportation, especially in the maritime islands.

Now, I go to the presentation that has been provided to the Natural Resources Committee on the details of the Government Shipping Service Franchise provided by the Ministry. Just to reiterate the roles of the Ministry of Infrastructure, with the view of transforming the lives of all Fijians, the Ministry develops robust policy, planning, design, regulatory, coordination for the implementation of resilient infrastructure, affordable energy sources and sustainable transport networks.

The Vision is: To transform the lives of all Fijians through Infrastructure and Transport development.

Our Mission is to:

- Achieving higher economic growth and prosperity for Fiji through sound advice and service delivery by providing;
  - Quality sustainable infrastructure;
  - Safe dynamic transport systems;
  - Safe clean water; and
  - Affordable energy sources.

Department of Transport Planning Unit:

The role is to:

- Better coordinate transport planning;
- Monitor policy and development in the transport sector;
- Strategic planning and coordination, investment and programming assistance

Responsibilities:



- Policy, administrative, regulatory and operational services to Government;
- Ensure provision of essential policy;
- Review sectoral policies and regulations;
- Effectively introduce best practices.

Government Shipping Franchise Scheme:

Just a brief background on how it came to being: The Government Shipping Franchise Scheme, as mentioned earlier, was established in 1997. It was based on the 1993 Fiji National Transport Sector Plan and Government assistance in the form of subsidies. Nine routes were identified under the scheme; 14 trips undertaken in a month with six shipping services, including the Government Shipping Services have been provided; checks have been done to the ships through the Maritime Safety Authority of Fiji (MSAF); and Government has provided \$2.31 million on an Annual Budget for this Franchise Scheme to be able to be operating.

Also as mentioned earlier, the objectives under the Government Shipping Services were to:

- introduce a shipping service to serve uneconomical sea routes to maritime islands which would otherwise be un-serviced;
- promote private shipping operators and internal traders for movement of goods and cargoes; and
- encourage the transportation of maritime public between outer islands and major urban centres.

Just looking at the movement of trends from 2015 to 2018, looking at the cargo you can see that from 2015 to 2018, there has been an increased movement, both inward and outward of cargo tonnage, also from looking at the passenger movement in terms of the value of this Government Franchise Scheme, looking at 2015 and 2016, the number of passenger movements within these outer islands and the main centres.

Now, looking at the current status of the contracted vessels: The Northern Lau is also serviced by *MV Brianna* in the Northern Lau area. The route is serviced by two companies, *Lomaiviti Princess II* and *Brianna*. You can see in the picture, the route ships take and the islands that they look at, in terms of Yacata, Vanuabalavu, Cikobia, Tuvuca and Cicia; five Ports of Call (POC) and the subsidy by Government on this individual trips is \$18,000 per trip per month.

Looking at the Upper Southern Lau, seven POC, ships travelling are the *Brianna* and *Civa*. They travel to Vanuavatu, Lakeba, Nayau, Oneata, Moce, Komo and Namuka-i-Lau, and for all these trips, the Government is subsidising \$13,000 per month per trip.

Looking at Southern Lau, five POC serviced by *Liahona*. Again, it goes to Ono-i-Lau, Vatoa, Ogea, Fulaga and Kabara. The Government provides \$18,000 per month per trip for this service.

As mentioned earlier, the Transport Planning Unit is making sure that the quality of assurance is maintained through these service providers:

1. Ensuring that the vehicle is available;
2. The needs of the passengers are accommodated;
3. The information of the trips is timely; and
4. Customer-service is brought up to standard with security and the maintenance of vessels, working very closely with MSAF and the ship operators.

Looking at the way forward for the Government, there is a proposal for us to extend the contracts between the Government and these shipping operators to 10 years to provide incentives and space for economical development and also ensure that new ships are enabled to be brought in through these long term contracts with the shipowners. The focus is for safe, efficient, reliable and affordable shipping services and also improve on their current budget of the franchise to around \$3.5 million; approve the increase in subsidy rates and also the concept of the commercial hub, which I will ask the Director, Transport Planning Unit to stress to the Committee this morning.

MS. L. VUATALEVU.- Morning, Mr. Chairman and Honourable Members, thank you. Just to take you from what Mr. Permanent Secretary has explained regarding the franchise scheme: For the commercial hub concept, this is something that the Department is working on and have done a concept paper or a proposal to be piloted in the Eastern Division, looking at the Lau Group.

Because of the distance of the islands in Lau, it is too far-out and it is uneconomical in nature, the proposal is that, to have a Government vessel based in Vanua Balavu, which is proposed to be the port of entry and also to be the hub for that proposed piloted project. It goes in such way that this government vessel will be visiting each islands on a weekly basis in terms of obtaining or promoting economic activities within these islands and then bringing to Vanua Balavu as a port of entry or as the hub and then there is this direct vessel with capacity from Suva that goes directly to Vanua Balavu and then back to Suva for trading purposes. That is very roughly and very briefly what the commercial hub concept is about.

MR. T. VAKADRAVUYACA.- The Honourable Chairman and the Honourable Members of the Natural Resources Committee, that finalises the presentation of the Ministry as per the request from the Honourable Chair and the Honourable Members of the Committee on Natural Resources, thank you very much.

MR. CHAIRMAN.- Thank you, and now the floor is open for the Honourable Members if they have any question to ask.

HON. M. BULANAUCA.- Mr. Chairman, thank you for your reports as submitted here in writing, also clarified already as you have just done. A very interesting point that has come out with regards to the commercial hub and now you are concentrating on Vanua Balavu. What about Lakeba and the other areas in Lau? Are you going to replicate that later, I suppose?

MS. L. VUATALEVU.- Thank you, Honourable Member. The recommendation to propose for Vanua Balavu is also taking queue from this discussion that is being ongoing with the Prime Minister's Office suggesting that Vanua Balavu be the port of entry given its viability in terms of overseas yachters coming into that area. There has been discussions going on with relevant stakeholder: the FRCS; the relevant agencies within Government, that is the Ministry of Economy, the Prime Minister's Office, and a Cabinet Paper has also been formulated to this effect, so basing from that discussion, the team is just around that thought - why not? Because Vanua Balavu is being proposed to be the port of entry, in that sense, it can also be used as the hub, given its potential in terms of the jetty infrastructure at Lomaloma right now. It is the viability that we have at the moment that is basing around the nature of the proposal.

Yes, Honourable Member, because that is why we are proposing to have a Government vessel based at Vanua Balavu to be visiting those far-out islands.

HON. M.R. LEAWERE.- Thank you, Honourable Chairman, I just walked in and I just heard the gist of what has been said by the lady, probably in addition to what Honourable Bulanauca has just asked, Honourable

Chairman, and that is the issue of the commercial hub. You mentioned about Vanua Balavu, what would be the challenges that you envisage in terms of introducing this concept in terms of shipping?

MS. L. VUATALEVU.- Thank you, Honourable Member. It is a concept paper so in that concept paper, we have also highlighted the challenges or the risks that we may encounter. This is in terms of the vessel availability, the potential of economic activities because this is something that is being discussed also with the Ministry of Agriculture, in terms of promoting agriculture activities in these outer islands.

In our franchise scheme, we have observers who go out in these trips to get information or data and in those data, we see the viability of these islands in terms of agriculture produce, so this is something that we need to promote with the Ministry of Agriculture on the initiatives that Government has in place in these outer islands and also that can be well used by the transport services that we have in place.

HON. M.R. LEAWARE.- Just a further question, Mr. Chairman: Permanent Secretary, I see that in your slides you mentioned something about the *MV Liahona* and the cargo capacity was 217 tonnes. On the fateful trip that it took that day, was it over the tonnage or were they within the limits or maybe it is the MSAF that has to answer to that? Thank you, Mr. Chairman.

MS. L. VUATALEVU.- Honourable Member, for that trip that you have just mentioned, that was undertaken by *MV Liahona II*, that is not a franchise vessel but that was a private run that was just undertaken by the Company. *Vinaka*.

HON. J. SIGARARA.- Mr. Chairman, first of all, I would like to thank the Permanent Secretary and the team for their presentation which is very clear and really connected to the Petition that has been put in place regarding trips to the Lau Group, "... be able to provide reliable, safe and affordable ...". I think what you have presented here is really clear and it shows the way forward regarding the safety in the boat. We visited the boat yesterday and there were defects in the service, toilets and the bathrooms but what has been put in place by Government, it might assist them to improve their boat. The question is regarding the money given to the franchise, what is it based from? For example, the mileage.

MS. L. VUATALEVU.- Thank you, Honourable Member. Currently, the subsidy that has been paid out is 30 percent of the operating cost. So, the Ministry is proposing for an increase in subsidy that would be viable for the operators to actually undertake those trips more frequently or at a viable level.

MR. CHAIRMAN.- To provide better service?

MS. L. VUATALEVU.- Yes, to provide better service. The current formula that has been proposed is considering the nautical miles for all those uneconomic islands with the average cost of that total operating cost, or simply put, nautical miles with the operating cost.

MR. CHAIRMAN.- Can I ask one question: The one which you are giving \$18,000 per trip, do you have any idea like the cost of the fuel for one trip, what may be the likely average fuel cost of one trip because there are other costs included, like the crew, et cetera, but I am interested in knowing what may be the average fuel cost for one trip?

MS. L. VUATALEVU.- Thank you, Mr. Chairman, can we get back to you on the fuel cost for that particular trip?

MR. CHAIRMAN.- Just get the average cost because according to them, they are saying some figures are like \$8,000 and \$9,000. We want at least for one year, what may have been the average cost of the fuel? That is what they are saying, that fuel is very expensive, so I am a bit interested to know what may have been the cost

of the fuel. We heard about it, now we are hearing it from you that it is in the pipeline for franchise to be bridged so that they can provide the services.

Secondly, we can see that to extend the contract period, so they will be able to get new ships for providing better service because one or two years, the banks too will not give any loan. So since it is in the pipeline, it is a good thing that for 10 years, they can buy a new ship and they can provide better service to our outer islands. Thank you. Any questions? Yes.

HON. M. BULANAUCA.- Mr. Chairman, one question about jetties. There has been a lot of complaints about jetties which not all the islands have. I mean to say whether we can put all the jetties in all the islands but maybe uneconomical. What is your proposal for putting more jetties so that the shipping service can be more effective? Just go there, load, unload and come back before the low tide. Just in there, load and unload, that is all bringing about efficiency. Thank you.

MR. T. VAKADRAVUYACA.- Thank you for the question, Honourable Member. In terms of the programmes on the jetties, it comes under the Fiji Roads Authority. They have got their jetties programme which is also a capital works programme in place. There is a list of jetties that need to be improved. There is a list of jetties that need to be constructed. We have already submitted those lists to the Ministry of Economy for consideration. As per decisions made, priorities have been given to all areas that need to be looked at, especially we are looking at the serviceability levels of the current jetties that need to be repaired first before looking at new jetties. So we are limited with those sort of boundaries. Thank you.

MR. CHAIRMAN.- You have said that you are looking for the Government vessel to be based at the main hub which you are proposing to be Vanuabalavu. How long are you looking at, maybe say one year, two years, three years?

HON. M. BULANAUCA.- The sooner, the better.

MS. L. VUATALEVU.- Thank you, Chair. We maybe looking at one year, max.

MR. CHAIRMAN.- One or two years.

MR. T. VAKADRAVUYACA.- One or two years, yes.

MR. CHAIRMAN.- Maybe two years because it will take time, getting the approval, having the jetty ready and ....

MR. T. VAKADRAVUYACA.- I think one needs to also understand, Mr. Chair, that these franchise boats when they travel, say to Ono i Lau, there are only about six or seven passengers that are travelling and that needs to be understood in that context, in terms of trying to organise development around that in the maritime islands. When you look at the economical areas in terms of agriculture, the Vanuabalavu hub will be more of a centre where things could be taken from, and where markets, exchange could be done around that area. So that is the basic concept around it. Looking at going to one island, in Ono i Lau, for example, with four passengers or seven passengers, that is where the challenge is, as questioned by the Honourable Member on what are some of the challenges around this area.

The scheduling of trips to these islands depends on the travelling public. The Ministry of Agriculture and other stakeholders need to come on board and work together on this to ensure that these trips become economical,



both in terms of economical development and looking at the concept of the hub is something that we are moving towards.

As for the timelines, the quicker, the better.

MR. CHAIRMAN.- We will have two more questions. Yes, you can go ahead, Honourable Jale.

HON. J. SIGARARA.- The tender - contract for boats. Now, you are thinking of extending that contract to 10 years. Do many companies apply for tenders?

MR. CHAIRMAN.- I think he is talking about the big franchise.

HON. J. SIGARARA.- Franchise, yes, when they advertise, because some boats are not in good condition or state?

MS. L. VUATALEVU.- Thank you, Honourable Member. We do receive competitive bids. The Ministry tenders out, invites open bid to all the potential operators and they will put in their bids but for the Franchise Scheme, because of its uneconomical nature, the common bidders are the operators that we currently have in place at the moment. These are mostly the bidders to these routes. So, when we talk about the lower Southern Lau, we only have one bidder to that route when we advertised, no one is interested.

HON. J. SIGARARA.- But sometimes you have no choice but to take the one that comes in.

HON. M. BULANAUCA.- You mentioned about Government ships doing all sorts of services, how is that measured, because you really do not want to undermine the private shipping services that are there. You might take some passengers for probably only at odd times, may be when you are doing infrastructure development in certain islands then you go there and take some passengers as well. I am not too sure how that will impact on the private shipping services? Government ships themselves take passengers and cargoes, et cetera?

MR. T. VAKADRAVUYACA.- Usually, the Government Shipping Services provide its services to the Government Ministries in terms of the projects that are implemented in the islands. Also GSS provide to the public if there is a special occasion or things are on hire. Also GSS comes in to help the franchise if there are issues within their boats. For example, currently the two ships that are not servicing the Rotuma and Kadavu trips, GSS is coming on board to help in terms of that.

MR. CHAIRPERSON.- I think what you have said, Mr. Permanent Secretary, under our Constitution, Section 34, I think it says there that the Government has the right to provide transportation where it is not economical. It will be better for the Government to provide that, as you have said, in Vanua Balavu, I am happy with that, that if the Government provides and they did not want to hear because these private ships are not getting much profit out of it, that is what they are saying.

So, if the Government provides a service it will be better for the private shipping not to go there. So, under the Constitution, it says that the Government has the right to provide transportation to every individual or citizen. So, closing up, I am very happy with it and what is in the Petition. According to what I wanted to hear from the Ministry of Transport, it looks and it seems that it is all there in the pipeline, if you say "five years" then we say it is a big term but one year is very short and I think they can keep on providing the services with MSAF. Once the hub is made within a year and the Government will provide the service, there will not be any problem with the people of Lau as per the Petition. If there is anything, we request for the fuel, no problem.

So, thank you. Our secretariat will come back to you. If we need any more information from you as we prepare the Report on the Petition for presentation to Parliament, we will come back to you.

Thank you and *vinaka vakalevu*. We request you to have morning tea with us before you depart from our Natural Resources Committee meeting venue.

MR. T. VAKADRAVUYACA.- Thank you, Mr. Chair and Honourable Members, for this opportunity.

The Committee adjourned at 10:14 a.m.



The Committee resumed at 10.40 a.m.

**Interviewee/Submittee: Ministry of Rural and Maritime Development and National Disaster Management**

**In Attendance:**

- 1). Mr Luke Moroivalu - Divisional Commissioner, Eastern Division
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MR. CHAIRMAN.- Thank you, Honourable Members and Commissioner, Eastern. Thank you for coming to present your submission.

(Introduction of Committee Members, members of the Secretariat and media by Mr. Chairman.)

MR. L. MOROIVALU.- Thank you, Mr. Chairman of the Parliamentary Standing Committee on Natural Resources, Honourable Sanjay Kirpal, and the Members of the Standing Committee.

First and foremost, I would just like to introduce myself. I am Luke Moroivalu, the Divisional Commissioner, Eastern. Sir, I would like to present to you through the PowerPoint presentation. It is much more clearer and we have some pictures that I would like to show also to the Committee.

The content of my presentation this morning, first, is the role of the Ministry of Rural Maritime Development; the roles or responsibilities of the Divisional Commissioners; the Rural Development Machinery in the Eastern Division; the Profile of Lau Province; Issues raised by the Lau Provincial Council on the franchise services of *MV Brianna* and *MV Liahona*; and lastly, my recommendation.

I have touched the content already. I will move on to the role of the Ministry: The Ministry's role is to oversee the development of rural communities and achieve the Ministry's Vision on productive, progressive and resilient rural communities by championing the socio-economic development of rural communities through an integrated development approach.

Role of the Divisional Commissioner: The Divisional Commissioner is mandated to manage and coordinate all government efforts in the development of rural and maritime areas. The principle role of the Commissioner, Eastern Division is to establish an integrated development structure at divisional level, to effectively manage the coordination and implementation of development in the Division. These include development programmes implemented by other line agencies. The role is also to promote good governance, transparent leadership and provide directions to ensure effective and efficient implementation of government policies and development programmes in the Division.

Rural Development Machinery in the Division: In the Division, the Divisional Commissioners are responsible for the establishment of their provincial development boards. The Divisional Development Boards are the consultative and planning forums for development in the Division. Issues arising from communities through the District Advisory Council and *tikina* meetings are then raised in the provincial meetings which then come through the two Development Boards.

Mr. Chairman, what I had just explained is explained more in the diagram, on how the issues raised from community level are taken up to Government, from the villagers to the Advisory Council Meetings, issues are then raised in the *Tikina* Meetings and the Provincial Council Meetings then the Provincial Development Boards,

Divisional Development Boards, to the Commissioner, Eastern and then moves right up to projects that will be funded in the budget, and also issues that are raised from the communities. For example, the issue of franchise in the Eastern Division have also been received through these forums and machinery.

This is the Province of Lau: The population of Lau is 9,532; the area is 188.03 square miles; there are 72 villages; 12 *tikinas*; six existing jetties in the Province of Lau; three new proposed jetties to be built in the Province. We have roads of 120.42 kilometres on all the islands in Lau that are accessible by roads; two hospitals; 42 Health Centres that are located in the islands in Lau and we have 101 schools. That is, basically, the detail of the Province of Lau.

Franchise issues raised in the Lau Provincial Council Meeting on 23rd, April, 2019: The Honourable Chairman, the Lau Provincial Council was held on 23rd April, 2019, this year, in Lakeba, which was also attended by the Honourable Sigarara. It was at this meeting that the people had raised to Government, through the Council, the issues affecting the islands in regards to the franchise services in the Lau Group. The issues were raised by the *Mata-ni-Tikinas* and the issues are:

- The franchise vessels, *MV Brianna* and *MV Liahona* are old and the conditions are unhealthy and space provided are not suitable for long voyage;
- The two vessels do not comply to proposals made to stop offloading on Sunday;
- The two vessels offload in the night, therefore, a risk to passengers and crews as well;
- The two vessels do not comply to franchise offloading points, therefore, materials were missing;
- The franchise offloading points are already de-furnished.

These are the points where the vessels need to offload cargoes, but sometimes people have raised that they do not comply to these unloading and loading points.

- The Company does not reimburse when materials were missing; and
- The people of Lau request for Government vessels to replace the franchise service provided by the two vessels.

The above issues have been raised to the Franchise Unit with the Ministry of Infrastructure and Transport, and also to the MSAF. These are the two Ministries that deal directly with franchise issues and the safety of vessels. So, you will see, Honourable Chairman, the role of the Divisional Commissioner is to gather all these issues that are raised by the people at these forums, and then coordinate with these line Ministries on how best the Government can address the issues that are raised by the people, and then we return the response to the forum in the next meeting and also to the *Mata-ni-tikina*, when the response from these line Ministries are given.

You will see, Sir, what we are talking about in this map - this is the Southern Lau, what the people have been raising is that when the vessels come to Southern Lau, they do not have time to stop at all in these small islands, though they do not have jetties because the vessels are also facing difficulty in meeting the expenses. It is very expensive for them to stop at all the islands in the day. Some of them stop at night, some of them have to work on Sunday. This is what the people do not want because of the high cost of fuel, sometimes it takes the company about \$50,000 or more just to travel and it is uneconomical.

All boats servicing Southern Lau are operated by private companies, including Ono-i-Lau, which is further down, they are not making any profit and that is where the difficulty arises and the services are not provided to the expectations of the people. That is why the issues have been raised to the forum, perhaps the recommendations will include the suggested way forward.

These are the recommendations, Sir:

- Construction of new jetties to increase franchise services (I will speak more on this in the next slides.);
- Upgrade and maintenance of existing jetties in the province of Lau and other outer islands;
- Increase Government subsidy allocation to franchise on non-economical routes; and
- Government to service non-economical routes such as Southern Lau.

The Commissioner, Eastern has put in place development priorities for the Eastern Division which also include the construction of jetties, roads and other infrastructure development in the Eastern Division. The existing jetties in Lau, we have Lomaloma, Cicia, Tubou, Moala, Matuku and Totoya. These are the existing jetties and are constructed in the bigger islands, Sir.

The proposed jetties that the Division is planning to construct in the years to come are the Oru Jetty in Lakeba, to replace the existing Lakeba Jetty which is currently not servicing the roll-on roll-off boat; the Cakova Jetty in Moala to assist bigger vessels; the Kabara Jetty (this is particularly for the Southern Lau Islands). For this, the survey has been completed by FRA and is waiting for funding to be in place then they can construct the jetty.

Islands of Moce, Komo, Ogea, Fulaga, Ono-i-Lau and Vatoa; Sir, it is very difficult to construct jetties in these small islands because of the nature of the reefs around the island. If jetties are to be constructed, we have to work on the reefs to allow for passage to go in, and that is a very expensive exercise.

I had been discussing about the existing jetties (in black). These are already serviced by the franchise boats - the Jetties in Lomaloma, Cicia, Lakeba, Moala, Totoya and Matuku.

For the Southern Lau, this is the problem area, Sir, we are proposing Government to construct a jetty at least in Kabara. When there is bad weather, unloading can be done there because it is close to the other islands and they can pick their material later and also Ono-i-Lau. These are the difficult areas for the franchise to construct jetties. *Vinaka*, Sir.

MR. CHAIRMAN.- (Inaudible)

HON. M. BULANAUCA.- I thank the Commissioner for the very useful information indeed, particularly the existing jetties and the proposed ones, we are indeed thankful for that, particularly, the explanation that it is quite difficult to construct jetties on the small islands.

Only one question that I would like to ask is that, you are recommending again that the Government Shipping Services to service the non-economical, maybe in the Southern Lau areas, how will that have an impact on the private shipping services? Or how will they complement?

MR. L. MOROIVALU.- Thank you, Mr. Chairman. The service right now from the private companies in Southern Lau is not to the expectations of everyone because of the high operation costs for any company, because it does not make money. For business, it is very, very difficult. The recommendation of Government service for these uneconomical routes, Sir, like other Government services that have been provided whether there is any profit or not, the service is provided. What will be paramount is the service to the people, the need to stop and unload passengers and cargoes to these small islands, not worrying about the expenses, the need to stay longer in these areas to complete the task and save the lives of our people. This is very very critical.

If a businessman or a private company runs these services, the forefront or the most important things for him is how he can make money. That is why it is recommended that Government provides or Government pays

the cost of this for the private boats to go to these areas so that the services can be improved. It will not worry about making the profit at the end of the day. *Vinaka*, Sir.

HON. J. SIGARARA.- Commissioner, these are the population of the whole of Lau? Can you take us through indicating the population for each island?

MR. L. MOROIVALU.- The population for the whole of Lau is 9,000+, those who are living in Lau. I think these population is four to five times more than the people who are living in the mainland.

HON. J. SIGARARA.- These are the figures?

MR. L. MOROIVALU.- Yes, those who are living on the island.

HON. M.R. LEAWARE.- Mr. Chairman, I would like to thank the Commissioner, Eastern for his presentation. We have just heard from the Ministry of Infrastructure, Transport, Disaster Management and Meteorological Services in terms of their plans for the whole of Fiji, especially in servicing the routes from all these islands. They have some plans in terms of the jetties but we heard that you have also mentioned that as part of your future plans in having those jetties filled, and also taking into consideration the cost that you have just mentioned. When these boats have to travel, they have to go to these islands whether they have less number of passengers or less cargo so have you ever received any complaints about some of these boats refusing to travel to these islands because of less number of passengers and less cargoes to be transported? Thank you.

MR. L. MOROIVALU.- The existing issue that is now arising out of Southern Lau is that the best boats in Fiji do not want to travel to this area because it is uneconomical. They will not make a profit and that is why the two boats that I mentioned are very old, they prefer to go here, at least they are paid something by the franchise.

HON. M.R. LEAWARE.- On those data that you have just provided on the screen in terms of the schools that are there in the province of Lau, does it include the Early Childhood Centres (ECCs) or is it just primary and secondary schools?

MR. L. MOROIVALU.- Thank you, Chair. There is a proposal in place to also build ECCs in Lau because of the difficulty in getting to the smaller islands where the schools are located.

HON. M. BULANAUCA.- In the proposal here, there are already two existing jetties in Moala and Lakeba. In the proposal, they want to change those sites to probably better sites which is good. It is better to construct jetties on the most economical, suitable navigationally in order to have that efficiency. What worries me here is maybe the cultural or the safety thing about loading and unloading on Sunday and in the night because for private shipping services, you want to go there and load, unload whether it is Sunday or at night, as long as the jetties are safe. How can that be changed? I do not know, it is very difficult because the cultural thinking coming from that side, probably Sunday and the night, for safety reasons, can you put some light on that?

MR. L. MOROIVALU.- Sir, as the Divisional Commissioner, I normally take 100-plus Government officers on Government boat to these islands. It is for the safety of our officers that I do not allow people to unload at nights because: one, it is in the open seas, if someone falls out at night, we have the possibility of losing the Government officer. Similarly, with the passengers and the crew, it is very risky and life can be lost, that is the main reason. But for private boating companies who are currently servicing, the quicker they do the trip and return, the better for them because they can save money on fuel and at least add to their profit.

HON. M. BULANAUCA.- ... because there will be proper jetties, go there at night, unload then return

....

MR. L. MOROIVALU.- Sir, the solution there is not necessarily the jetty because the some of the islands themselves, the reefs do not allow for jetties. For example, in Ono i Lau, you have to travel about one hour from where the Government vessel or any boat unloads to the land because of the reef. If a jetty has to be constructed, we need to break the reef and then make a passage right inside. It will have environmental impacts and that is why in these small islands, it is very difficult to construct jetties. The safest thing to do for the time being is to unload during the day.

HON. M.R. LEAWARE.- Mr. Chair, in there, they might need a catamaran to transport those cargoes there. I mean any way, thank you. There are issues that have been raised by the Commissioner in terms of what was heard in the Provincial Council meeting. Have these issues been addressed or are you working on them right now?

MR. L. MOROIVALU.- Sir, the Provincial Council Meeting was held in Lakeba and was attended by all Government Agencies, Divisional Heads. Soon after the meeting, we sat down and discussed all these issues. Some of the recommendations that were put forth appear in my recommendations, some may have appeared in the recommendations of the Ministry of Infrastructure. While we returned to office, we formally again wrote to them on this. Fortunately, for the issues of the franchise scheme, it is a burning issue right now and some of the decision has to be given by the level of Cabinet and also at Parliament level.

MR. CHAIRMAN.- Thank you, Commissioner, Eastern. As you have said, we had an earlier submission by the Ministry of Infrastructure and Transport. So, as per the contract, you have said that they are on the verge of extending from two to 10 years so that is on the pipeline. The franchise also is on the pipeline, to increase the subsidy rates. So, what you have said that it is already in the pipeline and we are thankful that you have come and given your submission which will be vital for our Petition.

Honourable Members, it seems that there are no more questions. Mr. Commissioner, we are thankful, and if there is anything, we will come back to you or we may come to your Office. Thank you and *vinaka vakalevu*.

MR. L. MOROIVALU.- Honourable Chairperson and Honourable Members, I sincerely thank you for listening to me, *vinaka*.

The Committee adjourned at 11:07 a.m.



The Committee resumed at 11.11 a.m.

**Interviewee/Submittee:** Mr. Enele Malele

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MR. CHAIRMAN.- Good morning, Mr. Malele.

MR. E. MALELE.- Good morning, Mr. Chairperson.

MR. CHAIRMAN.- To introduce our Natural Resource Committee Members, first of all, we welcome you.

(Introduction of Honourable Members, members of the Secretariat and media personnel by Mr. Chairman.)

MR. CHAIRMAN.- We will give you the floor to present your submission. After that, the floor will be open to Honourable Members if they have any questions to ask. Now, the floor is yours, Sir.

MR. E. MALELE.- Mr. Chairperson, I thank you for the opportunity to be here this morning to present my submission. My contribution to the Parliament Standing Committee on Natural Resource is in relation to the shipping services in the Lau Province.

Mr. Chairperson, Sir, I was born in Tovu Village, in the Island of Totoya, in the Province of Lau, on 17th June, 1941, so I will be 78 years old next month.

I came to Viti Levu as a young boy to get an education and work, if possible, but I maintain a close contact with my people and visit the Island when necessary. Sir, I first came to Suva in a small boat named "A.K. Baleisuva", which served the island for some years, and later came the services of *MV Tuilevuka* and *MV Malolelei*. The current service providers are *MV Brianna* and *MV Liahona* (which I believe is now detained by the authority concerned), and the *Lomaiviti Princess*, with the modern engine, sailing apparatus and equipments, should be even better and more comfortable.

The sea is the highway to Lau, Mr. Chairperson. Sir, travelling in a boat to Lau is quite an experience with more than 12 hours direct trip to one of the islands but the other islands will also be included for economical reason.

Currently, under the Franchise Scheme by Government, *MV Brianna* services Central Lau, *MV Liahona*, the Southern, Lau and *MV Lomaiviti Princess* services Yasayasa Moala, where I come from, however we shared the same experience and it is a great concern to us all.

Sir, in 2010, I lead a church group to Totoya by *MV Cagi mai Ba*. The trip was postponed for a few days due to engine problem. We were told to pay \$100 as an overtime pay for the officer responsible, and we were able to depart at midnight with a single engine running, which took us about 24 hours sailing period. Sir, in one of my return trip from Yasayasa to Suva in December, 2017, we were carrying excess passengers and with inadequate sitting space due to so much hand-carried baggage and luggage, there was only one toilet available for all: men, women and children. The other toilet is down the cargo hall below, and imagine who can go downstairs and upstairs when in open seas.



Sir, my last trip to Lau was during Christmas Holidays in 2018 (which is just recently), to Cicia Island where my wife hails from. The trip was on a Government vessel, *MV Iloilovatu*, where I also came across the same experience and even worse when we were ferried ashore by an outboard boat because *MV Iloilovatu* cannot berth alongside the jetty due to incomplete repair work on the jetty. To me, I compare the scene as similar to a military beachhead in low tide and in rainy conditions as you see in a *Hollywood* movie.

I refer now to the Government Development Plan: Sir, the Government commits to incentives for private sector investment in new ships and equipment, will continue together with subsidising for services to uneconomical routes under the Franchise Scheme. Government will continue to review the subsidy rates, passengers' fare, freight charges in line with cost structure. More investments will be undertaken in the acquisitions of new vessels to boost Government's shipping fleet, to support development projects and for passengers' transportation to maritime islands. (Page No. 75 of the Government Development Plan refers).

Sir, currently, Government has improved the Nadi International Airport to international standard and bought new aircraft for Fiji Airways to attract tourists to our shores. What about the local tourists or the local people in improving their quality of life? I think this would be something to be looked into, that no one is going to be left behind.

Sir, to conclude, I would like to make the following very valid recommendations before your Committee:

1. Boat built for human passengers, and not fishing boat: As you see, Honourable Chairperson, if you go down (I am not saying that you go now), what I am saying is that if you go down to the wharf, and you see the boats there, they are meant for fishing (motherships and ships), they bring their catch and put into the mothership to be delivered to the market. The boats we have now are not for passengers to carry people, it is there for fish - fishermen catching fish in the ocean, and I think this should be looked into;
2. Departure time: There is always a delay, several times, you come in at 3.00 o'clock, 4.00 o'clock and then depart at 5.00 o'clock, 6 o'clock, and some people have no lunch, no dinner before they go on board and sail in the open seas.
3. Condition of the boat: As I have said, it is like a fishing boat, ship built only for small people, the Asians, with due respect, but it must be in good condition, must be seaworthy. I can mention that in some of the ships that I had travelled in, you can see some places patched by some cement-mix to patch places in the boat that need repairs, just to make it look good but you know the ship is old.

Freight charges: Passengers find it difficult to meet these charges. We had our village meeting at my place on Saturday and most of the passengers were finding their way back to their village by the next boat and they have been telling me about the freight charges despite the franchise scheme, which have been quite expensive or very dear. For example, there was a live pig which was brought in on board and caged, and the man was supposed to pay \$400.00, and there was some complaint lodged and then finally, they took away the box, left the pig alone and reduced the price to \$100.00. These are some of the things experienced as people come to Viti Levu for functions, et cetera, that are quite necessary.

Franchise should be increased in view of uneconomical routes. You know that Lau is a scattered group of islands with not much products there, only rocky islands but people are there and they would like to come over to Viti Levu every now and then. I think regular shipping should be considered and, please, increase the franchise so that it can be more affordable to the people.

Another point, Mr. Chairman, is the unloading at night which is quite a risky situation. You know that some of the jetties there, have got no lights, even though the boats have got lights but people coming from the village to the boat in the dark and there are other things that can happen in the night; some accidents that can cause serious injuries. Even in daylight, I think some months back, there was a ship at the wharf and there were some other people on board who got hurt when they came in to do some delivery, I believe, and I think part of the mast or deck may have fallen on them. These are some of the things that could happen, especially at night time.

Another recommendation, Mr. Chairman, Sir, is the safety briefing of passengers, like life jackets. I think passengers should be aware of the life safety situation: how to put on the life jacket, like when you travel on the plane, the hostess would come and tell you how to put on the life jacket in case of emergency. I think for passengers like us travelling on a ship, we are travelling on foreign area because to us, it is for marine life and not for a human being.

I think, Mr. Chairman, the safety of passengers is very important, that they should be taught before the boat sails, especially on how to put life jackets on. They should also be trained to do first aid too in case there is some first aid case arise on board if someone gets some kind of injury or things like that. The crew should be familiar on how to conduct a first aid or first assistance before any medical assistance arrives.

Another point, Mr. Chairman, Sir, as I mentioned, I took charge of a group to Totoya in 2010 and because it is a Church group and we were being delayed for several days and people were eager to go, Sir, they were told to pay \$100 as an overtime pay for the officer responsible. I had to pay \$100 and as a result we were able to depart on a midnight that same night but with a single engine running, it took us 24 hours to the island and back. These are some of the things that should be looked into, if there are some corrupt elements there. This was in 2010, I do not know what is happening now.

Another point, Mr. Chairperson, Sir, the meals are too dear and there is no proper dining room on board. So people are just bringing in their own meals, either for breakfast or dinner, especially on board and it is causing a lot of trouble on the ships, a lot of space taken up with the new extra baggage of food and dinner for lunch and things like that. If boat owners should be asked to see that meals are affordable. The last time I ate on board I think was \$7 or \$8 which is similar to a restaurant here. I think now it is \$10.

Finally, Mr. Chairperson, Sir, is a freezer to accommodate refrigerated foods or goods like fish, crabs and things like that coming over to Suva, because the last time they were told to bring their own freezer, and there was not enough powerpoints on board, so they find it difficult to bring their own freezer from the village to Suva, and from Suva to the village.

Sir, I forward you my brief contribution in relation to the above-mentioned subject for your perusal and necessary action. Thank you, Sir.

MR. CHAIRMAN.- Thank you, Mr. Malele. The floor is open for Honourable Members if they have any questions to ask.

HON. M.R. LEAWERE.- Thank you, Mr. Chairman. I would like to thank Mr. Enele Malele for his deliberation this morning. The issues raised are very pertinent in terms of travelling to Lau. We have just heard from the Commissioner, Eastern on these issues and now you have highlighted a few issues that the Committee needs to deliberate on. I would just like to ask maybe two questions:

1. Boat built for human passengers, not fishing boat.

Do you think that the Ministry should ensure that some criteria are put in place for boat owners to follow when purchasing boats from abroad, in terms of the years of service and also that these boats are used solely for passengers and, of course, there will be some cargoes added to it? Thank you.

MR. E. MALELE.- Honourable Member, I think we seem to be like a dumping place for all fishing boats. We should be buying boats suitable for carrying passengers, with proper seating and cabins for sleeping. The *Lomaiviti Princess* is a big boat but it has just got a fixed seating, just like on the plane, and you just sit there from departure until arrival. There is nowhere to move. I think the boat owner should buy a proper boat with saloon, cabins and things like that where you can lie-down and relax. Even in choppy waters and things like that, you still can feel comfortable inside.

MR. CHAIRMAN.- As Honourable Leawere has said about the boat, we heard from the Maritime Safety Authority of Fiji (MSAF) yesterday that they will not allow boats which are 15 years old in Fiji. I think Honourable Leawere was not here yesterday, so that is a proposal. According to MSAF, the lifespan of vessels in Fiji will be 55 years. Overseas should be 15 years old and the life of the boat should be 55 years.

MR. E. MALELE.- Mr. Chairperson, I think the Honourable Assistant Minister would know how to travel to Lau. The last time he was in the provincial meeting in Lakeba, he knows what it is like to come in that inclement weather, even though he was travelling on a Government vessel, the comfort too is not there as well.

HON. J. SIGARARA.- Mr. Chair, I would like to thank Mr. Malele for the presentation basing it from his experience. As a *Kai Lau*, he has been travelling for quite some time. The Petition was mainly focused on these two boats, the ones serving the Lau Group at the moment - *MV Brianna* and *MV Liahona*.

Have you travelled on these two boats lately?

MR. E. MALELE.- No, I have not. But as I said, Honourable Member, the experience is the same, whether you are on that boat or on that boat. When you go to Lau, I think you have the same experience and concern. But someone travelled North, some travel East and others travel South.

MR. CHAIRMAN.- Just for your knowledge that under the MSAF regulation, it is not allowed now that you can go with one engine. The boat has to be in good condition and both engines have to be running.

No. 2, the franchise increases, that is under consideration and in the pipeline. It is in the paper presented by the Ministry for Infrastructure and Transport and the franchise.

The other thing, the Government, as per the submission just today by the Permanent Secretary of Ministry for Infrastructure and Transport, it is in line to have a Government vessel for non-viable areas, like the Lau Group. As per their Director, it is within one year, there will be a Government vessel providing service to uneconomical areas, and there maybe a jetty in Vanuabalavu. The smaller boats can get their stuff, food and whatever else to be transported to the mainland through Vanuabalavu and it will be easy access to the people of Lau.

The other things which we have mentioned, we have already inspected the boat and as per the Petition, we will consider it, as we know that both the boats are not allowed, I mean they are at the wharf ...

MR. E. MALELE.- Being detained.

MR. CHAIRMAN.- They are detained. So looking at it, it seems to me that MSAF is doing its work and the regulations are there. Any more questions. Yes, go ahead.

HON. M. BULANAUCA.- You mentioned about toilets which are right at the bottom of the boat. Also, you have mentioned about the fishing boats, that it is only for small people - for fishing. So, the recommendation is

for more new boats for passengers, but that again you will need more money to get all that in. So, that is your view, you need new boats for passengers.

MR. CHAIRMAN.- I think as Honourable Bulanauca has mentioned, may be the tender may not come in because the contract was for a short period - for two years, but now, according to the Ministry of Transport, the tender may be extended to 10 years. So, it will be viable for any owners to buy us new boats and the franchise may increase. So, that is all in the pipeline with the Government.

MR. CHAIRMAN.- Honourable Leawere, do you have any more questions?

HON. M.R. LEAWERE.- Mr. Chair, may be the issue of departure time. Sometimes there is a delay, Honourable Chair, by boat owners that the ship will not travel at this time. Do they compensate the passengers or they just tell the passengers to wait?

MR. E. MALELE.- You come again, Honourable Member.

HON. M.R. LEAWERE.- No, I am just looking at the No. 2 of your presentation in terms of the issues that you have raised on too much delays in departure time. You know it is quite frustrating for passengers.

MR. E. MALELE.- They do not compensate.

HON. M.R. LEAWERE.- All right, thank you.

MR. CHAIRMAN.- With that one, I will agree with you.

This also happens to Patterson Shipping too. They set the departure time at 3.00 o'clock but they will leave at 6.00 o'clock, but that complaint has to go to the Fiji Commerce Commission that there are these kinds of things that happen that they can regulate. They are the relevant bodies to receive these types of complaints. That type of complaint is well said by the Honourable Leawere and I thank you for that. I have already experienced that, we were scheduled to leave at 3.00 o'clock but we finally left at 6.00 o'clock, so we can direct that complaint to the Fiji Commerce Commission.

MR. CHAIRMAN.- Honourable Bulanauca.

MR. M. BULANAUCA.- Through you, Mr. Chair, you mentioned it again about the unsafety of loading and unloading at nights. The Ministry also mentioned that which we quite agree. But to the shipping companies services, when they come there, they want to offload and unload any time; day or night, so I thought you might have to rebuild proper jetties so that they can load and unload night or day.

Also another factor that might be affecting the shipping services there and the profitability with it is the restrictions of not to load or unload on Sunday. That, as a business, is really not economical for them to go there and just wait there, after Sunday, then load and offload on Monday. What is your view regarding all those? Can you accept that considering your cultural and religious beliefs accepting that to be happening on Sundays?

MR. E. MALELE.- Like in Suva when they say the boat departs at 4.00 o'clock, and by o'clock the ship is still loading, so they go back. Some waited on the shed there like 5.00 o'clock or 6.00 o'clock. I remember the last time I took a trip to Lau and finally at 8.00 o'clock then we sailed at night.

Sometimes when you come in as you mentioned coming in on Sunday, especially about 9.00 o'clock or 10.00 o'clock when people are still in Church. So, we just stop there until the Church is over, so no one moves until the Church service is over.

HON. M. BULANAUCA.- But still you can load and unload on Sundays?

MR. E. MALELE.- Yes, but in the night, as I mentioned, in some of the villages they tried to unload at night which is quite rather risky whether it is alongside the jetty which is still risky to do the loading and unloading at night.

MR. CHAIRMAN.- Thank you, Mr. Malele, for your submission. We will consider in our Committee Report regarding the Petition and we will submit it to the Parliament. Thank you, and *vinaka vakalevu*.

The Committee adjourned at 11.40 a.m.



The Committee resumed at 11.50 a.m.

**Interviewee/Submittee:** Mr. Tevita Tuikabara

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MR. CHAIRMAN.- *Bula* and good morning, Mr. Tevita Tuikabara.

(Mr. Chairman introduced Honourable Committee Members, members of the Secretariat staff and Media personnel.)

We will give you time for your submission and after the submission we may ask questions, if there are any. Now the floor is open for your submission, Sir.

MR. T. TUIKABARA.- The Chairperson of the Standing Committee on Natural Resources and Committee Members: Sir, I am Tevita Tuikabara from Vatoa, Ono i Lau and I am a Ship's Master.

My submission is about the *Marine Vessel Liahona 1* which belongs to Southsea Island Shipping Services (SISS) and the only vessel that is servicing the Lower Southern Lau franchise for many years.

The Lower Southern Lau consists of three districts, Kabara, Vulaga and Ono i Lau. There are 13 villages in these three districts and the total population is evident - about 4,000 people. The *Vessel Liahona 1* carries 150 passengers, that is why sometimes most of the passengers in these islands had to wait for another month to come to Suva, sometimes before it would reach Ono i Lau, it would be full already.

The SISS provides service to the Lower Southern Lau only once a month. In these islands, they have a lot of products to sell in Suva and these include *tanoa*, *magimagi*, mats, copra, broom, et cetera.

In the *Fiji Sun* of Wednesday, 19th April, 2017, during the Company Franchise trip to islands in the Lower Southern Lau Group (that is Kabara, Vulaga, Ogea, Vatoa and Ono i Lau), they were all requesting the Government if this vessel was given another franchise trip so that it would make two trips in a month. That request is the only main issue today, that the islands in the Lower Southern Lau are requesting the Government if the vessel can make two trips in a month through the Franchise Scheme.

Lastly, most of the people from the Lower Southern Lau would like to visit their villages during their Annual Leave and waiting for one month for the next franchise trip is too long. These include those living in Fiji and overseas as there are no airports on the islands.

I submit herewith two copies of the *Fiji Sun* article which highlights the shipping company ready to cater for the demand from the Lower Southern Lau islands if there could be one more franchise trip and a bigger vessel; that is my submission.

### **Reports and Recommendation**

Comments on the *Marine Vessel Liahona 1*:

1. The number of passengers that the *Marine Vessel Liahona* can carry is 150, that is too much for a vessel less than 80 tonnes net, less space, less capacity and less volume. It requires a surveyor for the number of passengers to be carried on board.



2. Safety and wellbeing of passengers: Marine Act 35 of 1983, Section 93, due to the overcrowding of passengers on the vessel cause us a bit of confusion.
3. Crew accommodation on the vessel to be surveyed - Marine Act 35, 1986, Section 120.

Those are some of the things I notice on *MV Liahona I*, which I travelled in to the Lower Southern Lau in 2017.

In conclusion, to attract shipowners for the Lower Southern Lau franchise contract, if the Government can enlarge the two passages of Vatoa Island and Ono-i-Lau, and erect beacons inside their lagoons to their anchorages. Those two islands are the furthest in the Lower Southern Lau and the vessels would anchor outside the reef because the passages are too small to enter. The villages are too far from the anchorage or from the passage.

The Government is to increase the franchise contract as mentioned by the Honourable Minister for Infrastructure, Transport, Disaster Management and Meteorological Services, the Honourable Jone Usamate (The *Fiji Sun*, Wednesday, 22nd May, 2019 refers). Thank you.

MR. CHAIRMAN.- Thank you, Mr. Tevita Tuikabara. The floor is open for the Honourable Members if they have anything to ask in regards to the submission given by Mr. Tevita. Thank you.

HON. M. BULANAUCA.- Honourable Chairman, Mr. Tevita, thank you very much for your submission, very good. Your main submission is to get the two trips a month for *MV Liahona* under the Franchise Scheme. But I am worried about that anchorage in Vatoa and Ono i Lau. Can you just elaborate on your proposal there? You need proper jetties or longer jetties or passage has to be cleared or what?

MR. T. TUIKABARA.- Mr. Chairperson, it is Vatoa and Ono-i-Lau, that is in my recommendation. The passage is too small for the vessel's entry. What should we do, because bigger vessels used to go inside the reef before, but I do not know now after 20 years? In 1970, I was with Captain Brown, doing the blasting of all the reefs around Fiji and we ended up in Vatoa where we did a bit of blasting, but there was not enough dynamite to blast all the reefs on the passage.

HON. J. SIGARARA.- Mr. Chairman, talking from experience, you are a Captain. *Vinaka vakalevu* for the service, and you mentioned that the passengers for your boat is 150, and you said that it is too much. Who looks after the passengers for a boat?

MR. T. TUIKABARA.- Before it is the responsibility of the Department of Marine but now I think it comes under MSAF. They survey the boat, take the net tonnage, capacity, volume and the space and from that, the number of passengers will be assessed - 150, but in this case, the net tonnage of the boat is less which is under 80 tonnes, and now the passengers is about the same with *MV Brianna*. I think you have seen the *MV Brianna*. You see the size of the boat, they hold about the same number of passengers and even the *MV Iloilovatu* but it needs to be re-surveyed, that is my recommendation.

HON. J. SIGARARA.- I think they have lower the number of passengers for your boat because I think that will affect what you have provided in the boat, like the toilet, some are not happy with the facilities in the boat, but as you have said that the number of passengers at 150 is too much, but we are glad now the Ministry has reduced the number of your passengers to 100.

MR. T. TUIKABARA.- That is for the *MV Liahona*?

HON. J. SIGARARA.- Yes, *MV Liahona*.

MR. T. TUIKABARA.- Thank you.

HON. J. SIGARARA.- *Vinaka vakalevu*, Captain.

HON. J. SIGARARA.- Another point, this is the first time I have heard from someone during this presentation - the beacon. You are asking for more beacons?

MR. T. TUIKABARA.- I am talking about the last two islands; the very farthest islands in Lau from Suva; namely Ono-i-Lau and Vatoa. I have talked to some of the shipowners and they said that one of the conditions is to attract them to try the franchise contract to the Southern Lau because of the passage for Vatoa and Ono-i-Lau which are not very big for their vessels. They always anchor outside the reef and it is very far for the villagers to carry the passengers and their cargoes.

HON. J. SIGARARA.- The condition of your boat; *MV Liahona*, you were the one that took us around yesterday?

MR. T. TUIKABARA.- No, I went as a passenger in 2017.

HON. M.R. LEAWERE.- Through you, Mr. Chairman, *ni bula vinaka* and thank you for your deliberation, Mr. Tuikabara.

MR. T. TUIKABARA.- *Ni bula vinaka*, Sir.

HON. M.R. LEAWERE.- Through you, Mr. Chair, listening to the concerns that have been raised, the same concerns have been raised by the Commissioner, Eastern and also Mr. Malele.

You mentioned something about the safety and the well-being of passengers which we probably heard that in terms of *MV Liahona* it has been reduced but according to the newspaper here, it was 150 and probably now, it has gone down to 100. According to Mr. Cavu, he said they do not decide the number. The number is decided by MSAF.

The issue here, why was that not taken into consideration, do they have to wait for something to happen and then they reduce the number? What should have been done to avoid such things in terms of MSAF's duties when they look at the number of passengers in a boat? Thank you, Sir.

MR. T. TUIKABARA.- Sir, I think it could be the failure, a "*kila vata*". In my experience the surveyor looks at the size of the boat. That boat was carrying 150 passengers during that time and now they change their number of passengers on the boat. The other thing is, sometimes the vessel is full of 150 passengers from Ogea before coming to Vatoa and Ono-i-Lau and that is why some passengers from Vatoa and Ono-i-Lau have to wait for another franchise trip to come.

HON. M. BULANAUCA.- Still on that particular point, now the passengers have been reduced from 150 to 100, there will be more need for the boat to come to Southern Lau, maybe twice a month because even at 150, that cannot cater for the passengers wanting to come. Now it is reduced, will need more regular trips.

MR. T. TUIKABARA.- I support that.

MR. CHAIRMAN.- Mr. Tevita, you are talking about the passengers who were left behind because of the boat being full. You are talking about the peak months of the year, like during Christmas, Easter but not every month?

MR. T. TUIKABARA.- Not every month.

MR. CHAIRMAN.- So they may provide services twice maybe during peak months like Christmas, Easter or New Year period?

MR. T. TUIKABARA.- During the peak month and in addition ....

MR. CHAIRMAN.- When there is a function?

MR. T. TUIKABARA.- When there is a function in Suva, et cetera.

MR. CHAIRMAN.- Something in the island?

MR. T. TUIKABARA.- No, in Suva like the Methodist Conference.

MR. CHAIRMAN.- Churches' conferences, et cetera, then they can provide?

MR. T. TUIKABARA.- Yes, when they want to come over.

MR. CHAIRMAN.- I understand. May be you are talking about 10 times a year, they provide two times. If there are occasions, not every month because there are not many passengers coming every month from that end to this end.

MR. T. TUIKABARA.- I think the best thing is to try out the 100-passengers a trip then you can decide on the rest later. Our main point from the lowest Southern Lau is that, the ships to come over twice a month like the other franchise trips on the other islands but not the Southern Lau.

MR. CHAIRMAN.- Thank you, Mr. Tevita Tuikabara, for your submission in regards to the Petition by Honourable Anare Jale.

We will consider that and most of what you have said is under consideration by the Government by providing the Government vessel and the increase in franchise and a few jetties, and as the Ministry for Infrastructure, Transport, Disaster Management and Meteorological Services has said when they came, that is in the pipeline.

But anyway, thank you for your submission, we will consider that and thank you for your time.

Thank you and *vinaka vakalevu*.

The Committee adjourned at 12.09 p.m.

**1. SOUTH ISLAND SHIPPING  
SERVICES**

**2. LAU PROVINCIAL COUNCIL**

# **STANDING COMMITTEE ON**

## **NATURAL RESOURCES**

### **Submittees:**

- 1) South Island Shipping Services (SISS)
- 2) Mr Ilisoni Taoba (Lau Provincial Council Chairman); and  
Mr. Maikeli Waqatabu (Roko Tui Lau)

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*[Verbatim Report of Meeting]*

**HELD IN THE**

**COMMITTEE ROOM (EAST WING)**

**ON**

**TUESDAY, 28TH MAY, 2019**

**VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON NATURAL RESOURCES HELD IN THE SMALL COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON TUESDAY, 28TH MAY, 2019 AT 2.20 P.M.**

**Interviewee/Submittee: South Island Shipping Services (SISS)**

**Attendance**

1. Mr. Ulaiasi Baivatu - Director
  2. Mr. Josefa Qalova - Administrative Officer
  3. Ms. Kenona Baivatu - Administrative Officer
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MR. CHAIRMAN.- Good afternoon, Mr. Pauliasi and the officers there.

Mr. Baivatu and your Team: We are the Members of the Standing Committee on Natural Resources and we are thankful that you are here to give us your submission.

To introduce our Committee Members of the Natural Resources Committee; I am the Chairperson, Sanjay Kirpal. On my left is Honourable Alexander O'Connor and on my far left is Honourable Jese Saukuru. On my close right is Honourable Veena Bhatnagar, and on my far right is Honourable Peceli Vosanibola. Also with us are members of our Committee Secretariat staff.

I now give the floor to you to introduce your team and present your submission. We will not interrupt and once your submission is completed, then the floor will be open for Honourable Members to ask any questions if they have any. Thank you.

MR. U. BAIVATU.- Thank you. First of all, we would like to thank the Standing Committee for inviting us to come and present to you this afternoon. We apologise for requesting to shift this meeting to today because we had some commitment last week, and we are honoured to come in and do a presentation with regards to our franchise to the Lower Southern Lau.

Today, before I proceed, I would like to just introduce my colleagues who are here; Mr. Josefa Qalova, he looks after our administration matters for Brighton Holdings Fiji Limited and Kenona Baivatu, who is also accompanying us for this presentation.

Before we started the shipping business, we were operating as a sole trader and South Island Shipping Services (SISS) came to existence in 2009, we went into shipping. At that time, I was brought up in Kadavu, went to primary school there and one of the difficulties that we faced in the island was shipping. This was in the 1970s and 1980s. Around 2009, there was only one vessel that was servicing Kadavu at that time, the Marine Vessel (MV) *Sinuwasa*.

I remember that we used to travel to Kavala and to Vunisea to actually pick up our goods. A few times my family used to tell me that they used to struggle a lot, especially when they go to Kavala and load their fibre glass boats with building materials and goods for their shops, and on their way back, experiencing rough weather, sometimes they almost sank because of the bad weather.

With that, there was an opportunity that a friend of mine was actually selling this boat (as you can see up here on the screen). This was actually an old fishing vessel that he had bought from FDB, so that is where SISS started. It took us four years to renovate this vessel.



I am an architect by profession and through that experience, I managed to renovate this boat from a fishing vessel to a passenger vessel. We had a lot of problems at the time with MSAF. It was a totally different field where the authorities had their requirements, so it took us about four and a half years. The reason for the shipping services is, as I had mentioned before, because of the hardships that we face in bringing fibre glass boats to transport goods from areas where bigger vessels cannot anchor.

One of the other reasons was to assist the villagers to bring in their goods and building materials into their villages. The other thing is to also improve their economic activities within the islands. That is why we had ventured into shipping at that time. Through 2009, there were not many local vessels that were actually servicing our maritime at that time.

I have mentioned briefly on the background of SISS. From 2009, we started our first maiden voyage in mid-2013. I remember at that time when we were just completing the vessel to go for final survey. The *MV Lau Trader* which was owned by the Lau Provincial Council, ceased to operate and then *MV Sandy*, which was operated by Seaview Shipping had a three-months' breakdown. I can remember that one afternoon, the Director of Transport wanted to meet me to actually request the vessel if it could come and service the Lower Southern Lau. I think the timing was right at that time when the boat was ready for operation, we managed to start from that time, 2013 until today. The vessel is old, as you may have already visited. It is not a super-yacht but the vessel has been designed for open seas or open waters. It was a fishing vessel, so that is briefly the background of how we started.

Our mission was to provide quality, affordable and accessible shipping to the maritime islands, initially, Kadavu, and then through the request of Government, we went in to service the Lau Group. Our first trip to Lau was to the Lower Southern Lau and that was servicing Kabara, Fulaga, Ogea, Vatoa and Ono. As we all know, these small islands in the Lower Southern Lau are quite far. Vatoa and Ono are closer to Tonga than Suva.

We managed to work on these franchise to the Lower Southern Lau from that time and we were also given a franchise to service the Northern Lau which was to Vanua Balavu, Cikobia, Tuvuca, Cicia, Lakeba and Nayau. We managed to service them for about three years, if I can remember, until other boats came into the picture that we started to lose some of these franchise services. As we speak today, we have only two franchise that we are contracted on and as we speak, and as I have been told, we might lose another one which is the Lower Southern Lau, those are probably some reasons that are there that we need to bring to the attention of the authorities.

But I guess, people out there in the Lau Group want bigger boats but looking at the service that we have been providing, the size of boats that we have, we managed to go into Fulaga through that passage in the small boat. We can go into Ogea. We have, a few times, gone to Vatoa, which has a smaller passage. Boats bigger than this will not be able to go into Fulaga, most of these islands like Kabara, Ono and Vatoa, vessels that go there normally anchor outside the reef. That is one of the difficulties that we have.

If it is bad weather, sometimes the level of the vessel plus the punt when it comes up, it almost come to the same height and then the passengers have to jump and the cargo, we would throw bags of sugar across to the islands.

Those are some of the experiences that the crew face during these voyages. It is not an easy service to provide. I will give a few minutes to Joe to continue some of these presentations and then we will continue.

MR. J. QALOVA.- As alluded to by the Director, why we took on the franchise was the request by Government to provide services to the Lau Group and most importantly because of Government's

notion for the shipping woes that were encountered in that particular area. As you heard the Director saying, “no vessel was willing to service Lau” because we know the best of recollections tells us that the last vessel that serviced Lau was only for two years because the route to Lau is just merely uneconomical. If you were to speak of the franchise, just the franchise alone will last us one trip - just going. Coming back is normally part of the deal where we have to foot for those runs.

The next point is, as of 2013, there were not enough boats then as of late post 2013, the GSS has beefed up its capacity, so that has, in fact, ameliorated some of the backlogs that we are talking about today. Subsidy in a lot of ways has helped but we are hoping that our presentation today will probably hit the right nerve. Before coming today, I heard that *Brianna* had also presented, I think our ideas are the same. But sadly we have that big lump of cake that is available to us and we will just have to go with the status quo.

Overall operations, as you know, the routes are just the Southern Lau once every month, and similarly as alluded to by the Director, it is Suva, Kabara, Fulaga, Ogea, Vatoa, Ono-i-Lau and back to Suva. Normally the trip would last us five to eight days depending on the smiles of the man in charge or God. If the weather is favourable then normally it cuts us down. On a single trip, we would have about 19 crews on board who have credible seamen accreditations.

In the last six years, just to give you an example of how we have serviced the Lower Southern Lau, we have completed about 72 trips, voyaging 38,952 nautical miles, spending about 648 days at sea, using about 504,000 litres of fuel and transported only 1,944 tonnage of cargo. We have put an emphasis on “only” because the other slides will attest to what we have here.

We have provided affordable travel services for 6,192, keep you guessing people of the Southern Lau Group because when we say “keep you guessing” means their preferences are different. We have things that are afforded to us to do the service, once we get there, they decide otherwise. By name, we own the boat but for the service, they own the boat. They tell us what to do because they know we are part of the franchise and they dictate the services for us.

Some of the challenges that we have faced or are currently facing from our technical/vessel side:

- i) Difficulties in obtaining spare parts locally, especially for aged equipments and machinery and for fitting new engines. We are glad that we are up to par with MSAF’s requisites and we are currently doing our reviews, the latest being, we will finalise our review by next month;
- ii) High cost of repairs at the slipway and, of course, the substandard workmanship in ship repairs;
- iii) The other irony that we face is that, the local vessels actually pay the same rates as the foreign vessels. Their standard rates are exorbitantly high and not equitably quantified.

Would you like to expound on that, Mr. Director?

MR. U. BAIVATU.- We mentioned there that for slipway cost, the local vessels pay the same rate as the foreign vessels during any work that is done at the slipway. We are requesting the Government to actually look at these rates, especially for the local vessels that look after our maritime islands. The rate is very high. Imagine from the 130 plus boats that go to the slipway here, there is only about 20 or less local vessels and we pay the same rate as these foreign fishing boats. I think that is something that we have experienced. It goes to hundreds of thousands to put a vessel up on the slipway for one year and that is very high. We just recently did some work in the last few months which went over to \$200,000,

that is, just for maintenance cost and, of course, this work needs to be done in accordance with MSAF requirements because of safety issues that need to be done.

One of the challenges that we face is the cost of slipway locally. That is one of the big challenges that we have. That is where all the money goes until the next time we go up to the slipway and that is one of the big challenges that we have. I think what Fiji Ships & Heavy Industries Limited has done, their rates have been gazetted. So, our request through Government is to actually look into this issue.

Other challenges that we have: When we bought this vessel, it had a bigger engine. So, this engine and generators have been designed to carry out fishing in open waters but what we have done, we have re-engined one of these vessels and put a smaller engine. We are in the process of putting a smaller generator and this is one way of reducing fuel consumption in our vessels. If you can see, in Fiji, most of these vessels have been designed for other purposes and bringing these vessels into Fiji for passengers sometimes the engines are too big or the specifications are too big to take passengers locally. So, your expenses and your income do not tie in because of the size of the engine, size of the generators and it does not meet the income that you are targeting, especially when you do passenger boat, and it does not meet the income that you are targeting, sometimes the number of passengers are low. Once we went to Kadavu with only five passengers. We cannot cancel the trip because it is a franchise trip, and then we have also returned with one passenger, that is how bad some of the trips are.

MR. J. QALOVA.- And the last challenge that we have there is the constricted and unavailability of the space at the wharf when our vessels are scheduled for trips. And as you know, when the bigger vessels are berthed, just two vessels are enough to take the whole chunk of the wharf and we have to find our own mooring and that becomes an impediment when we are getting ready to set sail.

The other challenges that we face is the significant expenditure requisite needed to ensure compliance with the new regulations by MSAF. And as you know MSAF is a Government entity and we have to be subservient to the rules and regulations. And the other one that we could say, "sticks out like a sore thumb" is just Government's prompt reciprocity to committing the funds required to make those subsidiary payments for the full period of the franchise. It normally takes 40 days to 50 day sale outstanding and that is a big challenge.

The other one is the stakeholders high and unrealistic expectations. Sometimes it becomes unsubstantiated and whilst we are trying to do our best to provide the services that are often breaking even, people as they say, "when we do good, no one remembers, when we do bad, no one forgets."

The other one that we have here is the customers' expectations to deliver to their doorsteps.

MR. U. BAIVATU.- This is something that we have experienced, customers expect us to deliver the goods to their doorsteps. Our contract says, "The port that we have to stop", so that is what the contract states and the customers need to come and collect their goods from the vessel. And most of the time, this does not happen. We have experienced in some areas that we have gone to, the villagers will be just sitting in their homes watching our crew unload. Sometimes we have unloaded the blocks to where the tide ends and we have received numerous complaints.

Franchise is supposed to be in partnership with the people out there in the islands, we have actually requested them to assist us when the vessel arrives. Sometimes when the boat arrives, we ask for the owner of the cargo and they say, "Oh, he had just left, he has gone to the plantation." Those are some of the attitudes that we face and that delays the boat from going to the next port. With the freight that they pay, and expecting us to drop the item right at their door step, that does not balance up.

Another issue, shipping is not an easy area to venture in, sometimes we have unforeseen breakdowns and one of our difficulties is that, we have repayments to meet. There is interest rates and this is something that we are working with the bank to assist us in, so that they can understand our situation. Financing depends on the personnel that is working in the bank on how he or she understands our situation. Sometimes we have breakdowns up to two or three months, for example, at the moment one of our vessels had its ram fall during Easter and it is still not repaired. So these are some of the things that we experience in shipping.

MR. J. QALOVA.- Mr. Chairman and the Honourable Members, the challenges are our costs and these are:

- 1) Unpredictable cargo flows to and fro – as I have said earlier and was alluded to by the Director, we normally return with either no cargo at all or the disparity in the numbers coming here, it could be five or even one at times;
- 2) Low freight rates by the Fiji Commerce Commission – this one is already regulated and we cannot do much about it;
- 3) Low and often irregular traffic volume – which is approximately 9 months a year - peak hours, it is a good time to make those trips but in low hours, it is difficult to make, whatever the Director said earlier;
- 4) Ever-changing cost of fuel prices, which is dictated by the global market, and we have no control over them;
- 5) Maintenance cost for the parts and the others associated with this;
- 6) Safety Equipment's Cost – the apparatus that is serviced yearly;
- 7) Mooring issues in the Islands – the difficulty in anchorage. Some passages are so bad we cannot even go as far as closer to shore, so we are allowed to only moor outside the reefs. That is another impediment.
- 8) For Vatoa and Ono-i-Lau, these two are very difficult in offloading and loading outside the reef; and
- 9) The biggest challenge is always Ono-i-Lau – due to the distance to shore and, of course, the typical 'Just let them do it' attitude by the villagers, they know we are contracted under the franchise and we have to do as they say.

And we just have a little chart where we thought would sum up some of the things we are saying: the vicious downward spiral of events, its inability to make a profit, the deterioration in shipping services. If I could say from 2013, some have thrown in the towel, we took it on board on the request of the Government. And the banks, once they shake their heads or FDB for that matter, it is very difficult because they have their own criteria that we should abide by. And the low level of investment, they need equipment maintenance and, of course, with the aging fleets that we have, it is challenging for us to keep revamping. Hopefully, when the time is right to find the best replacements.

That, of course, leads to low productivity, poor service quality in some contexts, the unavailability of services and, of course, when all these are put together, compromise the standard of safety when we are trying to serve the people. All in all, what we are saying is, when people demand for us to do the services even when we are still berthed for maintenance, we still have to meet those demands, even when we are trying to make things right from our side, so that it pacifies what MSAF has regulated for us to be able to stay afloat and also provide the services that are expected of us.

Our future plans: As they say, "It will not keep raining, the sun will definitely shine", we are looking at it that way. We are keen to stay committed, to providing the franchise services as and when the Government feels. We still can partner with them and, of course, we are challenged to keep improving on the fleets that we have. We are glad that we are here today to just ask in a very small way, Government



to revise the subsidies for the Franchise Scheme, particularly, for Lau that we might lose and Kadavu which we will hope to, we are from Kadavu, we will never lose Kadavu. But we are hoping to ....

HON. MEMBER.- (Inaudible).

MR. J. QALOVA.- Yes, thank you, Sir.

Of course, the purchase of new vessels, not bigger vessels because we might solve one problem and create another one because of the mooring hiccups that we normally have.

The last one, being optimists, we are saying we will continue to be the extension arm of Government's maritime transportation and vessel needs and some other plans that we might have that will propel us to providing the services into the future.

Honourable Chairman and your Committee, the challenges or whatever we shared with you today from the South Island Shipping Services are mainly to tell you that we have taken this as a passion, as you heard the Director saying, as young kids growing up in the village, we saw the woes that were encountered, experienced by people from the maritime islands. That passion has kept us going and while the pessimists are looking at the waves, for realists like us, we are certainly adjusting our sails, we will continue to sail and stay afloat and we know, come what may, we will go through the tapers because as I had said earlier, after many months of rain, the sun will definitely shine. We need people who are there, who understand the predicament that we go through, and asking all our stakeholders to work with us.

At the tail end, we can only say we are sorry for some things that have happened which are beyond us. As much as we are trying to provide the services that are expected of us, things may have gone wrong, even in Parliament, we have heard people throwing slurs at us, even in the social media and we have not turned around to defend ourselves because we know whatever has happened has happened, and we will let sleeping dogs lie but we are just hoping that presenting you today would be used as a vehicle for you to notify the stakeholders, that we are here, if they need clarifications and the likes, please, talk to us and let us work together to ameliorate the things that are before us.

We thank you again for this opportunity to be here today, Honourable Chairman and your team. The floor is yours now, if you need to ask questions, please, fire away and we will try to answer them as and when we can. *Vinaka vakalevu.*

MR. CHAIRMAN.- Thank you. We will only have a few questions because of time constraints, so I ask the Honourable Members if they have questions, they can ask.

HON. A.D. O'CONNOR.- Thank you, Honourable Chairman, and thank you, gentlemen, for that presentation. Certainly, a lot of points to take on board for this Committee to address. But I am surprised where you did mention that you might lose another franchise. I really do not understand that because, I mean, you did go to fulfil the requirements and now they are taking it away from you. That, I just cannot imagine, you may wish to comment, thank you.

MR. U. BAIVATU.- Our vessel was supposed to go to Ono-i-Lau last week. We had a breakdown on one of our generators where we cannot do that service and there is a Government vessel that has gone to take over that trip. We just received an email that we are going for survey again, and that we will only be given to sail up to Lomaiviti and Kadavu; that is from MSAF.

We have serviced Ono-i-Lau for six years and the boat has been designed to go out into open seas. It is a fishing vessel but for some reason, we have been told that we can only go to Kadavu, these

are territorial waters or something, which means, if I can remember when we first went to the Lower Southern Lau, I remember one of the passengers came to me and said, "I hope you can service this route for at least two years" and I said "Why?", he said, "There is no vessel that has ever serviced us for more than two or three years" but as from our presentation today, we have serviced them for six years. We have stopped a few times where we had to change our engine but we kept going to service them, because we feel, out of all the islands in Lau, I think most of the time, these islands are neglected by most of these shipping companies and we have serviced them for all these times. I know that, like I mentioned before, the vessel is not a superyacht, but we have managed to bring copra, we have managed to take their cargoes, building materials for these last six years and we have been asking Government to increase the subsidy.

We normally go for as long as, sometimes, eight or nine days because of bad weather and there are a lot of things that people would say about our service, but as the Director of Southern Island Shipping, I can say that we have done a good job there.

HON. A.D. O'CONNOR:- Thank you, Director. Just on the same subject matter, during those six years that you were operating to Ono-i-Lau, was that the franchise period?

MR. U. BAIVATU.- Yes, that was the franchise period, I think it was like three years and then it was tendered, then we were the only one that tendered and then it was renewed up until now. We have not brought this up with the franchise department that we might cease our operations to the Lower Southern Lau but that is what the authorities have come up with and we will just go by what the authorities say.

HON. P.W. VOSANIBOLA.- Mr. Chairman, first I would like to thank the South Island Shipping Services for their submission today. That is a realistic story of what is happening, what they are facing. Of course, as you have mentioned, it correctly, the customer's and stakeholder's expectations is normally unrealistic or higher than what we have, but the purpose of this meeting is that, we are working on a Petition tabled in Parliament for the condition of the boats that are going to service the Lau Group. You have mentioned your plans that you are planning to upgrade your fleet, that is something good. If Government has to revise the subsidy given to your company for franchise scheme and, of course, it will improve on the 40-days period of payment, I believe that should be sufficient for you to look at the options of getting in some new boats and do refinancing.

MR. U. BAIVATU.- Mr. Chairman and Honourable Committee Members, that is definitely what we have been asking. In order to get a better service, we need Government to increase the subsidy. We have been receiving the same subsidy for the last six years. And I would say that out of all these shipping companies, I think the South Island Shipping is probably the longest serving Shipping Company under this scheme. There are a few that were there before, they have gone out of Shipping. But I would say that ours is the longest serving from the shipping companies that are serving under the franchise. If Government can increase the subsidy and with the other points that we have raised, for example, the slipping cost then obviously we will be able to refurbish the inside of the vessel. We all are home owners, you might have an old home or old house. If you renovate it nicely, put a kitchen and all that makes it a complete home, it is a new house. So basically I am happy about that question so it is possible for us to do that if only the subsidy is increased, and some of those points that we have raised to be assisted by Government and obviously looking at the financing side from the bank. That is all about that.

HON. J. SAUKURU.- Mr. Chairman, my next question is: *Tau*, you have mentioned about the slipway. Creating competition on slipways, I do not know whether you know but there is a new floating dock in Lautoka, whether you have explored other alternatives, instead of having it here. But I do not know the price for it, whether it has the same price or a better price. Someone is operating a new floating dock in Lautoka.



MR. U. BAIVATU.- Yes, we have heard about that slipway but we have not really explored the difference in cost. But we have had a good relationship with Fiji Ship. They have been assisting us for the last couple of years, especially in assisting us with the repayment plans. They have been very helpful but it is just the rates. They cannot change the rate because it has been gazetted and all shipping vessels that come into the slipway, their work are calculated according to the rate that they have.

MR. J. QALOVA,- If I could just add to what the Director is saying, Honourable Jese Saukuru, you did say “if Government ...”, for us, it is not a matter of “if” because “if” it just between “yes” and “no”. It is either “when” because “when” is inevitable, you give us that subsidy, we will definitely improve our services. *Vinaka vakalevu.*

HON. V.K. BHATNAGAR.- Thank you, Mr. Chairman, through you. Thank you, Director, for your much enlightening presentation and actually the way you presented or gave your submission, it is rather sad. Well, despite your challenges and the difficulties you face in providing services to the maritime zones, your passion and commitment to continue to serve the people of Lau and other maritime zones, is much appreciated and acknowledged.

Like you mentioned, alluding to what the Honourable Saukuru has just said about the customer expectations. I believe I do not know if there is a lot more awareness on the ground with the islanders themselves that what you expect out of them when their cargo is delivered to their zones, I mean, what do you expect of them to be there, take ownership of the deliveries and all. So if there is a little bit more awareness on that, may be you can have some dialogue and improve on that front. But looking at the Petition itself, it says that the travelling public has to endure inhuman conditions where they have to find a space to lay their heads and in the process blocking passengers to public convenience and movement around the ship. The condition during inclement weather is shocking and a disgrace to the travelling Lauans when passengers succumb to seasickness restricting movements to many passengers.

So, basically, while you are waiting for subsidies to be relooked at, for the banks to re-service your loans et cetera, meanwhile what is it that you can do immediately to improve on these particular conditions - the argument by the travelling passengers. There is so much difficulty during seasickness, people give up, throw up, blocking of convenience, passage, et cetera. Immediately, what do you think you can do to give the passengers a little bit of comfort?

MR. U. BAIVATU.- I guess there are two scenarios that you have mentioned there:

- i) If I can remember, he was probably talking about a trip during Christmas where the boat was full; and
- ii) When they were experiencing bad weather, like people throwing up, et cetera, when the boat is full during bad weather, and you are travelling, you will really regret travelling, especially when the weather is bad, whether it is a big boat or a small boat, you will experience the boat to roll where people will throw up, something that we have been considering of looking at the public convenience, upgrading them but our toilets have been designed in a way that they access from the outside, it is not from the passenger lounge. But then in a boat when it rolls, sometimes the drainage system is affected. It is different when you are inside a house where you can make a pipe and the pipe falls to one side.

For a boat, when it is bad weather, the boat will roll and the water will flow back and then go back the other way. So, these are some of the things that we are facing that we try to fix, but again you need the subsidy to be increased. At the moment, it is just almost cost to cost or it is a loss.

HON. V.K. BHATNAGAR.- I wanted to ask you that because you have mentioned it that servicing the maritime zones are just uneconomical. That is what you have mentioned, so basically you are not making any profit at the moment?

MR. U. BAIVATU.- No.

HON. V.K. BHATNAGAR.- But out of passion and the feel for the people of Lau, you are continuing your services.

MR. J. QALOVA.- Yes.

HON. V.K. BHATNAGAR.- The Committee have been taking notes and obviously we will come up with recommendations, and we hope to see things improve in the future for your betterment and, of course, the people of Lau.

I have had an opportunity to visit Lau and, yes, it was a long travel on the boat, and we stayed there. The trip to Lau took probably about 8 days or 9 days and, yes, I have experienced that too, it is not that we have not experienced the trip on the boat to Lau, I have experienced it.

Also, I have been to Rotuma twice, so I can understand when the weather is not good and what one goes through. But, it was just like inhouse, if we can immediately do some arrangements so that at least the passengers are a little at comfort. Meanwhile these things will happen eventually and gradually, but immediately, what you can do is, I think, only you can do it.

MR. U. BAIVATU.- Yes, thank you.

MR. CHAIRMAN.- Thank you, Honourable Veena, we will have the last one because we have two more presenters here, so we will have a short one, maybe for only one minute, please.

HON. P.W. VOSANIBOLA.- Thank you, Honourable Chairman. I am just referring back to your answer to Honourable Veena's question. You mentioned about the two scenarios, yes, it was during a Christmas period, and you mentioned about the weather, but I am more concerned on the Christmas period and the number of people inside the boat. For your boat, how many passengers do you take? Please, clarify, for the Christmas period, is there a special time or there is a control on the number of passengers in the boat?

MR. J. QALOVA.- That is when it comes in with full capacity during the Christmas period. It is normally in November and that is after the Term 3 School Holidays. That is when most of the people in the islands come to Suva, so normally it is the maximum number, which is about 120 passengers. Most of those passengers that come at that time are children. For example, for children and adults, they have different fares, but then that is counted as one passenger. When it comes in at that time in November, like I said, it comes in with full capacity.

HON. P.W. VOSANIBOLA.- So yours is 120?

MR. J. QALOVA.- Yes, it is about 120.

HON. V.K. BHATNAGAR.- That person is overloading, right?

MR. J. QALOVA.- No.

MR. CHAIRMAN.- Thank you. I was just coming to that and we will just have it today. If you can just provide us with a two-year plan. It is a monthly trip?

MR. J. QALOVA.- Yes.

MR. CHAIRMAN.- So if you can provide me from January to December for two years, how many passengers travel in those many months, if you can email that to us.

We know that during the Christmas Season, Easter Season, or even in the islands, there will be more passengers. So if you can provide us the monthly status from January, March, April, May, June, July, say there were 10 passengers, five passengers or two passengers. If you can provide us the figure on that, my Secretariat will email it to you. This will be easy for the Committee to look into it.

We will ask the same to the other one, thank you for coming, Director of South Island Shippings and your Team, we are very thankful. If there is anything, we will come back to you and thank you for giving this submission because we wanted to ask a few questions, but because of the shortage of time because we have two more presenters here, if anything we will come back to you but for this one, my Secretariat will email it to you, so we will be able to know how many are travelling? Thank you and *vinaka vakalevu*.

MR. U. BAIVATU.- Thank you so much.

The Committee adjourned at 3.19 p.m.

The Committee resumed at 3.24 p.m.

**Submittee: Mr. Ilisoni Taoba**

In Attendance:

1. Mr Ilisoni Taoba - Lau Provincial Council Chairman
  2. Mr. Maikeli Waqatabu - Roko Tui Lau
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MR. CHAIRMAN.- Good afternoon and *bula*, Sir. We welcome you to our Natural Resource Committee Meeting this afternoon for your submission; Mr Ilisoni Taoba, the Lau Provincial Council Chairman; and Mr. Maikeli Waqatabu, the Roko Tui Lau.

(Mr. Chairman introduced and welcomed the Team)

We will not interrupt you during your submission, and the floor will be open for questions after your submission. The floor is yours, Sir.

MR. I. TAOBA.- Honourable Members of the Natural Resources Standing Committee, my written submission has been circulated. We will start from Page 1:

- 1) Physical and Human Geography:
  - a) The Islands in the Lau Province (also called the Lau Group) of Fiji are situated in the southern Pacific Ocean, just east of Koro Sea, the chain of about 60 islands and islets and about 30 of these islands are inhabited;
  - b) The Province of Lau covers land area of 487 square kilometres (189 square miles) with 60 islands scattered over the sea area of about 335,895 square kilometres. The land area, for those who have not been to Lau, is 487 square kilometres, not in a compacted area but scattered all over. That is why you can picture the need for shipping services in our Province.
  - c) Historically, Lau consists of 3 divisions:
    - i) Lau Matanisiga: (Tikinas including Nayau, Lakeba, Oneata, Ono-i-Lau Fulaga, Moce, Kabara;
    - ii) Lau Tagane: which is now commonly called the “Yasayasa Moala” which is more to the South of Lau; and then
    - iii) Lau Qio: which is the Tikina of Lomaloma, Mualevu, including the island of Cicia, which is normally known in the shipping route, Lau as the northern islands. They are much closer to Vanua Levu than to say, Ono-i-Lau or Fulaga or the other islands further way to the South.
  - d) The Lau Group of Islands, according to the 2017 Census, there are only 9,602 people residing in the Islands; and in the 2007 Census, about 10,683. So we will see the reduction of people residing in the islands due mainly to urban drift. That gives a very small picture in terms of population but we are trying to get further Census statistics of the total number of people in the Lau Group but we cannot get that, but I was able to get some figures from the Vola Ni Kawa Bula (VKB), because

in Lau, there are mainly kai Lau there, not many other races. So my estimate with the VKB records, we have a total population of 172,500 all scattered from the islands, all over Viti Levu, Vanua Levu and overseas. So, in the islands, once we leave the island, we say, “We are going overseas”. When people from Vanua Levu go overseas, that is their first “overseas”, our second “overseas”.

- e) So the figure 9,602 only represents 5.6 percent of the people registered under the VKB. I have tried to show you this picture so that you can better understand that when we are talking about shipping and the need for shipping, you can easily gauge why you want to improve the shipping services when there are only about 9000 people but we will come to that point later on.
- 2) a) Economical Contribution of the Lau Province to the national economy: The direct contribution from the Province of Lau to the national economy through agriculture, forestry, fisheries and other income-generating activities, is insignificant, however, the major contribution to the total population from the Province in terms of human capital, tax payments and foreign exchange earnings, those who have been overseas are sending in some remittance, these are contributions, but to try and measure, this is quite difficult.
- b) As an archipelago with islands scattered over a largest area of Fiji seascape, shipping is our main source of transport from the main economic centres in Viti Levu. Historically, the quality of shipping services to and from the islands to Suva, was at its best during the Colonial days, that is up to the 1960s. This was mainly due to the following reasons:
  - World market price for copra, the major agriculture commodity for the islands were very high, hence the high local farm gate price;
  - The Carpenters Group and MHs Group were the major importers and distributors of basic food items and hardware in Fiji. They were also major buyers and exporters of copra and providers of shipping services and distribution of imported goods to the islands.
  - You will recall at that time, the Cooperative movements was very strong out in the islands. When I was young, I would see Butadroka around, he was the Head for Cooperatives and he used to come and stay in my home because my father was the Head for Cooperatives in the islands. (That is not necessarily the reason why I am wearing the red tie today, it should be a bow tie. Anyway, my granddaughter told me to wear this because her mother is from Rewa, no relationship anyway.) Because of that, shipping was economically viable and the quality of service, the accommodation and inboard service was at its best at that time.

But as from 1960s, the shipping service deteriorated to the current unsatisfactory level, that is from our perspective. That is because the world market price for copra declined drastically over the years, hence the decline in earning power of the two major shipping companies and its wholesale imported goods and hardware distribution services.

In other words, the shipping services became an uneconomical business line to the Carpenters Group and MHs group as well as other aspiring shipping service providers. This is the word that you will be hearing quite often, I think in this submission, “uneconomical routes.” Everyone will be talking about uneconomical routes, it is just because of this uneconomical nature of the shipping service to the Lau



Interview with Mr. Ilisoni Taoba (Lau Provincial Council Chairman)

Mr. Maikeli Waqatabu (Roko Tui Lau)

Tuesday, 28<sup>th</sup> May, 2019

Group as discussed, the Government decided to subsidise private sector shipping operators to service the routes, hence the shipping franchise is in place.

This is one of the reasons why Government taxes the people who can afford to pay and spend the money to those who need assistance, that is, earn money to provide goods and services that private sectors cannot afford for a variety of reasons.

Lau Shipping Services Franchise: At present, you will see the route and the frequency of service. The Northern Islands, as I have discussed, that is Vanuabalavu and those that are closer to Vanua Levu, they have trips twice a month. The Upper Southern Lau, that is, as I had mentioned, from Nayau, Lakeba, Oneata, Fulaga, Moce, Kabara, that is twice a month.

The Yasayasa Moala one goes to the Southern Islands, those are the three islands of Moala, Matuku and Totoya. Going to the furthest Lower Southern Islands cover Totoya, Fulaga and then right to Ono-i-Lau. I think I missed the nearest island, Moala, which takes about eight hours to reach, but the furthest island will take you 36 hours. I have not been to Ono-i-Lau, so it is more or less like going to Rotuma, but soon I will be presenting to you the problems, but before we move into the problems, I would like to acknowledge the shipping services' intervention in times of emergency.

During times of emergency, these franchise shipping providers do not go for that. The Government vessels are the ones that handle this one. When there is a breakdown in the franchise shipping services, especially during the start of the school year, you will see the Government vessels, especially transporting teachers and students to and from the islands so that they will not miss their classes. This is something that has been consistent all along, something that should be acknowledged because the Government is always on the standby to intervene in terms of emergencies. If there is a breakdown in the scheduled route service, the Government vessels intervene.

Right now, I think the *MV Iloilovatu* is on its way to Ono-i-Lau because the franchise vessel is unable to take that trip as well as other sea travel emergency evacuation calls, like missing people, sick patients who need to be brought to Suva, and even in times of cyclones, after cyclones and other emergencies.

Part (d) deals with the problems from the User's Perspective, as we see it.

Poor quality of shipping vessels. Ships engaged to service the group are all secondhand deep sea fishing vessels converted to passenger and cargo vessels. For example, the *MV Tunatuki*, *MV Civa*, and *MV Brianna*. You will see that the *MV Civa* and *MV Brianna* were converted from *Fuji Maru I* and *Fuji Maru II* and they were called *MV Lady Sandy I* and *MV Lady Sandy II*. From *MV Lady Sandy I* and *MV Lady Sandy II*, they gave it to the new owner which changed the names to *MV Civa* and *MV Brianna* which are still the old, converted fishing vessels. The *MV Civa* is not operating now and *MV Brianna* is operating but every time it goes out, it is having a breakdown problem.

We do not blame the boats, we just blame the owners because the owners are buying old boats and I think they have finished their lifetime.

There were vessels that were purchased, new and perfectly designed for passenger and cargo ships, but short-lived due to lack of proper maintenance, lack of financial management, high cost of operations relating to revenue or a combination, but only the operators will be able to reveal this if we actually investigate into their financial statements, et cetera. For example, the *MV Tui Lau*, *Lau Trader*, these are new vessels that were operated but they were out of business.

The poor quality of service in terms of accommodation and inboard services, frequent vessel breakdown prior to scheduled travelling hence causing inconvenience to passengers and food suppliers



to island retailers, the high cargo charges, especially the route that covers Lakeba. If the vessel does not go in two weeks, there is short supply of goods, and people from the islands always call for help because there is nothing sold in shops.

There is a lot of demand for goods and service, and as soon as you get this breakdown, you get calls for help from the islanders. I think the same happens in other islands that when there is a breakdown, the islands from the other areas closer to Lakeba come to Lakeba and buy from there once they have finished their supply. Sometimes when they come and the shops are empty, as they see the grog, they just buy the grog and they go back because they do not have any grog in their islands, so sometimes grog is priority than food.

The high cargo charges beyond standard rates: This is a common complaint. You have got standard rates but owners tend to charge higher, for example, you have a bag of copra that should be \$5 a bag. If it is a \$25 kilogram bag or 50 kilogram bag, it is \$5, that is a benefit for the islanders because they are trying to get big bags and the company loses because that is still \$5. That is a disadvantage to the boat owners but sometimes that \$5 worth, they charge \$10, different places they put different charges.

When they raise complaints and say, “No, we’re just charging you this” - equivalent to a bag of copra.

In my case, once my brother brought one bag equivalent to a bag of copra and it was a bag of sandalwood, the rate was supposed to be \$5 but they said, “No, we know that sandalwood price is higher, you pay \$25”. So this is the type of things that we face, whether it is a bag of sandalwood or copra, just a bag, it should be \$5. These are the things that are happening on these rates.

Then the lack of proper landing, like jetties in the islands to facilitate ship-docking and loading and unloading of passengers and cargoes. Some of the islands have jetties but a lot of the islands do not have jetties. If you go in a good boat on a fine day, when you go there, you jump into a water taxi and you go ashore. If you come from a good place, before you reach your island, you will jump into a water taxi again. They expect to travel in ships that berth in jetties but not to jump into a water taxi. But time will tell and I think the Government will be looking at that as well.

On (e), the following are the suggested solutions to the problems mentioned:

- i) to improve ship selection that meets modern inter-island shipping standards. In this, we can avoid old, converted deep sea fishing vessels or secondhand vessels over three years. I understand for the cars, you are not allowed to import over two years, and that can be done for shipping vessels as well;
- ii) Standardise quality inboard service in terms of accommodation, food and passenger safety;
- iii) Provide shipping franchise subsidy that ensures economic viability of service providers;
- iv) Standardise cargo rates and ensure compliance;
- v) Educate customers and crews to avoid wilful damaging of ship due to frustration, known only to them. Sometimes they are frustrated because of the cargo or lack of service, they damage expensive parts of the vessels. This will result in the deterioration of the vessel itself and it goes back to providing poor service to them. They have to be educated; and
- vi) That goes with Items Nos. 5 and 6, provide public awareness program and shipping service users and their responsibilities, liaising with the enforcement agencies, educate public customers to raise complaints to Law Enforcement Agencies and other hand users are also to be educated to refrain from dishonest behaviours.

There are a few cases where I advised that some of the complainants from the islands, the goods that were brought were damaged in the vessel, and they would ask, “What shall I do?” I asked them, “Have you got the receipts?” Or if their vehicles get damaged, I would ask them, “Have you got the

receipts?" I would tell them, "Take the receipts back to the owner of the *Vessel Brianna* and tell them that that has been damaged." I think they can be compensated for that. Some people just do not understand that – that if they have evidence then they can go and complain to the vessel owners, but to start complaining and damaging things or go and tell bad things about the vessel owners, if they are educated to do that, that can be solved between the vessel owners and the complainant before it even goes to the other Law Enforcement Agencies.

Jetties: There are a few jetties there but we are suggesting that there be progressive, inclusive or improvement to the existing island jetties to add value to the shipping service delivery, just as I have discussed, and the review of the shipping franchise subsidy rates to that accepted to both parties - the Government and the private sector.

Finally, for Government to strengthen existing monitoring mechanism currently in place to ensure strict compliance to the legislative requirements.

Mr. Chairman and Honourable Members, that is the end of my presentation. Thank you very much.

MR. CHAIRMAN.- Thank you, Sir, and now the floor is open if any Members have any questions to ask.

HON. A.D. O'CONNOR.- Thank you, Mr. Taoba, I must certainly agree with you, probably old as you that I am very familiar with those copra boats in those days: the Zepha, Komaiwai, Uluilakeba. They were, I must say, well-equipped for passenger service as well because there are passenger saloons and everyone that travelled on those boats those days were travelling in comfort and particularly so for the copra trade. Yes, there is a big change in that whereby it is localised now and people have gone into sort of investing in fishing vessels.

We are just no-where near design for cargo-handling and I think that is the step that any intending operator or business entity should go into. If they so wish, I mean, the Government is there to try and help out where possible, but they should be investing in proper vessels, and I think that is the way forward, and I thank you for your contribution this afternoon. Thank you. *Vinaka*.

HON. P.W. VOSANIBOLA.- Thank you, Mr. Chairman. Mr. Taoba, we know that the sea is our main linkage to the islands of Lau, and not only Lau, but also within the Maritime Provinces.

From the perspective of the Lau Provincial Council as you have done before, is there a long-term plan to purchase another boat and operate it through the Council to upgrade the condition to replace the private ones where you are facing problems in its quality.

MR. I. TAOBA.- Yes, Mr. Chairman and Honourable Members, the Lau Provincial Council has already invested in shipping. You will see the Uluilakeba, Tuilau, we also have a minor shareholder in the *Marine Vessel Civa* but it is a bad experience. It is good to go and invest in something else, that is why we have the Yatu Lau, even the Yatu Lau invested in the Lau Trader, that is a new boat but it still collapsed.

Shipping is something that needs someone with very mature financial management background running a business. You need a fulltime person with very mature financial management background. One example is the owners of the *Marine Vessel Sandy*. I have just forgotten their names – Husband, wife and they have a daughter. The household looks after this. When you leave it to the wider Provincial Council for a *Tikina* to run it, the ownership is too wide, there are so many bosses, even the islanders want to get their things in for free. They demand that because it is their boat, it is better for someone else

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who is not from there to run it - a family or they use the relationships and I think this has been a problem with Kadavu too, its *Marine Vessel Bulou Ni Ceva*. They have been complaining about this. You pay this, they say, "No, this is our boat, just let it for free." That is the type of business that exists in the shipping in these islands.

So we need people who want to run it, to be running it as a family business and very strict businesslike, otherwise it will not work. I can tell you a good example, the *Brianna*, but the unfortunate thing only is how they run it. But, I only wish they get a good boat, that will be a good example and this is the type of units that we need to have for a successful shipping service in the islands, especially when you get the subsidy assistance from Government. I was just reading a paper today that the Ministry of Infrastructure is saying that they want to extend the long-term contract for those who want to buy fishing vessels. That is a good solution because if you want a new vessel, it might cost you what they are talking about now - \$3 million or \$4 million. But if you pay that off in two years or three years, I do not know if you can do it, you should have a longer term so that you can pay it off. That is, I think, I do totally agree with the infrastructure with all these.

HON. J. SAUKURU.- Honourable Chairman, through you, I wish to thank the Lau Provincial Council, the Chairman and *Roko Tui Lau* for the presentation this afternoon. I really love your old story about the shipping services to the Lau Group of islands. To me, your story gives another angle to the whole submission this afternoon. What you were talking about is true that all the shipping companies are saying, it is an uneconomical route, but my question is: How can we make the Lau Group of Islands become economical routes?

I was just sitting here and thinking about the Look North Policy which Government has started, trying to revive the economy of the Northern side of Fiji and how you can revive that. Because even if we get new boats, the economic activities in Lau are not as thriving, will still be called uneconomical. What can we do as a partnership with Government and the Provincial Council, I know, in Lau we have a lot of sandalwood, maybe we look at pine and other activities that can make this part of Fiji which is being called as uneconomical, become economical and companies can send good boats to the islands.

Like you were saying, it was thriving because of the copra at that time, the economy was good. They were sending good boats to the Lau Group of Islands. May be we try and move back to that situation. It is something that the *Roko Tui Lau* and the Chairman can contribute to, I am looking at it from a different angle altogether. Thank you.

MR. I. TAOBA.- Yes, Honourable Chairman, thank you for raising that. This is something that I have been pushing very hard at various levels.

I was the Executive Chairman of the Copra Millers of Fiji Limited from 2009 to 2015. We revived the Copra Millers of Fiji Limited from a loss of \$2 million to break even and making small profit in 2015. In two years, we did that. That is just because the mill was run by Hari Punja and Sons. It was the private public partnership, I think that was in 1998, 1999, 2000. But the then Government allowed Punja to sell its shares back to Government, then Punja moved away from that, sold his shares back to Government, and I advised the Ratu Mara Education Trust, "You buy these shares". We were getting 10 percent dividend when Punja was running.

When they allowed Punja to go back to sell his shares to Government, he has already recovered his from the dividend and he was getting the management fee as well, and then Government sold it and bought back the shares. That was a very bad decision because Punjas had the business mind and we could have continued, but Government allowed that. He went and then he started off his own mill at Walu Bay, so the management came in and collapsed, we came in, revived it, we managed to get it out of the loss, so that is working on the coconut plantations that were planted by the white men and our grandfathers.

They were almost hundred years old, some were over hundred years old but then, there was a move to revive the coconut industry and the governors, the Coconut Industry Development Authority (CIDA) to run as a public enterprise, to try and revive the coconut industry, but we came in 2009. After that, because of the problem, someone came in from the Military and took over the Permanent Secretary for Agriculture. We found out that the CEO was going around with a young girl there who was the Accountant; just because of that, they abolished the Coconut Industry Development Authority which was set up to revive the coconut industry.

Since then we have been pushing that we revive the Coconut Industry Development Authority. In the islands, you cannot bring rice, you cannot promote sugarcane, you just go back to what they were used to, just replant those coconut trees.

Last year, I was in the island, the coconuts were this size, small. People just did not want to send it to Suva and this year when I went there in January and February, they have got nuts, the coconuts are falling everywhere. I said, "Hey, something happened" and when I asked the older people, they said "Oh, probably, *sa veisau na draki*", probably the benefit of climate change, the weather is right.

Even my coconut trees in Vatuwaqa, I have about ten which I planted in the 1980s. They continue to produce, I have never seen that before. I planted those coconuts in 1983 and are now producing that much, what if we replant whatever our elders had planted. That will generate the activities and then you will go back to the Carpenters' days and get the production going. One coconut tree, if it is ten years old, it takes seven years for a coconut tree to start bearing and then after that, say about ten years, it should be giving you ninety five matured fruits every year. That should go on until that tree is about seventy years old. After seventy years, then it should give you eighty fruits, after hundred years, it might be giving you only ten.

Some of our trees now are only giving about five, but people are emotional to cut it because they say "Oh, that my grandfather planted" but it is only giving you five. If you re-plant it, it will give you ninety five. That will bring back economic activities in the Lau Group. Even in Cakaudrove, 70 percent of the coconut plantations in Fiji are in Cakaudrove and Bua. So you talk Look North Policy, what are you doing there? Just re-plant the coconut trees and then you will see the Look North revenue coming; contribution to the economy. If you plant it in line, say ten metres apart, the recommended spacings, straight lines in rows, you can inter-plant.

You make use of that land, you raise cattle below or you can put the tractor in and plant whatever you can plant. The best land that you can get is in Taveuni, in Savusavu; those are flat, fertile land as well as out in the islands. That is the way of generating economic activities and then you will get viable routes and then everyone is happy; revive the Coconut Industry Development Authority (CIDA).

MR. CHAIRMAN.- Thank you, Mr. Chairman and the *Roko Tui Lau*, for your submission today. We will consider the suggestions which you have made, your submission has been very fruitful. Thank you and *vinaka vakalevu*.

The Committee adjourned at 4.05 p.m.

**MR PAULA VAKADRANU**

# **STANDING COMMITTEE ON**

## **NATURAL RESOURCES**

**Submittee: Mr. Paula Vakadranu - Traveller [Lauan, a UNE graduate (Masters for Regional Economics, Former civil servant with Ministry of Agriculture, resigned in 2017, a Resource Development Economist)**

***[Verbatim Report of Meeting]***

**HELD IN THE**

**COMMITTEE ROOM (EAST WING)**

**ON**

**WEDNESDAY, 29TH MAY, 2019**



**VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON NATURAL RESOURCES HELD IN THE COMMITTEE ROOM (WEST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON WEDNESDAY, 29TH MAY, 2019 AT 1.55 P.M.**

**Interviewee/Submittee:** Mr. Paula Vakadranu

**In Attendance:**

1. Mr. Paula Vakadranu - Traveller [Lauan, a UNE graduate (Masters for Regional Economics, Former civil servant with Ministry of Agriculture, resigned in 2017, a Resource Development Economist)

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MR. CHAIRMAN.- Good afternoon, Mr. Paula Vakadranu. Firstly, I wish to introduce Honourable Members who are Members of the Standing Committee on Natural Resources.

(Mr. Chairman introduced Members of the Standing Committee on Natural Resources)

We will give you the floor for you to present your submission. We will not interrupt during your presentation to allow the flow of your presentation, afterwards the floor will be open for Honourable Members to ask questions, if they have any. So, thank you, you can have the floor, Sir.

MR. P. VAKADRANU.- Thank you, Honourable Sanjay. Firstly, I would like to thank the Committee and the Secretariat for allowing me to present, what I hope was to have a letter submission, now it has turned into an oral submission. I hope the Honourable Members will also bear with me as I have also come forward with a suggested solution. That being said, I believe I should proceed now.

These are the contents of my presentation: I will begin with the introduction of myself and then a few questions that I have in mind and then we will go straight into the subject.

As for myself, I am from Lau, a UNE graduate with a Masters for Regional Economics. I am a former civil servant with the Ministry of Agriculture, resigned in 2017. Basically, I am a Resource Development Economist.

Firstly, Sir, I would like to just raise the question of the ethics of why the people of Lau is discussed in the Committee. As I understand, the Committee is Natural Resources. I hope we are not precluding to say that the people of Lau are as equal to, say, your palm tree or to other natural resources. As I understand it, in economics, there are three factors of production:

1. land;
2. labour; and
3. capital.

The labour is separate in terms of the natural resource factors. As I understand it, we may be including them here as one whole, but I hope that there is a proper Committee that can look into such development and undertaking that will include the natural person or persons per say.

With that, I hope I am not diluting the Committee's work here or trying to deviate from what we are supposed to be talking about. We will go straight to the matters here, Honourable Chairman, on subsidies.

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As I understand it, the WTO foresees subsidy as a foregone revenue. It is mostly provided to goods and services. The benefits and the flows of the subsidies are well known through academic circles and there are various studies that have been done on the same. Regardless of the many claims and for and against subsidies, it is noted that the long term benefit of subsidies do not equate to the long term benefit of private investment or private development.

That being said, we can say that subsidies specifically are on goods and services. In economic terms, we can say that when a subsidy is provided, it is, sort of, like impose deadweight loss, in other words, market inefficiency.

With that, the next point says the dependence on subsidy impose a perverse impact through things such as inflated price and all other marketing inefficiencies. I have here a little diagram if you would bear with me.

P\* would indicate the normal market or the equilibrium market. In economic terms, it is the market on its own. Ps would include the subsidy on prices, whether it is a price for a kilo of *dalo* or whatever, it comes under the same model. What this does, Mr. Chairman, is that it creates a sort of like perceived supply and invariably, also creates the perceived demand. As we can see that the demand has moved from the left to the right and so as the supply has moved from the left to the right, but the price have come down which is sort of like a good thing.

But unfortunately, it still creates that deadweight loss but what happens frequently, Sir, when we tried to interfere in the market, let us say we prolonged the subsidy or we add on to the already existing subsidy, what we are creating is P\*<sup>1</sup> which would be the change in the normal market.

Let us suppose, for this case, it is the world price for filters or for oil or for fuel. When that changes, it will force this particular local market to react and when that reacts, it will need to sort of like create another supply and demand curve on its own, which, if we can see here on Qs<sub>2</sub>; what we are doing is that, we are not only sort of like sustaining the market, we are creating a perceived supply and demand and what this eventually created is an increased deadweight loss.

When I say deadweight loss, Sir, I mean inefficiency in the market and I hope you already understand what I meant by inefficiencies in the market. With that will come the social dynamics of it and these social dynamics will relate to things like urban migration. There will be an increase in urban migration; increase in cost, squatter settlements, unemployment in the urban areas; equally, there will be a decrease in agriculture and fishery production. With that, what we will eventually see is a loss in rural economic productivity and efficiency.

That, Sir, will culminate in what some psychologies would fear is the loss in local culture, heritage and tradition. With that, I have provided a solution which I know is not in my formal letter that I submitted earlier, but I would say that this is a free token of my presentation here today. One is to sustain the current level of subsidies as they are so as, as I mentioned, not to so much affect or impose that supply and not to distraught the market while at the same time, we probably could have channelled part if the idea is to add additional subsidy on a channel to production factors like in agriculture and fishery production sectors, so that those in the rural areas, for example, in Lau can sort of stay there, so to speak, but focus on the economic activities that they can send over to Suva which I was hoping *MV Brianna* and *Goundar Shipping* are hopefully looking for, to bring in more cargoes than people.

With that, there is also an alternative approach or it will be a parallel approach which is to look at improving the infrastructures on the vessels. There are so many ways to “skin the cat” on that one; the subsidies can go through the loan system or whatever they have but it is sort of like a support for them to lift up their gain.

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Also the Management of *MV Brianna* can look within themselves, review their structure, their business plan and organisation structure. I understand that efficiency also applies to their own efficiency which they must look at. They can also explore into other avenues to access finance. Lastly, Sir, I believe that the subsidy scenario does not only apply to the case in point. It relatively applies to all economic sectors that we have.

With that, I would like to thank you again, Honourable Committee Members, for your time and allowing me to come in to do my oral presentation. Thank you.

MR. CHAIRMAN.- Thank you, Mr. Paula Vakadranu, now the floor is open if Honourable Members have any questions to ask.

HON. J. SAUKURU.- Mr. Chairman, I wish to thank Mr. Paula Vakadranu for the presentation that he has just presented.

Yes, I am quite interested in the second part of your solution. Yesterday, we heard a presentation from the Chairman of the Lau Provincial Council but I am interested in the second part of it: "Increase support to production-oriented programmes, for example 'agriculture, fisheries and forestry'." I think for the Lau Group of Islands, from the submission that have been made by the boat owners, they are saying that it is an uneconomical route. But a question is, how can we make it economical? And my personal opinion is, I agree with you on the increase support for production; try to revive the economic activities within the Lau Group of Islands because getting new boats will not solve the problem because the owners will still ask the question: If I send my new boat to the Islands, what can I get in return from those islands?

The story that we heard from the Chairman of the Lau Provincial Council yesterday (which is good), he was mentioning about the copra in the Lau Group of Islands which was really booming and he was saying that that was time when transportation was very good, efficient, better boats because there were some economic activities for the boat owners. It was good for them coming back because it was not uneconomical then. So the question for us now is, how we can revive those economic activities in the Lau Group of Islands?

I know Lau has got sandalwood, pine, how can we tap into these? We can develop Lau to get into tourism. So we develop that environment where it will be economical too for the owners to bring their boats getting into the islands and coming back loaded with cargoes and products where they can sell it here or trading across the islands. So my question is, can you just elaborate more on the second part of it?

I have not been to Lau, I am just talking about pine and maybe sandalwood, but I do not know, may be *bech-de-mer* is there. Can you just elaborate more on that second part of it? Thank you.

MR. P. VAKADRANU.- Thank you, Honourable Saukuru. Honourable Members, I think that there is a lot that can be done; it has been submitted that there is a lot that can be done. I think what we must try and answer is that: what can actually be done? What is the lowest hanging fruit and how best we can pick that lowest hanging fruit and move it forward?

Yesterday, I was with the Fiji Pine Trust discussing with them how best we can tap into some avenues for economic activities and what I gathered is that, there is good enough pine trees in Lau. They have gone over 40 years and some of them can be the circumference, the estimate can be like two adults may happen to hold hand-in-hand.

HON. MEMBER.- (Inaudible)

MR. P. VAKADRANU.- Yes, that is a lot of volume of wood for one tree but if we are talking of, say, collectively, for example, about more than 15 hectares of land of that much wood. One can only imagine the

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effect it will have on the price of timber that is sold in our local hardware stores because that volume of wood will definitely have an impact. That also will have its own externality like the building of houses will go up because of the price of timber have gone down, employment (for Carpenters employees, now they are probably just roaming the streets and even casual labourers). Those are some of the things, for example, we can quickly tap in but there is also additional programmes that we can try and move from other parts of the island into the Lau Group. For example, I believe, the Ministry of Fisheries have a crab farm there in Rakiraki.

The question I have over the years while with the Ministries is that, how can they take that and recreate that model in other places, not necessarily replicate? They can learn from whatever they have and re-do it elsewhere but with what the corrections that they have come up with and then they can also again jump into another area of our Fijian and recreate the same thing but learning from their experiences. If they can do that and come up with a lot of benefits from each of these programmes, we can see that there is a lot of people want to stay in the villages in rural areas because they know that there is enough resources that they can get money from. We can bring back again the coconut. Even the coconut, I have some issues with that one because now the Ministry have introduced the hybrid coconut. Unfortunately, to those people in villages, that hybrid coconut is sort of like a worthless plant for them. The volume of oil is low, it breaks off easily and it re-grows very fast.

To them, when they come across that coconut, they just leave it aside. To them, it is like an ornamental plant. They hardly take it to feed their own families with it. Even though it is a good promotion, it is a hybrid but to those that are using it, they are actually seeing the disadvantage of those things. So, I think we really need to go into better planning, smart planning and just look at what we already have and try and see how best we can move it around the country so we can pick that lowest hanging fruit and then we move forward. I hope I have answered your question, Honourable Member.

HON V.K. BHATNAGAR.- Thank you, Mr. Chairman, through you, alluding to what Honourable Saukuru has said, I also share the same sentiments that we will have to say that the relevant Ministries will have to see agriculture, fisheries and forest and all the others that the environment is conducive to what - what can we do there? Most probably that can come on as a recommendation that they have to study the soil to determine whether it is good for copra, crab farming, prawn farming or fisheries, et cetera, so basically I think it should come as a recommendation on our part to see what Lau can produce; what Lau can give?

I believe other speakers or submittees previously spoke about urban drift as well, so we can retain the people on the islands themselves and then if there is something to do, if they have some indulgement, I mean obviously they can stay back on the islands and make money, likewise when the ships are going to and fro, I mean they have something to carry to and something to carry back. So basically in that way everybody will be in a win-win situation but I believe it will not be done overnight, it will take time but we have to start somewhere. We have to plan something so that 10 years down the line, we can say that this was initiated and then everybody contributed.

But meanwhile, looking at the fourth point, you said *MV Brianna* (Victoria Marine Limited) to explore other avenues to access finance, for example, stock market and internal review, et cetera, have you done anything in that area as of now? Have you had talks with anybody?

MR. P. VAKADRANU.- Thank you, Madam. I have not really put my finger on it but through informal discussions with colleagues in my network, I believe it sort of like indicated that there are local investors that are ready to invest but what they need is sort of like a good buy for them. But unfortunately, as you said, it is not going to happen overnight because at this point in time, all vessels travelling to the Lau Group are just burning carbon, wait there and back. There is no economic return for them or for the market, so to speak. But when I said, I believe that there are investors locally and there are also investors abroad, and I believe there are investors



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that are looking at the Fiji's capital market because what I understand is that, there are companies that are registered with the Suva Stock Exchange in the last 10 years ago, they are now thriving well because of that investment from the Suva Stock Exchange, because once they make a profit, people get to invest into their company.

If local companies such as *MV Brianna* (Victoria Marine Limited) look at that as an avenue for finance, I believe that they can, they will probably have their hands full once they start to show that there is some revenue to be gained there.

HON. V.K. BHATNAGAR.- Obviously, Sir, you would not want to keep pouring and they keep on soaking it up, and you are not making any profits and it does not do anybody any good. So maybe the investors too, once they want to invest in this, they will obviously want something in return and then that is, I think, currently like you say, it is just simply uneconomical. I mean nobody is making anything, it is just like a goodwill gesture of serving the people of Lau with the help of the Government subsidies and all.

Do you know if the current vessel owners, directors, the people who are involved or in authority have they ever got together to have a talk or meet on what can be done or come up with a strategy or a plan?

MR. P. VAKADRANU.- Thank you, Madam. My older brother who passed away a few years ago, was a good friend of the Goundar brothers, so in one of their discussions, he was telling us during one of our family gatherings that we needed to muscle up and sort of like come up with a business plan to help the Goundar Shipping Limited in their transport services because what they find is that, they find it expensive for them to take the people into the wharf and then take the people from the wharf, that is the difficult part, from the wharf to the individual villages. They need someone to be there, so to me, that is, sort of, like an indication from them that they need investors, and if someone can tap into that, but unfortunately at the moment, they are just shipping people there to the village, there is nothing coming back from the village. It is evident, you go now whenever Goundar Shipping gets to dock on the wharf or *MV Brianna* when they leave, there is just a lot of human cargo going but when they come back, there is hardly any real cargo being lifted on to the wharves which is, sort of, like ....

HON. A.D. O'CONNOR.- One way traffic.

MR. P. VAKADRANU.- ... a one way traffic but then again, it is sort of like a "Catch-22" kind of thing, you cannot just do this and that will happen, you have to do this and then do that and the equation will flow because otherwise it will just not happen.

HON. J. SAUKURU.- Mr. Chairman, I have shared this in the last sitting of Parliament that Lau is not alone. I think the maritime zones are feeling the same situation of whatever is happening in Lau about urban drift, people moving to cities and towns. It is happening in the Yasawa Group of Islands as well, unless and until we create economic activities within those areas, we cannot stop people from this urban migration; people coming in.

I wish to share with you that when we were going around during the campaign period last year, for Yasawa, more than 50 percent of their population are now living in Viti Levu, that is Yasawa alone, and I think it is true for Lau as well. Why? People want jobs, people want to educate their children and if you go to some of the villages in the Yasawa Group of Islands where you have a hotel or a backpacker resort there, you have enough population within the village, but where there is no economic activity, there is no hotel. In some places we have a population of less than 100 living in those villages; villagers are more or less deserted now, it is happening too to the rural part of Ba.

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If you go up to Yakete, to the Village of Nalotawa, believe or not, the registered voters in Nalotawa is 29, and that is the chiefly Village of the district of Nalotawa where you have the Tui Yakete: 29 registered voters, people are now living in Lautoka and Ba. I think Lau is in that same situation until and unless we do something about it. I was sharing with the Chairman of the Lau Provincial Council yesterday if the Government had that Look North Policy, we can have "Look Lau Policy" to create economic activities within the Lau Group and that is when we can revive economic activities and get good services to the islands, we can turn it back to economical routes.

However, Mr. Vakadranu, I thank you for your very clear and good presentation that you have done, but I would like you to share your opinion on the boats that are servicing the routes. Have you come across any personal experience with the current boats that are servicing the Lau Group of Islands? I think it is *MV Brianna* and *MV Liahona*; have you had any personal experience with those boats? Because we are here because of the Petition submitted to Parliament on the conditions of the boats as well.

I think one of them is *MV Brianna* and it is through that Petition, that this Committee is sitting here and hearing submissions from submitters like yourself. So, if you have any personal experience, we would like to hear that this afternoon. Thank you.

MR. P. VAKADRANU.- Thank you, Honourable Saukuru I must say that personally I have not travelled by the *MV Brianna* or *MV Liahona*, but I have travelled on a much more sketchy vessel, *MV Tai Kabara*. On that vessel, Madam, we have to sleep on top of the deck and *MV Tai Kabara*, if I may, is a schooner on its own but it has a sort of a mast for a yacht and on the deck, the part of the mast goes to and fro. So for us from Lau, it is a normal thing to travel on the sea when it is rough, it goes up and down and that goes left to right, you just have to find something with all due respect, we expect ourselves to be in that situation.

I think probably the complaint of why *MV Brianna* is sort of like an overcrowding ship is because there is no room for cargo. Before there used to be cargo and humans when the cargo take, sort of, two-thirds of the weight allowance and the human being take the other one-third, which, sort of like equates the whole population within that vessel. But now that there are hardly any cargoes coming in, the whole two-thirds or 90 percent of the space is taken up by humans, that is why we have the same scenario that we are trying to find the solution to.

With that, economically, just by the look of *MV Brianna*, I think it is a too much bigger vessel to be going to an uneconomical area. The *MV Tai Kabara* was doing well. It is just only mismanagement, Sir, that sort of shoot them down. But then again, like I said in my presentation, when we interfered into the market, the only thing that we are imposing on the market is inefficiency. Those are sort of inefficiencies that should be expected. One of it, I would say, are the complaints from people who have gone to sail in the *MV Brianna* and *MV Liahona*.

HON. V.K. BHATNAGAR.- Thank you, Honourable Chairman. Mr. Vakadranu, thank you so much. But whatever I want to say is, now that you are in the business, whether it is a goodwill gesture, whether it is uneconomical but you are providing services to the maritime zones, *MV Brianna* is taking passengers to and fro from Lau. Yesterday, I also asked the submitter the same question, looking at the grievances of the passengers actually on the boat (that is all the Petition is about), as Honourable Saukuru has mentioned, what can be done immediately to provide some comfort to the travellers? Is there anything which can be done?

MR. CHAIRMAN.- Honourable Veena, I think, he is not the boat owner, so he will not be able to answer this question, or you can, I do not think so.

HON. V.K. BHATNAGAR.- I believe you are not ....



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MR. CHAIRMAN.- He is not the boat owner, he worked for Agriculture and ...

HON. V.K. BHATNAGAR.- All right, I see.

MR. CHAIRMAN.- He will not be able to answer that question.

MR. P. VAKADRANU.- Yes, Madam, I am an individual, I am, sort of, like just presenting my views as an individual and a citizen, thank you.

HON. M. BULANAUCA.- Thank you. Paula, again, I would like to thank you for your submission this afternoon. I think we have come to a time that we have received a lot of submissions from a few areas, from the Government, from the members of the Lau community and even the boat owners and from MSAF. I think what your submission this afternoon really equates the thought from our first day, which was the relationship between the subject matter, and that is: "To provide safe, reliable and affordable shipping services" and the notion of uneconomical route of shipping services. We really thank you so much for what you have discussed with us.

It is not only due to the effects as you know well that commercially, the goods we receive is subject to what we also hire for it or even the value, we go for it, so economic is the problem. We heard yesterday that it was economical route during copra days and Carpenters and MH shipping routes were there in the Lau Group, it really thrives, and the Lau community remained on the island.

So I just thank you again for the submission and also it will be dealt with in our deliberation and report to Parliament with regards to this Petition.

MR. P. VAKADRANU.- If I may, Honourable Sanjay, Mr. Chairman, I try to answer Honourable Bhatnagar's question. I believe MSAF have their own capacity for each vessel and, if I am correct, part of that criteria includes overcrowding, to not allow any vessel to sail with overcrowding by individuals in the vessel.

To answer your question, Madam, I think that MSAF needs to be reviewed. If the vessel is to be, they just do not need to keep the tickets going just so that they can get that much, they need to work within the regulation that is set. With that said, I hope I have tried to answer your question as best I can.

HON. V.K. BHATNAGAR.- Thank you, then they will be questioning, as it is, we are running uneconomically and now you want me to reduce the number of passengers and get lesser fare because there are lots of contributing factors but I agree because maybe, they can look into something. Like you said, initially where they had one-third of passengers and two-thirds of cargo, now you are practically having like no cargo but a lot of passengers, so basically the cargo space has been taken by passengers, so obviously, we can see that they would be uncomfortable because the cargo space and the passenger space is not the same. Basically, they would be different, the space where you put cargo and all those. I do not know how and also I have not been to MV *Brianna* actually, I wish I had.

Like you said, you also have not travelled on *MV Brianna*, but have you actually seen how it is inside - the capacity, the spacing and the place where people are accommodated and the cargo?

MR. P. VAKADRANU.- Yes, Madam, I have seen the vessel when they board and I have also seen the vessel when they disembark. I believe, I must clarify on how vessels work in my understanding, a vessel works on weight and whatever is put on the vessel, that will determine whether it can go across rough seas or not. That

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weight, if we see the *MV Brianna* it is, sort of, like a long log with the cargo compartment - the access for the cargo in the front and part of it is at the back.

Most of the time, when the *MV Brianna* docks in Suva, it is out like this because there is no weight in the front portion, so when they begin to put 30 of hundred kilos, it still does not have any effect. What they tried to do is that they try to fill up all the space to balance it out, so they can have an equal distribution of weight on the vessel.

Having said that, what will happen is that, they will adjust the overcrowding by passengers because when I said there were two-thirds of weight, it was the bottom part or the hull of the vessel that normally takes up two-thirds of the weight component for any vessel. That is my understanding, in summary.

When the passengers come on board, they just occupy the remaining one-third. Now, when there is no cargo moving, basically that is what they are trying to do, they are just flooding the vessel with passengers to take over that weight. So another thing that I have just earlier mentioned is about the MSAF criteria for each vessel before they sail. If they say, like 50 passengers, no matter how big the vessel is - must be 50 passengers. They should not try to go back to the 5-tonne vessel before it sails, because the 5-tonne vessel is not going to be met by that 50 passengers for sure. But the safety of the passengers is No. 1 criteria when they sail. I believe that is how they have been and they should be looking at it seriously in that manner. Thank you, Mr. Chairman, for allowing me time.

MR. CHAIRMAN.- Mr. Paula Vakadranu, we are talking about uneconomical trips, so to be economical to the Lau Groups, I do not think there is any resort or such things in the Lau Group. So for that, the onus should be on the Chief, the *Turaga Ni Koro*, the *Roko Tui* to bring up ideas to the Government or to the people so they can have resorts. The Government cannot do it on its own because the land belongs to the people of Lau. They have the beaches, they can advertise, they can bring up with the real estate market, once the resorts are built, we can stop people from the urban drift so what do you think is the onus also on the people of Lau that the Chief and the *Roko Tui* to bring up ideas where there are sandy beaches like in the Yasawa Group and other places where we have resorts, people are there working, so what do you think of that?

MR. P. VAKADRANU.- Thank you, Mr. Chairman. I mean that question has been floated over and over. I think while with Government, I have presented to a few *Tikinas*, a few *Yasanas* and we have gone up to the stage of each village within a *Tikina* or within the *Yasana* to draw up a Strategic Development Plan. But then how does that eventuate into actual activities and other stories of its own? But the thing that I really want to say is that, those plans are already there even if we look at the documentation within the Ministry of Agriculture, within the Ministry of Forests and the Ministry of Fisheries, they have Strategic Development Plans for each geographical area in the country.

The only thing that they need to do is go back and dust off the cobwebs from their shelves and relook at their plans for each individual geographical area.

I believe there was a lot that was done, for example, the *Yasi*. Before the *Yasi* market gets a boom. I think last five years, previous 15 to 20 years, forestry was working on the Lau Group promoting the *Yasi* plantation, and people in Vanua Balavu and all these other places took on that initiative. But then again, it comes to that "22-Catch" kind of thing, it is a two-way rather than a one-way, because I believe that Government is a custodian of the resources as the Standing Committee on Natural Resources is here, and Government should see that these resources are better-utilised, not only for a quick gain but for a long-term gain for the economy and the people as well.

*Mr. Paula Vakadranu [Traveller (Lauan, UNE Graduate [Masters, Regional Economics,  
former civil servant, a Resource Development Economist)*

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MR. CHAIRMAN.- Thank you, Mr. Paula Vakadranu, for the very fruitful and healthy submission because everyone is talking about uneconomical trips, we have it in our submission. The Committee will go through it and we will put all these to Parliament. Thank you and *vinaka vakalevu*.

MR. P. VAKADRANU.- Thank you, Mr. Chairman and Honourable Members of the Committee. Thank you so much.

The Committee adjourned at 2.39 p.m.

**PETITIONER-HON. ANARE JALE**

**STANDING COMMITTEE ON**  
**NATURAL RESOURCES**

Submittee: 1) Honourable Anare Jale; and  
2) Ms. Matelita Jale

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*[Verbatim Report of Meeting]*

**HELD IN THE**  
  
**COMMITTEE ROOM (EAST WING)**  
  
**ON**  
  
**THURSDAY, 30<sup>TH</sup> MAY, 2019**

**VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON NATURAL RESOURCES HELD IN THE BIG COMMITTEE ROOM (WEST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON THURSDAY, 30<sup>TH</sup> MAY, 2019 AT 9.55 A.M.**

**Interviewee/Submittee:** 1) Honourable Anare Jale; and  
2) Ms. Matelita Jale

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MR. CHAIRMAN.- Good morning, Honourable Jale and Matelita Jale. We welcome you to our Natural Resources Committee meeting for today's submission.

(Introduction of Committee Members by Mr. Chairman.)

We will give you the floor, Sir, for your submission and after the submission, the floor will be open for Honourable Members to pose their questions, if they have any.

Sir, the floor is yours, thank you.

HON. A. JALE.- Thank you, Mr. Chairman, Sir, and Members of the Committee for allowing me to come and do my presentation today. This is really in connection with the Petition that I presented to Parliament some time ago on the shipping services to the Lau Group, and also that it relates to the Maritime Provinces in Fiji.

I am assisted here today by my daughter; Matelita Jale, and I will be doing the presentation. She is just here to assist me. Matelita accompanied me to Lakeba during the holidays last year, and we were the ones that witnessed the conditions of the boat during the trip. I came by air on my return from Lakeba and then she followed later.

We are going to be presenting also a very short video about the return of the ship from Lakeba, just to show to the Members of the Committee the condition of the boat in terms of the areas where the passengers were accommodated on top of the ship.

I am sure, Mr. Chairman, Sir, and Members of the Committee, you have had an opportunity to look at the boats, so I think you have a fair idea of the MV *Brianna*, in particular, its status and the condition of the boat as you saw.

I am going to move into my presentation today: the outline is: Shipping as our Roads. You have roads in the main islands but for the people in the Province of Lau, their road is the sea. So what is the catalyst that moves people between those islands, it is really the boat; what moves people from the main centre to the island, it is the boat; and what moves the people from one island to another, it is the boat, so shipping is quite an essential service for the people of Lau.

That is only some of the things that are taken between the islands and the urban area. We transport essential basic food items in the boats. We depend on the boats and the ships to take our fuel for our generators in the islands, kerosene for cooking and other domestic needs.

The building material for houses that are built in the villages mostly come from Suva, so we depend on shipping to pick those up and transport them to the islands.

For people that want medical attention, the only way to move them is by ship. There are some islands that do not have airports or airstrips, their only way to move the patients around or the people that need medical services is just shipping. We are just trying to put across to the Committee the importance of shipping to people in the islands.



Their Produce to Market: I think my Petition to Parliament also cover that particular field, if we have to move produce to the market in order to sustain the people in the islands and to improve their economic activity, the produce that they have like copra, sea resources (people are moving into other areas), ginger farming, pine logs (those are things that have to be moved from the islands to Suva), so without a reliable and affordable shipping, people in the islands find it very difficult to sustain themselves because of lack of economic activities to support their day to day needs.

In the past, the government had moved into shipping and we had produced our own boats then, I am sure that some Members of your Committee, Mr. Chairman, have more information about shipping in Fiji than me. But we had a shipyard at that time, we were building our own ships at our shipyard in Walu Bay, and there is just a reflection of what we were doing at that time at our shipyard in Walu Bay and we had constructed some of the ships that I felt, Mr. Chairman, you need to have some consideration of what types of ships were constructed by our shipyard at that time, *MV Kaunitoni* was one.

The *MV Kaunitoni* serviced the islands of Lau, and I think also some of the Maritime Provinces. The way it was constructed was really meant for the needs of our people, the cabins, the holes to store all the goods, et cetera, were considered for the purpose it was built for – for our people. It was not a ship that we have to buy from abroad.

Likewise the *MV Duiyabaki*, they were barges; the *MV Dausoko* was a ship; the *MV Tui Lau* was one of the boats that we brought from Scandinavia or somewhere. I think you can look into that record. I do not know whether it was bought by the Province of Lau or whether the Government bought the boat. That boat was servicing the Lau Group for a while but went aground in Totoya and was wrecked there. You know the history about the *MV Uluilakeba*, it was sunk during the month of December some years ago, a lot of people died, just because there was a hurricane at that time and met rough seas on its way to Suva and the boat sunk with many lives lost.

The point that I want to raise now is that at that time the Government saw fit to provide the boat, although some agencies have to manage it for the Government like *MV Kaunitoni* was the Government boat. I think at one point in time, there were other private organisations that were given the responsibility to run the boats on behalf of Government, to cater for the needs of the people in maritime provinces, in particular, Lau.

I also want to highlight the issue about the *MV Kaunitoni* which was a boat that really suited the people in the maritime provinces. The accommodation provided for the passengers was there, the people were able to find space and were able to rest in peace while they have this long journey. The emphasis that I want to say is that, the trip to Lau is not like a trip to Natovi which takes only four hours. Going by boat to one of the islands depends on the sea, if it is rough, it takes longer. So I think that is the point that I also want to say here.

There have been attempts in the past to address the need of shipping in Lau, we had to go on our own. The Lau Provincial Council had to move into that. What I am pointing out now is that, the people of Lau cannot stand idle and see that the needs for shipping service have not been provided by Government. So the Lau Provincial Council had to come in to try and help. It bought a few boats like the *MV Tai Kabara* which was one of the initiatives that the Lau Provincial Council had, the latest was the *MV Lau Trader* which has just been taken off. I think it faced financial difficulty and it folded up.

So you see the initiative that the Province of Lau had gone in terms of providing the needed shipping service to the Lau Group.

The Ono-i-Lau Shipping Company was owned by the father of the late Honourable Speaker, those also folded. The Cakauniika Shipping Company, if you look into the record, is owned by the Ratu Mara Family, it was not a success too. The Princess Shipping Company, we have got Arthur Evans came in, tried to help the people of Lau because his mother is from Lau, but it also faced financial difficulties.

Mr. Sekove Cama, ex-Director of Marine, he thought that he knew the shipping service well but it also went into difficulty.

Now we have the *MV Civa* and I think you need to also have a look at that boat, that is another fishing boat that was brought in by a shipping provider, recently bought by Cicia and Vanuabalavu, and I am not too sure of the status of the *MV Civa* at the moment. So that is the initiative that our people, on their own, have tried and are still trying to come in to try to salvage or try to improve the shipping service to the islands.

The *MV Brianna* which you saw last time: When I spoke in Parliament, I also raised the issue about *MV Liahona*. I do not know whether you have also seen, Mr. Chairman and the Members of the Committee, the *MV Liahona*, the second, *MV Liahona II*, had some difficulty when it went to Kadavu. The difficulty, the issue about shipping has been brought up to the Government at the moment and if another incident happens where people may lose their lives at sea then it is really us that have to answer to the people for not taking heed of the cries of the people in the maritime provinces, in this instance, Lau. If you ask me the reason why I only raised Lau, it is because I come from Lau and I know Lau. I do not know much about the other provinces although I have sailed to Kadavu and Lomaiviti. I feel that this Petition, although it is directed at Lau, it is really a Petition for the Maritime Provinces, in terms of the need for better shipping services to those areas.

There are some areas that are uneconomical. I think my island, Ono i Lau, is really an uneconomical island to service because very less cargoes that you take in from Suva and very less that you bring back. So that is the reason why the Government has to think very seriously as to who is responsible for providing the service for people in uneconomical routes? The private providers are trying to avoid going in there.

The Government Franchise Scheme is really something which shows that the Government accepts the fact that the shipping service to the Maritime Provinces is a responsibility of the Government because it is paying part of the services that those private providers are providing in terms of shipping services to Lau and other maritime provinces.

So the concern now is, what about the conditions of those boats that are serving us? Are they reliable, safe, affordable? That is a point that I raised when I spoke in Parliament about the Petition I put through.

That is me about to board the *MV Brianna* on my way to Lau and I just want to highlight from the pictures that I captured on the boat with my daughter here, these are evidences that I brought. These really made me to come in and put together a Petition because of what I saw - the unsuitable and unsafe condition on *MV Liahona II* and *MV Brianna*.

I think for *MV Liahona II*, I am asking the Committee, Mr. Chairman, if you can get the representatives from Ono i Lau, the people from Fulaga and the people of Vatoa to come before your Committee to testify about the *MV Liahona II*.

The pictures that I took which I am going to show the Committee is about the *MV Brianna* which I saw on my trip to Tubou and the trip back from Tubou to bring to fore the professionalism and independence of those who administer the Government Franchise Scheme. So the question now when we talk about the conditions of the boat, it calls to question, are these people who are responsible at Maritime Safety Authority of Fiji (MSAF) that look after the safety of boats, are they independent in the way they do their job? Are they professional enough to be able to say when a boat should sail and when it should not sail? Should a boat be servicing the Maritime Provinces in the conditions that they are in now? So that is the question I want to put to the Committee.

That is the *MV Brianna* loaded with stuff for the islands. As I say, that is the bow of the boat and how it is structured at the top. You see all those things, the fuel tanks, water tanks for the islands, drums of fuel also. There are some building materials that are there and you see people lying beside that, (Can you go back, Ma, to that first one), you see, beside those water tanks, people sleeping around there. Right in front of where those cargoes are, you could see people there too, trying to find a space to sleep. That is the bow of the boat in there, that is the stern of the boat, the rear of the boat.

You have seen the *MV Brianna* empty, I would say when you went to look at it, now, this is when it is occupied. When people/passengers are about to sail or are in the process of sailing to an island, that is what it looks like, as you can see there - overcrowding, people just have to find a space to sit down.

As I say, the pathway to the toilet and other places that you need to visit are all blocked and if something happens, let us say if the boat capsizes, et cetera, it is going to be very difficult to save the people because of overcrowding. Now, if you look at the lower deck, you see how the people there.

I want to raise a point about our *iTaukei* and Indo-Fijian system. There is a high regard and respect for close relations and in that situation, you have a brother sleeping beside a sister, you see those back cabins up there, where only a very few people can go and sit there, the others are on the floor as you can see there, so you see the overcrowding there.

We brought these pictures because these are the evidence that we took on the boat when the boat is sailing. You saw the boat when it is empty, this is what happens when it is at sea, that is why I was saying that it is inhuman to see these types of things happening.

As I said, when you go into the boat, you just sit like you sit on a bus seat for hours, when the sea is rough, you cannot be expected to be confined to that space, you certainly are going to fall off. So, people who have been in the islands, like the Honourable O'Connor, they know the conditions of the sea.

The Honourable Prime Minister wanted to go Lau to open the Lau Provincial Council had to be turned back but in the situation that I went to, although it was calm, the condition is very poor.

In here, you can see people standing up because it was raining. You can see the rain dripping off from the top of the roof. This is where the people sleep. You are on the top of the boat, you saw it when it was empty, this is what happens. They are standing up and they have no place to sit or even lie down because of the rain. So, the question is, what has MSAF been doing? They are allowing these boats to be sailing and subjecting the people in the maritime provinces and Lau people to this sort of condition.

So, Mr. Chairman, I think that is a short presentation that I would like to put to the Committee. It is really evidence-based. I am not just saying what I said in Parliament. I took some pictures to show proof of what the people of the Lau Province are facing in the services of the *MV Brianna*, the *MV Liahona*, as I have said, the people of Ono as evidence too. They have taken photographs of the boat when it sailed to the island in December last year. Thank you very much, Mr. Chairman.

MR. CHAIRMAN.- Thank you, Honourable Anare Jale. Honourable Members, the floor is open if there are any questions.

HON. A.D. O'CONNOR.- Thank you, Mr. Chairman, thank you, Honourable Jale, for that very informative brief but very informative presentation, submission this morning, I must say. I do sympathise with you seeing all that. I, myself, being a seamen, being a marine engineer, do sympathise with you and the concerns, of not only the Lau people but all maritime people throughout Fiji and Rotuma.

Yes, if I may, at this juncture, say that I was an Operations Manager with a consortium, called Consort Shipping. If you all remember: the first ever Ro Ro Ferry that was introduced to Fiji, the *Sprit of Free Enterprise (SOFE)*, and Leo Smith and his Company, Interport Shipping, together with Wong's Shipping, I was the Operations Managers for that. Yes, vessels came in all different shapes and sizes.

But, I can recollect being Operations Manager for the *SOFE* when it came down, and the Directors wanted to make money. They wanted to really make money so that they can get above and start maintenance. But, there was one thing that I was not so very happy about, being a Health and Safety man myself, was the sanitary conditions on board the *SOFE* and that is a very big boat, 300 – 400 passengers, together with vehicles.

But, I would not allow that boat to sail until the plumbers had fixed the problem of drainage in the toilet and washroom facilities for passengers. It was above your ankle and the Directors of the Shipping Company said, "Hey, Alex, what is happening? Why aren't we sailing?", I said, "I am not allowing this boat to sail until they fix it," "Oh, but the Marine Checker said you can sail." I said, "the Marine Checker does not know what he is looking at." That was back in the 1980s, so to speak. Yes, I totally agree with that.

Honourable Jale, you did ask questions as to what the Government is doing on that. Be reassured that this Committee will look into all those concerns, and we will certainly have answers for you when we compile our Report back to you, Sir.

Just to add on, from the previous submissions or hearings that we have heard here, is the fact that it is sort of swayed from your Petition which was, "Government to provide reliable, safe and affordable shipping services", and a lot of the submissions earlier came insofar as economical and uneconomical routes throughout Fiji, not only the Pacific, from Kadavu as well. But, yes, it is a whole new ball game that I think needs to be re-invented.

It was there, if I take you back to W.R. Carpenter and Island Shipping at that time, we had the vessels like the Zephar, Tovata, Komaiwai, they were well-maintained, they had proper saloons for passengers, they had proper cabins for passengers and they had a need to be going in and out of the islands insofar as the basic item or commodity at that time was copra. Yes, we need to re-invent that ball as well.

So with those few words again, I thank you, Honourable Jale.

HON. J. SAUKURU.- Mr. Chairman, through you, thank you, Honourable Jale, for the presentation this morning. We feel for the people of Lau and the maritime areas and those that have been affected by the transportation systems that we have right now.

The Committee have been receiving submissions from various stakeholders. We have received submissions from the Lau Provincial Council, like what is being mentioned by the Honourable O'Connor this morning. The Chairman of the Lau Provincial Council has said to us that the best times for transportation services to Lau was during the booming of the Copra Industry. I think you have mentioned that in your presentation as well. We will need to revive the economic activities in the Lau Group of Islands to make sure and ensure that for shipowners, they have something there for them that is there that they can bring back instead of transporting people alone who have cargoes and other products that we can get from the islands to be sold to the markets here in Viti Levu.

Yes, like what he has mentioned this morning, there is a new twist to the whole thing again and probably the Committee will look at it in a holistic way, putting together what you have mentioned in your presentation this morning, and other areas in which we can develop Lau.



Like yesterday, we have been talking about it that if Government has established the Look North Policy, why can we not have the Look East Policy, reviving the economic activities again for the Eastern Group of Islands because most of them are in the maritime areas, and we need to do that in order to have a sustainable and a better transportation service for the maritime islands.

My question this morning is: Looking at your presentation this morning, the boat is quite congested. Can I just ask, from your estimate, how many passengers were in that boat, because according to *Liahona*, their maximum number of passengers mentioned yesterday was about 120. We are wondering what was your estimate of those who were in that boat, *MV Brianna*? Thank you.

HON. A. JALE.- I think it was over the limit of the passengers because we were stopped at the wharf not to board because the passenger list had more passengers than the number it was supposed to carry. I do not know how many people went in but it was good to see the overcrowding there, it could have been slightly over. I think, Honourable Chairman, what I just like to conclude and to say is that, the responsibility for essential service particularly, shipping, rests with the Government. I think the Government should not push it aside to say that is the private sector's responsibility. It is an essential service to the parts of Fiji and it is the Government that should find the way. Thank you very much for the opportunity to appear before you, Honourable Chairman.

MR. CHAIRMAN.- Thank you, Honourable Jale. In fact, we have the submission from the Ministry for Transport and Infrastructure, and according to them, as we have heard from the Director that within one year, there will be a commercial hub in Vanuabalavu and the Government will provide a vessel. So it will take one year, but looking at your Petition, we will go through this Petition and we will go to the Lau Groups and after this meeting, we will be having the Committee Meeting to see which areas we will be going.

As Honourable O' Connor has said that we will look into the areas. That is why we have the Viti Map here. May be after the Budget Session, definitely, we will be going to, may be, for a four-day trip, and we will go around and see. I know, maybe not only Lau, may be most of the marine areas may lack service and in our Parliament Debate and in our presentation, we will include this and submit it to Parliament.

HON. A. JALE.- Honourable Chairman, I just ask the Committee to also experience riding in an open boat in the sea because when I was moving around the Lau Group, I had to go in fibreglass boats which is really dangerous.

MR. CHAIRMAN.- For your information, Honourable Jale, I have been to Katafaga, Vanuabalavu, Kadavu, Naitauba Island and Mago, so from Taveuni to Naitauba, I went in speedboats and from Vanuabalavu to Katafaga, I went in a fibreglass boat. So I have experienced, I know those areas. From Naitauba coming back to Taveuni I came in the *Adi Da Samrajashram* Boat, so I have been all around but still the Committee will be going to that island.

Thank you and *Vinaka Vakalevu*, Honourable Jale, and Madam Matelita Jale, thank you for coming.

The Committee adjourned at 10.25 a.m.

**1. VICTORIA MARINE LIMITED**

**2. GOUNDAR SHIPPING SERVICES**



**STANDING COMMITTEE ON**  
**NATURAL RESOURCES**

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*[Verbatim Report of Meeting]*

**HELD IN THE**  
**COMMITTEE ROOM (EAST WING)**

**ON**

**TUESDAY, 16TH JULY, 2019**

**VERBATIM NOTES OF THE MEETING OF THE STANDING COMMITTEE ON NATURAL RESOURCES HELD IN THE SMALL COMMITTEE ROOM (EAST WING), PARLIAMENT PRECINCTS, GOVERNMENT BUILDINGS, ON TUESDAY, 16<sup>TH</sup> JULY, 2019 AT 2.40 P.M.**

**Interviewee/Submittee: Victoria Marine Limited**

In Attendance:

1. Mr. Josateki Tagi : Director

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HON. DEPUTY CHAIRPERSON.- *Vinaka.*, Sir, on behalf of the Standing Committee on Natural Resources Committee, I would like to welcome you, the Director of the Victoria Marine Limited (*MV Brianna*), Mr. Josateki Tagi, this afternoon. *Malo To, vinaka vakalevu na bula.* We welcome you this afternoon. It is good to see you, especially after going through the Islands, and seeing you today as a connection between Viti Levu and the Islands, we are happy to receive you this afternoon.

We give the floor to you to make your presentation and I understand you are also presenting a video documentary presentation for us to see, afterwards, the Honourable Members will ask you a few questions, if they have any. *Vinaka vakalevu.*

MR. J. TAGI.- *Vinaka vakalevu*, Mr. Deputy Chairperson. I have done my presentation in my first appearance here before your Committee, and today I have a video documentary that we have done, to give you and those who have not been to the islands some basic reality of the conditions and the type of work that we do.

There are a lot of issues that have been raised and I believe there has not been enough understanding or many have not actually seen what we go through. It would not be discussed in a proper manner, to my understanding, but we have agreed to do a documentary and hopefully this documentary will give some insight to the Committee and basically to the policymakers. Thank you.

Mr. Deputy Chairman, I am sorry, it is about 27 minutes. We are still working on the documentary but I have requested the company that is doing this to just give me a clip to be able to show the Committee today. Thank you.

**(Viewing of video footage)**

Excerpts of commentator and speakers that can be captured in Video

HON. A. JALE (When moving motion in Parliament).- Mr. Speaker, Sir, as you are aware, the shipping service to the Lau Group is by a system of franchise, operated by Government. Under this arrangement, the *MV Brianna* services the Central Lau Group and the *MV Liahona*, the Southern Lau Group. These two boats are old Fijian boats and already retired from that role.

Mr. Speaker, Sir, the Government can no longer put to risk the lives of Lauans by subjecting them to ride on these two floating coffins.

COMMENTATOR.- The Petition went nationwide and the owners of *MV Brianna*, Directors of Victoria Marine Limited (VML), were worried that the statement would be harmful to the shipping business that is already in dire need of financial assistance. In response, the Directors of VML and owners of *MV Brianna* produced this video to present their view on the franchise scheme.

Following the Petition in Parliament, a Special Task Force, known as the Standing Committee on Natural Resources was assigned to look at the issues relating to the vessels under scrutiny. An official invitation was extended to the Director of VML, Josateki Tagi, also known as “Joe” to respond to the Petition.

One of the main challenges that shipowners like Joe face, is insufficient funds linked with the franchise scheme.

GENTLEMAN NO. 1.- I do not think it is enough to do what they want and that is - improve the quality of ships; getting newer vessels; more comfortable vessels; more purposely built vessels and if you want to do that, they are going to have to improve the franchise subsidy, otherwise the shipping companies will always be bringing in the old boats, converted boats - those are the only ones that are affordable at the moment.

COMMENTATOR.- The franchise scheme is to subsidise shipping services to Maritime Routes that are uneconomical, however, for Joe, this is quite different. In fact, his Company, VML, is subsidising for the losses it made through the franchise.

The VML has two other vessels: *MV Sea Rakino*; and the 50-Metre Barge, *MV Colossus*. *MV Colossus*, within the past five years, has provided services to Vanuatu, Kiribas and Papua New Guinea.

MR. J. TAGI.- Normally, most of ....

COMMENTATOR.- For Joe and other shipping operators, like Selwyn Douglas, high costs affect that associated with the business.

GENTLEMAN NO. 2.- There are operating costs, fuel costs, I am very very active in the costings: costing of our vehicles, our vessels and maintenance and all that, and the cost of operation is very very high for slipping costs, our insurance has gone up. Considerably, over the years ....

COMMENTATOR.- Jo had wanted to inform the Government about the losses that VML incurs from participating in the franchise but did not have a chance to do so. Perhaps the Petition made in Parliament by a Member of the Opposition is after-all, a **“Blessing in Disguise”**.

VML’s Headquarters at Walu Bay, Suva, is where the travel schedules are conducted, in consultation with the Franchise Office.

Penina Naqasima (also known as Pe), is the Freight Officer who will be in charge of money transactions on Boat, *MV Brianna*. Francis Dobui is overall Finance Controller for VML.

On Wednesday, May 1<sup>st</sup>, *MV Brianna* is scheduled to take a trip to the Upper Southern Lau Group. The franchise consists of Vanuavatu, Nayau, Lakeba, Oneata, Moce, Komo and Namuka-i-Lau. Government allocation for this sector is F\$13,000.

*MV Brianna*’s additional income with different freight and passengers’ fares. For the Maritime Islands, Shipping is a critical service.

GENTLEMAN No. 3 (Villager).- Keimami mai na veiyanuyan, keimami gadreva ga vakalevu na waqa, me tiko mada ga na gauna kevaka e lako lala mada ga yani, keimami marautaka ga ni keimami sa raica, baleta ni sa dede keimami qai dau raica na waqa vakamacawa rua, eso vakamacawa tolu, ia ni

basika e dua na waqa, e vinaka. Ia, ni mai cavuka vei iratou na waqa qo, eratou na vakila kina eso na leqa baleta ni veitiripu kecega ni waqa e dau kauta mai ki na veiyanuyanu eso na i yaya ni sitoa, na veika ena gadrevi ena loma ni matavuvale.

### **Commentator from inside MV Brianna on Franchise Trip**

COMMENTATOR.- It is about 1.00 a.m. on Thursday, May 2<sup>nd</sup>. *MV Brianna* finally leaves Suva for its first destination, the Island of Vanuavatu. The Island is about 240 kilometres or 150 nautical miles from Suva.

In command of *MV Brianna* is Tuiwakaya Naisogotolu, also known as “Tui”. Tui will be working with 22 other crew members for the next five days on this franchise run. This trip coincides with the end of the First Term School Holidays. Among the 80 passengers are students, teachers and supporters from the Island of Moce, returning home after attending the National Secondary Schools Athletics Competition.

GENTLEMAN No. 4.- This trip is very important for the passengers, and we thank Mr. Joe Tagi, the owner of this ship for the sponsorship. They have sponsored us for this trip: our four students, three teachers and two village representatives.

By 7.00 p.m. the next day, after 20 hours of voyage, the Vessel finally reached Vanuavatu. The number of passengers disembarking - 3 (a couple and their child). Even if there were no passengers, *MV Brianna* would still make a visit to fulfil the term and conditions of the franchise.

Night and low-tide are not the best of conditions to offload cargoes and passengers, nevertheless, these are experienced crew members that passengers have to depend on for their safety. The only way to the lagoon is to drag the 7-metres fibreglass boat over the reef.

A small welcome party portrays the size of the Island's population. Vanuavatu has the lowest population in the Group and will always depend on the subsidised Shipping Service.

This is *MV Brianna's* franchise trip to Fiji's remotest islands in the Lau Group. The Petition in Parliament highlighted the Vessel as a “floating coffin”. The owners wanted to respond by proving that she is still seaworthy. The 400-tonne ship was originally built in Korea in 1981 as a fishing vessel. It is streamlined, has a fat hull and it is suited to travel the high seas. It will also do well against rough conditions.

When she travels at 9 knots, her average fuel consumption is about 130 litres or 40 gallons per hour. Fuel consumed for the 20-hour voyage from Suva to Vanuavatu was about 2,600 litres or 16 drums of diesel, valued around F\$4,000. This is fuel bill for just one destination. There are still six more islands to go, and about 500 kilometres to cover before returning to the home Port. The Vessel is scheduled to return to Suva by Sunday, May 5<sup>th</sup>.

It is Friday, May 3<sup>rd</sup>, and the second day on the franchise trip to the Lau Group. *MV Brianna* has reached its second destination, the Island of Nayau. *MV Brianna* crew and members of the community have developed special relationship. It is common for owners of the cargoes to come on board helping unloading and even provide their fibreglass boats in exchange for fuel.

Without the assistance of the locals, *MV Brianna* would have to spend more time, more fuel, and incur more cost.

Without wharves, jetties and proper access at low-tides, shipping service will remain slow and costly.

Copra and fish are the main sources of income in the islands. Copra production is still low since *Tropical Cyclone Winston* hit Fiji three years ago. In 2015, *MV Brianna* used to load about 3,000 bags of copra. Today, the number has drastically dropped to 300, 400 bags per trip.

GENTLEMAN No. 1.- As for the idea of franchise creating economic activity, it has but not sustainable activities, so I think in the long run, it is always going to be a social obligation to Government to provide the shipping service, and that is the way it is going to be.

COMMENTATOR.- Lakeba, the Administrative Centre and Traditional Head of the Lau Group. It is also the only Island in this Upper Southern region with a wharf. The arrival of ships like *MV Brianna* bring extra business to the locals.

GENTLEMAN No. 5 (Villager).- E dau vinaka cake na bisinisi ena gauna e dau kele mai kina na waqa. E levu sara na i lavo keimami dau rawata kina, ni vakatautauvatataki kei na gauna e sega ni dau kele mai kina na waqa, ena vuku ni neimami qaravi bisinisi tu i yanuyan.

GENTLEMAN No. 6 (Villager).- Na noqu rai toka o au, mai Lakeba, ni oti e macawa rua, ni sa bera mai na waqa, sa dua na leqa levu vei keimami na i yaya ni sitoa, e vaka e dau leqa sara ga na neimami yaya, sega na suka, falawa, na raisi, kei na so tale na kakana, na i yaya.

COMMENTATOR.- *MV Brianna* is on its way to Oneata, Moce, Komo and Namuka-i-Lau. It has to wait in the open sea for late arrivals. Time is money and delays like these are costly to the business.

The Vessel is now in Moce trying to secure its anchor.

GENTLEMAN No. 7.- E dau dredre toka na neimami kele mai ki Moce ena bogi baleta ni kele e wasawasa baleta na cakau e takosova tu. Kevaka ena dua na leqa e yaco, keimami na vakaloloma kina. Kevaka ga ena kele ena siga e bau vinaka cake, kevaka e dua na leqa e yaco, keimami rawa ni raica na tamata, ia qo e bogi tu na vanua.

COMMENTATOR.- The crew waited for the anchor to hook on for the winds are too strong. Captain Tui has no option but to leave Moce for Komo which is about three hours away. The vessel will unload, spend the night there and return on Sunday morning.

GENTLEMAN No. 8.- Au a matataki Namuka tale tikoga ena kena gadrevi me kakua na cakacaka ena Siga Tabu na waqa mai na koro mada, baleta ni ratou a tukuna na Franchise Office me keitou tukuna talega vei iratou. Au kila ni sa yaco vei iratou, kau kila ni sa matata tiko oya ni lakolako e lako tiko qo, e sa na sega ni cakacaka talega mai Namuka ena Siga Tabu. Keitou vakavinavinaka ni ciqomi na yasana ni *franchise*.

GENTLEMAN No. 9.- Vei keimami ena gauna e liu, na Siga Tabu e dau lako tu ga, e cakacaka tu ga na waqa. Sa wale sara ga qo sa vaka me sa qai mai veisau kina, o keimami sa qai mai raica kina na lewe ni vanua na kena dredre vei keimami, baleta kevaka keitou sa na sega ni cakacaka, sa lako sara na waqa. Eso, sa dau oti tu na i yaya vei keimami, keimami sa leqa balavu tu mai ena gauna ni nona lako mai, sa qai lako a waqa keimami sa qai mai wawa tale tu.

COMMENTATOR.- Fortunately, there are no oppositions to work on Sunday on Moce.

Just when everything is all right in Moce, a new challenge presents itself - the tide. When the tide is out, the whole area between the beach and reef becomes dry and inaccessible. While everyone is still resting and awaits the Captain's decision, the fibreglass boat tied at the stern of the Vessel breaks its rope and begins drifting towards the reef.

The boat safely drifts over the reef and the crew is confident that someone from Moce would take care of it. There are still cargoes left for Moce but with low tide, there was no option but to leave for Namuka-i-Lau and complete the offloading when *MV Brianna* returns.

Unlike Moce, Namuka-i-Lau has a deep challenge that leads to its lagoon, loading and unloading can take place any time of the day. Low-tide is not an issue.

Like the other islands, there is no shortage of helpers and lots of fibreglass boats to ferry the goods and passengers. This is where the night is spent.

It is Monday, May 6<sup>th</sup> and back to Moce for a third time.

(The arrival of the boat is welcomed and a great relief to Captain Tui and his crew.)

By midday, the tide has already receded and the last load can only reach this far. The transfer of cargo to Moce Cooperative Boat is made quickly because it is critically low, low tides, shallow reef passages, poor mooring sites, Sunday ban, to name a few, are challenges that *MV Brianna* and its crew have to go through when serving the Maritime Islands.

GENTLEMAN NO. 10 (Villager).- Au doka vakalevu sara na nodra cakacaka, suasua, draki ca era sotava tu e loma ni wasawasa era vosota me da qaravi vakavinaka na lewe ni vanua, vakabibi vei keda ena veiyanuyanu.

COMMENTATOR.- By 2.00 p.m. *MV Brianna* finally makes its way to its home Port, Suva.

The *Vessel* is two days late and has covered over 800 kilometres and consumed about 8,000 litres of diesel, worth over F\$10,000. The franchise funds barely cover for fuel bill, let alone the cost of lighting, salaries for the crew, maintenance, Port fees, food rations, and the list goes on.

These are the realities of running a shipping business that serves uneconomical routes in Fiji. (*MV Brianna reaching Suva Port*)

COMMENTATOR.- On May 22<sup>nd</sup>, 2019, the Parliamentary Committee on Natural Resources paid a visit to *MV Brianna*. The Committee is made up of both: Members from the Government and Opposition.

#### **Visitation of SC on Natural Resources to *Marine Vessel Brianna***

MR. J. TAGI.- This is the first time we are seeing Parliamentarians or any Standing Committee or policymakers visiting. The conditions of Vessel and to tie them up with the concern and the issues



raised by those who are concerned with the service that we do, and I think it is good, especially seeing the Members of Parliament, not only one, about five of them, so very good.

COMMENTATOR.- The Committee visited areas and facilities that are related to the passengers' welfare on board the vessel. The vessel has five public conveniences, four of which are equipped with showers, a cooler facility for perishable goods and a large cargo storage area. It has options for passengers to choose from. There is a general passengers' area that has seats similar to that of a bus but this is a common model for most passenger and cargo vessels in Fiji.

There is also the option of a saloon but this is more expensive, then there is a deck for those who prefer the sea breeze. It is the end of the Committee's inspection on *MV Brianna*. Their next task is to visit *MV Liahona* for a similar exercise, and then compilation of their findings.

GENTLEMAN No. 11.- What do you think so far of the Vessel that is under inspection?

LADY No. 13.- ... iTaukei, I think it needs Government's support to at least provide some funding and the maintenance of the boats.

GENTLEMAN No. 11.- Sir, what is your view of the boats right now?

MR. CHAIRMAN.- After the Committee has met then we will make a statement.

COMMENTATOR.- Meanwhile, at VML Office, Joe's team is making the final touches to the dossier that will be presented to the Committee at 3.00 p.m. today.

Jo and his Team are not sure how the Committee would react to their presentation. Awaiting their arrival are Members of the Standing Committee and reporters from radio, newspaper and television.

MR. J. TAGI.- In our response to the Petition submitted by Honourable Anare Jale, Victoria Marine Ltd., hereby submits its acknowledgement of the points raised and we shall attempt to address them to the best of our ability. We support his recommendations for the introduction of new ships to service that area.

From an operator's point of view, there should also be consideration in the review of franchise subsidy, fare and freight grades to ensure economic viability, commensurate with the level of service that we do.

Mr. Chairman, in conclusion, Victoria Marine Ltd. hopes that the information shared above meets the expectation of the Standing Committee on Natural Resources.

We are a small shipping company trying to play our part in servicing the people of Fiji as expected. We employ over 60 workers, we plan to continue to provide this service to the people of Lau as best as we can under the circumstances. We must be mindful that achieving a high standard of service comes with cost and if we need to maintain a high level of service all year through, the cost incurred must commensurate with the level of service required. Thank you.

HON. M. BULANAUCA.- We also appreciate the hard work that you have put into the shipping services to uneconomical areas of Fiji, in Lau, and we thank you for that courage.

HON. DEPUTY CHAIRPERSON.- Thank you for being a local involved in such business. I know it is a hard business to operate, it is uneconomical, and you as a *kai* Lau, you feel the pain, you know the difficulty that your people are facing and you are still carrying on with the business.

MR. J. TAGI.- People in the Lau Group, in the outer islands, what other expression can I say, people are poor. They depend on remittance from Suva from their families and we know that because when they arrive in Suva, whatever fares and cargoes that are transported are paid in Suva.

If we can consider the increase in subsidy for both, the review of the freight and passenger fares, if that can all be accumulated in the franchise, I think that will be good.

COMMENTATOR.- The Standing Committee, the whole nation and the rest of the world have finally heard their story. The plight of *MV Brianna* is not only for Victoria Marine Ltd., but also for the rest of the ship operators. Unless their difficulties in meeting high operational costs in the franchise scheme are addressed, their existence would be threatened.

**(End of Video Footage)**

HON. DEPUTY CHAIRPERSON.- *Vinaka vakalevu*, Mr. Tagi. We thank you for the video presentation and you have shown much. There is a saying that goes, and I quote, "Action speaks louder than words". You have shown today what you have been doing for the people in the Lau Group. It is not an easy task as you have been saying in the business. You have been doing hard work, especially with workers who are working at night. We are only looking at one side of the picture but to me, today, you have shown another side of the picture regarding the workers who work day and night for the safety of the passengers.

I now give the floor to the Honourable Members if they have any questions or wish to elaborate on some issues that they wish to raise.

HON. M. BULANAUCA.- Mr. Deputy Chairperson, I also would like to thank the Victoria Marine Limited for presenting the video again apart from your presentation here last month or earlier this month. We do appreciate the spirit in which you have come and presented them. We also understand the problems associated with the ship business in the islands with regards to the franchise, with no jetties and being subjected, at times, to high tides - most of these things are beyond your control and we appreciate that and we are going to do our report accordingly.

We have been to the islands and have heard their views and suggestions and we are also thankful for you for coming to present the video again today.

Just one question that I need some clarifications on, when you came to present here the last time, the decision by government has not been reached as to the franchise term which was 1 year, now it has gone up to 15 years. How would that help you? Thank you.

MR. J. TAGI.- Thank you. The presentations and the submissions that we have done are all about the increase in subsidy. If you increase the term and the subsidy does not go up, then it is still the same. Yes, there are a lot of factors that are there that need to be addressed - that we have highlighted in the video. But I believe that has been highlighted by the Minister for Infrastructure, Transport, Disaster Management and Meteorological Services that they will do 10 or 15 years. They will increase the subsidy. I think that we have been told from the beginning of last year and we have been hearing an increase in subsidy from the last four years, ever since I started this business.

We have written letters to the Ministry. We have made our views known. We have shared our opinion and so forth, but there is nothing of that sort coming. I had requested the Committee to really convince whoever decides on the increase in subsidy in Parliament. We only have \$2.3 million and that is for the entire franchise areas or zones that need to be covered. I believe it used to be more before but now it has been reduced. How that came about, I do not know. Things have changed, inflation and so forth, fuel price had just increased yesterday and yes, our request, if you can just focus on the increase in subsidy first and the small issues that we encounter everyday.

Those reefs that we have shown, that is the reality, also that is travelling during good weather condition. When the weather is bad, then it is a different scenario altogether, the cost comes with that - the more the delay, the more the cost.

A shipowner like me and the rest of the companies that operate under this scheme, we all go through that hardship. So, yes, 10 years or 15 years, that is good but we would go for increase in subsidy first. Thank you.

HON. DEPUTY CHAIRPERSON.- Honourable Members, I think we have a commitment at 3.30 p.m., so we will give time only for two or three questions.

HON. S. ADIMAITOGA.- Thank you, Mr. Tagi and Mr. Chair. Yes, what we will do, we will take note of your issues, recommendations because the Committee is going to sit, compile a Report and present it in Parliament. Yes, there are a lot of issues coming from there but going from one year to 15 years, I think you will be accommodated by whatever the franchise scheme is given, but then you need to improve your facilities to a better level so that the people will not be crying. What we are trying to do is to come to our level best of trying to be balanced on both sides. Thank you.

HON. DEPUTY CHAIRPERSON.- Mr. Tagi, I think the franchise still remains the same - 15 years, they have given, so during that period I think it will give the boat-owner enough time, either to go to the bank or some other donors - \$2.3 million, one year; in 10 years' time, it will be \$20 million; or \$30 million, in 15 years' time. You can do more but we will not be implementing all at once, we will go bit by bit as we know the cost is very high. Though you will be expecting the time limit from one year to 15 years, would that be enough for you to do something to improve your service?

MR. J. TAGI.- Thank you, Mr. Chairman and Members of the Committee. If you go to the bank, they do not just look at the duration of your contract, they are more concerned at your cash flow. They want to see how best you can pay off your debt, it is all about cost, it is about money. Now if you cannot prove that then you will never see any new ships operating in the islands. You will still have old boats or otherwise the Government will come ....

It is a very small request from me as a shipowner, otherwise you will see us lose out slowly then maybe, we opt for other types of businesses because we know we are not getting anything in return, we are just requesting the Government if they can just have a look at it - an increase would be ideal.

I paid my fuel this morning, about 8,000 litres and that is over \$13,000, that is for the franchise and I have been doing this run, I do not know if we will get more than 50 passengers and make your calculation from there to pay up all the costs that it covers.

The statement by our General Manager is that, it is the State's obligation to provide the service and we are bridging that service. I humbly request, and in my opinion, that I think there should be some justification in what we have presented to the Committee, and I look forward to the very best.

HON. M. BULANAUCA.- Point taken on board, Mr. Tagi, I heard that one boat-owner (*Kuku*) did not want the franchise, I do not know why. Probably we just go to the profitable ports, I think, I do not know, probably you can explain better.

MR. J. TAGI.- Yes, that was what I was saying, you will find that slowly, they will just go off from the shipping business and turn to other viable businesses. I have talked to some of my operators and they feel it. I mean, we have done our part and the last thing, the service is going to be reduced, basically it will fall back to Government. If we are doing that, providing that bridge then we just need some profit. Like I said, it is all about cost and if that cost can be supported, and if your reduce it to five years, then that is all right but the cost has to be increased. Thank you.

HON. S. ADIMAITOGA.- Yes, Sir. Thank you, Mr. Tagi. We have heard issues from members of each community or each island that we went to and we have heard your recommendations and I believe the Committee will have to discuss about it, like we are trying to balance and we know where you are coming from, we know where the communities are coming from. I believe it is not just us, we will present it to Parliament during the Parliament Sitting and report, I believe that there will be another sitting to discuss these issues and, yes, none of your issues will be taken lightly but we will take it into serious consideration. Thank you.

HON. J. SAUKURU.- Deputy Chairperson, I just like to thank Mr. Tagi for servicing the furthest part of the Lau Group of Islands. I think you have been consistently doing that for the past few years. You have gone through a lot of hardships and yes, it will be the role of the Committee to consider what you have raised this afternoon, asking Government to increase on the subsidy for the franchise since you are serving the furthest part of Lau we have been to. It was my first trip to the Lau Group of Islands, quite interesting.

I am from Ba, going to Vanuabalavu then to Lakeba then Kabara then coming back to Moala and then back to Suva, but you serve the other part of Lau which I have not seen. I think just like what has been mentioned by the Honourable Committee Members, we will consider your request for assistance from Government. Yes, it is Government's duty to provide those services but you are bridging that gap. You have been bridging that gap for the past few years servicing our people in the Lau Group of Islands and we thank you for that. Thank you.

HON. DEPUTY CHAIRPERSON.- I have nothing further to say. On behalf of the Committee, we would like to thank you, Mr. Tagi, for your presentation. We thank you as an *iTaukei* in business, and we are happy that you are still running and we hope we will do whatever we can to assist the *iTaukei* to be involved in the business, though the people are wanting Government Shipping Services to come to Ono-i-Lau, but we are telling them that we do not want to deprive the business people from running the business, and we thank you for that.

We thank you for your staff for the hard work they have been doing, and as has been mentioned, we will take your points on board and we will await the decision of Parliament. Thank you very much for availing yourself today, *vinaka*.

The Committee adjourned at 3.25 p.m.

# **APPENDIX 4:**

## **COPY OF THE PETITION**





# PARLIAMENT OF THE REPUBLIC OF FIJI

OFFICE OF THE LEADER OF OPPOSITION  
P.O. BOX 2352, GOVERNMENT BUILDING, SUVA  
PHONE : 3225 652, FAX : 3315 063



22<sup>nd</sup> March, 2019

The Hon. Speaker of Parliament  
Parliament of Republic of Fiji  
Government Buildings,  
**SUVA**

**RECEIVED**

*Davey 3:17pm*  
**22 MAR 2019**

SECRETARY GENERAL  
TO PARLIAMENT

Dear Hon. Speaker,

**Re: Petition – Government to Provide Reliable, Safe & Affordable Shipping Services for the Lau Group.**

Pursuant Standing Order 37 of Parliament, submitted herewith is a petition for presentation to Parliament for due consideration.

This petition to Parliament requests the Government of Fiji to urgently address the plight of the people of the Lau Group and travelling public in providing reliable, safe and affordable shipping services.

We submit this petition for your further action in accordance with Standing Order 37. Should you have further queries in relation to this petition, please do not hesitate to contact either the undersigned or Mr. Patiliala Waqabaca on Ext. 394301.

Sincerely,

Hon. Anare Jale  
*Member of Parliament*





## Petition

### Member's certificate of endorsement

In my opinion, the attached petition is respectful, does not promote disharmony, and is deserving of presentation

Signature: \_\_\_\_\_

Name of member submitting the petition: Hon. Anare Jale

I wish to present this petition to Parliament on the following date: WED 03<sup>rd</sup> APRIL, 2019

Date Submitted: Friday 22<sup>nd</sup> March, 2019

***Attach this form to the petition***

---

#### For staff use only

Date and time received: \_\_\_\_\_

Name of person receiving the form: \_\_\_\_\_

*Petition must be attached to this form.*

## Guidelines for Presenting Petitions

### **Standing Order**

Petitions are covered by Standing Order 37. These notes provide a summary of that Standing Order.

### **What is a petition?**

A petition is a request by members of the public, or just one person, who wish to bring an issue to the attention of the Parliament. A petition should include:

- the issue the those people wish to tell the Parliament about.
- a request for action by the Parliament.
- signature(s) in support of the petition.

### **Rules**

Petitions must:

- seek action which lies within the powers of Parliament to take.
- be in English.
- use respectful language.

Petitions must **not**:

- promote disharmony.

### **Giving notice of your petition**

You must give your petition to the Secretary-General at least two days before the day you want to present it to Parliament.

You must endorse the petition as required by Standing Order 37. You can use this form.

For example, if you want to present your petition on a Wednesday, you must give the endorsed petition to the Secretary-General by 5.00 pm on the Monday before.

### **Presentation to Parliament:**

On the day you present your petition to Parliament —

It will be listed on the order paper.

You must collect your petition from the Secretary-General.

When the Speaker calls you, you may make a brief statement about:

- the person or persons in whose name the petition is presented
- the number of signatures attached; and
- a summary of the petitioning words.

The Speaker will ask you to hand the petition to the Secretary-General.

### **After the petition is presented**

The Speaker will refer the petition to the relevant standing committee.

The standing committee will investigate contents of the petition and report to Parliament.


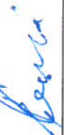













**Public Petition By The people of the Lau Group for the Provision of Reliable, Safe and Affordable Shipping Service for the People of Lau**

<b>BACKGROUND</b>	<p><u>Province of Lau</u></p> <p>The Lau Group is one of the maritime provinces in Fiji that very much depends primarily on shipping services for the transport of passengers and goods from major urban centres to the islands and vice versa. The group of islands are to the East of Fiji and are located widely from Vanuabalavu to the North East, to Onoilau to the South.</p> <p>Most of the islands in the group are uneconomical to be serviced by the private sector due to small volume of cargo destined to the islands and also lack of products from the islands to be transported to Suva.</p> <p>Currently, shipping services to the group are by a system of "franchise" operated by the government. Under this arrangement the "MV Brianna" service the Central Lau and the "MV Liahona" the South of Lau. These two ships are old, lack comfortable space and cabin for passages and insufficient space to hold dry cargos and refrigerated goods. The travelling public have to endure inhumane conditions where they have to find a space to lay their heads and in the process blocking passengers to public convenience and movement around the ship. The condition during inclement weather is shocking and a disgrace to the travelling Lauans when passengers succumb to sea sickness restricting movements to many passengers.</p>
<b>WHAT WE ARE ASKING FOR:</b>	<p>In this respect, "We the undersigned citizens of Fiji, petition the Parliament of Fiji that the Government should urgently address the plight of the people of the Lau Group and the travelling public in providing reliable, safe and affordable shipping service.</p>
<b>WHAT YOU SHOULD KNOW BEFORE YOU SIGN:</b>	<p>We would like this petition submitted in Parliament during the April Parliamentary Sitting of 2019. In view of the urgency in addressing the issue, all signatures collected on the petition form must be sent to the following address in a sealed envelope before or on <b>Friday 22 March, 2019.</b></p> <p align="center">OPPOSITION CHAMBERS PARLIAMENT OF FIJI GOVERNMENT BUILDINGS SUA</p> <p>BY PLACING YOUR SIGNATURE AND DETAILS ON THIS DOCUMENT YOU HAVE READ, UNDERSTOOD AND AGREE TO THE TERMS OF THIS PETITION SET OUT ABOVE AND ALSO THE FOLLOWING:</p> <ol style="list-style-type: none"><li>1. THAT YOU CONFIRM THAT YOU ARE EITHER 18 YEARS OF AGE OR OVER.</li><li>2. THAT YOU HAVE NOT BEEN COERCED OR FORCED TO PROVIDE YOUR SIGNATURE AND DETAILS THIS PETITION.</li><li>3. THAT STRICTLY NO MONEY OR DONATION IN KIND HAS BEEN OFFERED OR EXCHANGED FOR YOUR SIGNATURE. PLEASE NOTE: THAT WE, AS A GROUP INITIATING THIS PETITION DO NOT AND WILL NOT CONDONE OR ACCEPT RESPONSIBILITY FOR SUCH CONDUCT OR LOSSES INCURRED AS A RESULT.</li><li>4. THAT YOU ACKNOWLEDGE THAT THE PETITION WAS READ AND/OR EXPLAINED TO YOU IN THE LANGUAGE YOU ARE MOST FAMILIAR WITH.</li></ol> <p>Name of Signature Collector: _____</p> <p>Phone Contact: _____</p> <p>For any urgent queries email: <a href="mailto:patiljai.waqabaca@gmail.com">patiljai.waqabaca@gmail.com</a></p>


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# Read Conditions on Page 1 Before You Sign

No.	Printed Name	Signature	Address and Contact	Comment	Date
1.	Roko Josefa Cnawikikaba		30 RICHARDS ROAD DOMANIN. SUVA.		16/03/19
2.	Erwini Cnawikikaba		30 Richards Road Domanin, Suva		16/03/19
3.	Makereta Cnawikikaba		30 Richards Road Domanin, Suva		16/03/19
4.	Seneaga Typora		Thyberg		16/03/19
5.	Matefeta Tabuya		Walamilla, Kalabu		16/03/19
6.	Olivia Tali		Nadaro Tauteni		16/03/19
7.	Rogier Nuku		Delapoka, Toks Kalabu = 9524458		16/03/19
8.	Vernse Nateroan		8931641 / makeo1		16/03/19
9.	Vitoko Saruani		Nakobu Smolova		16/03/19
10.	Laporia Jari Gata		MEYKEA E-789	CONTRASTION OF TAILLET 9/8/2018 OFFICE ISSUE	16/03/19
11.	Sulu Tava		9509884		9/3/19
12.	Pasemaga Tolana		86371176		9/3/19
13.	Olivia Hamili		LOT 14 DAVIES ST. DAVINGLEY 9391971 / 2049379		18/03/19
14.	Luisa Saufuri		mead rd, NABUA - 8609611		18/03/19
15.	Lusiana Teutekumara		9078400, CUNNINGHAM		16/03/19

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16	Eneke Malale		Kuning 82/T/Est 7825689	now overdue	18/03
17	Akara H		Vinam Rd 7167202		18/03
18	Mara Bale		Vinismada		
19	Uso Tukana		Vinismada Rd		
20	Losara T Salabula		TACRYA HEIGHTS		19/03
21	Sera Salabulo		nasole Sng		19/3
22	Aswate Tiikha		King's Nasiona		
23	Salote Koroukulu		30 Delamavei Rd		19/03/2019
24	Dalome Naulumatu		32 Bitu Road Cumbatu		19/02/2019
25	hitiana T.		lot 2 Kunoja		19/06/19
26	Mereoni Vakamua		Lot 1 Naimanu		19/03/19
27	Mereoni Vakelabane		I Malau, Vatuwaqa		19/03/19
28	Nanise Tora		Namudi Heights Tamarua		19/03/19
29	Opa U Gi		25 Avon PL Railwaqa		19/03
30	Imutmt Iuvati		42 EDEN ST TOORAK		19/03
31	ALIKI LEDUA		Waganni Rd.		19/13/19



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32	VENINA. KURUKILACI	UK.	LOT 12 WAKANUI RD		19/3/19
33	ADI TEWA LISIKOVENI	Lisikoveni	LOT 12 VUNISINU RD WAKANUI RD, TACIRUA EAST		19/3/19
34	TOZITINI GADE	Gade	LOT 14 NATUVUNICA NAOCOMATARA RD		19/3/19
35	CAMA SEREVI	Serevi	LOT 11 VUNISINU RD TACIRUA EAST		20/03/19
36	MARECA TUKORO	Tukoro	LOT 11 VUNISINU RD TACIRUA EAST		20/03/19
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PLEASE POST OR PERSONALLY DELIVER THIS FORM TO THE FOLLOWING ADDRESS IN A **SEALED** ENVELOPE  
**BEFORE OR ON 22<sup>ND</sup> MARCH, 2019**

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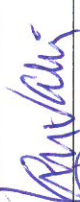


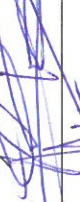

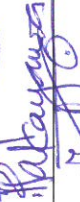
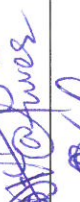
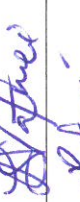
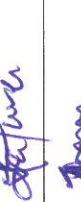



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1.	SIOSIFA.K. VATUVEI		LOT 4. NAULU.		14/03/19
2.	MELE VATUVEI	mele vatuvei	LOT 4 NAULU		15/3/19
3.	SIOSIFA VATUVEI (WFO)		"		
4.	Losua. VUTO		-		-
5.	SIMEI. TIKOTANI		-		-
6.	TITILIA. SESE		-		-
7.	SULIANA. BALELAKABA	SIB	RAWADA		-
8.	SUSANA. L. VATUVEI		CUNNINGHAM STAGE 4		-
9.	SAENAGA TARAHA		LOT 4. NAULU.		-
10.	TAGIKALA WAQA-		VARARALEA, NAULU		-
11.	NAOMI VAKATOTO		LOT 15, NALIGA ST, NAULU		-
12.	Elenoa. Tabulutu		GODFREY RD, PILING.		-
13.	Laijiaoa. Baleilakaba		lot 30 Balobala Gasesi Naulu		-
14.	Sivini Talebulu.		CUNNINGHAM ST 4.		-
15.	NAOMI TASAU		WAK. ARE. LUS RD.		-
			LOT 140, SANGAM RD NAULU		-



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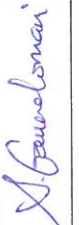



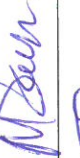
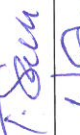

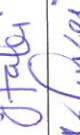

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16	SALOTE. RAMUVE	S. Ramuve	Navikisava, Rewa.		15/3/19
17	JOSEPA LIA KESUMA		QARANIVALU, KALADOK		✓✓
18	KELEKAINI. TANA		TAKACIT MATANA SILEET. NATASIRA		✓✓
19	MERESITBY QACAPTA		LOT 13, MATAU RD CAUBATI		✓✓
20	JUNTA. LENDANAVANA		LOT 16 BUKSA PL.		✓✓
21	SPIONE RAKY		Jacavivatu Rd Koro		✓✓
22	JOJO SAKUBU		LOT 33 LUMI RD		✓
23	KATISA. MATAP.		Kakaba 8326953		✓
24	Enele Gammab		Kalabu Hangan		15/03/19
25	FOLAU VATUVEI		LOT 4 KONOVA SUBAN NALU		16/03/19
26	PENI TAJAGA		WAKANISILA KALABU-NASINUTMS		17/03/19
27	PASEPA TAKAYANA		KALABU-NATASIRA		17/03/19
28	SOPHA VATUVEI		KUBUKAWA, NASINU		17/03/19
29	ILISA VATUVEI		KUBUKAWA, NASINU		17/03/19
30	Josateki Vatuvei		✓		✓✓
31	Jone Bore		✓		✓✓

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No.	Printed Name	Signature	Address and Contact	Comment	Date
32	Kelera Satuli		Kubukawa, Nasinu		17/03/19
33	EMELINE LEDUA VATUVEI		Kubukawa, Nasinu		17/03/19
34	ADIBAN SAMUILAEN KOROTAMANA		Kubukawa, Nasinu		17/03/19
35	Ena. Ralve Korotamane		Kubukawa, Nasinu		17/03/19
36	JONE USAWATE		Kubukawa, Nasinu		17/03/19
37	Analy Wani		Kubukawa, Nasinu		17/03/19
38	STEVEN KOTO		Kubukawa, Nasinu		17/03/19
39	SAUNIVANUA BALEISINA		Kubukawa, Nasinu		17/03/19
40	CAIRA GADE		Kubukawa, Rd		17/03/19
41	UASANI KURUDUDUA		Nadawa, Nasinu		17/03/19
42	Jokapei Vuleono		-		-
43	Selina Kimelele		Nadawa, Nasinu		-
44	Lepani Tumakampela		Kubukawa Rd		-
45	Sakote Wani		Kubukawa, Rd.		-
46	ILISAPEU SIAVU		LOT 1, NADAWA Rd Nasinu		-
47	FIRENI SAVU		-		-



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48	LIKU - SAVU		LOT 1 NAUUA RD, NAUUA		17/02/19
49	LEDUA SIGANI		LOT 1, NAUUA RD, NAUUA		17/03/19
50	SITERI GAUNA LOMANI		LOT 1, NAUUA RD, NAUUA		17/03/19
51	TITUA DREKEDRO		NAUUA, NAUUA		17/03/19
52	WASALE SIVO		NAUUA, NAUUA		17/03/19
53	SEMITI SAVU		LOT 1, NAUUA RD, NAUUA		17/03/19
54	MACEKETA SAVU		NAUUA DEO ROAD NAUUA		17/03/19
55	LOKASA SAVU		Lomanekoro, Rewa		17/03/19
56	WALINE TALAPA'API		NAUUA, NAUUA		17/03/19
57	ILISAPICI TATEI		REWA ST, SAVU		17/03/19
58	ASINOROSI VAFUVEI		351 Fletcher road Vafuvaga.		17/03/19
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**BEFORE OR ON 22<sup>ND</sup> MARCH, 2019**

**Public Petition By The people of the Lau Group for the Provision of Reliable, Safe and Affordable Shipping Service for the People of Lau**

<b>BACKGROUND</b>	<p><b>Province of Lau</b></p> <p>The Lau Group is one of the maritime provinces in Fiji that very much depends primarily on shipping services for the transport of passengers and goods from major urban centres to the islands and vice versa. The group of islands are to the East of Fiji and are located widely from Vanuabalavu to the North East, to Onoilau to the South.</p> <p>Most of the islands in the group are uneconomical to be serviced by the private sector due to small volume of cargo destined to the islands and also lack of products from the islands to be transported to Suva.</p> <p>Currently, shipping services to the group are by a system of "franchise" operated by the government. Under this arrangement the "MV Brianna" service the Central Lau and the "MV Liahona" the South of Lau. These two ships are old, lack comfortable space and cabin for passages and insufficient space to hold dry cargos and refrigerated goods. The travelling public have to endure inhumane conditions where they have to find a space to lay their heads and in the process blocking passengers to public convenience and movement around the ship. The condition during inclement weather is shocking and a disgrace to the travelling Lauans when passengers succumb to sea sickness restricting movements to many passengers.</p>
<b>WHAT WE ARE ASKING FOR:</b>	<p>In this respect, "We the undersigned citizens of Fiji, petition the Parliament of Fiji that the Government should urgently address the plight of the people of the Lau Group and the travelling public in providing reliable, safe and affordable shipping service.</p>
<b>WHAT YOU SHOULD KNOW BEFORE YOU SIGN:</b>	<p>We would like this petition submitted in Parliament during the April Parliamentary Sitting of 2019. In view of the urgency in addressing the issue, all signatures collected on the petition form must be sent to the following address in a sealed envelope before or on <b>Friday 22 March, 2019.</b></p> <p align="center">OPPOSITION CHAMBERS PARLIAMENT OF FIJI GOVERNMENT BUILDINGS SUVA</p> <p>BY PLACING YOUR SIGNATURE AND DETAILS ON THIS DOCUMENT YOU HAVE READ, UNDERSTOOD AND AGREE TO THE TERMS OF THIS PETITION SET OUT ABOVE AND ALSO THE FOLLOWING:</p> <ol style="list-style-type: none"><li>1. THAT YOU CONFIRM THAT YOU ARE EITHER 18 YEARS OF AGE OR OVER.</li><li>2. THAT YOU HAVE NOT BEEN COERCED OR FORCED TO PROVIDE YOUR SIGNATURE AND DETAILS THIS PETITION.</li><li>3. THAT STRICTLY NO MONEY OR DONATION IN KIND HAS BEEN OFFERED OR EXCHANGED FOR YOUR SIGNATURE. PLEASE NOTE: THAT WE, AS A GROUP INITIATING THIS PETITION DO NOT AND WILL NOT CONDONE OR ACCEPT RESPONSIBILITY FOR SUCH CONDUCT OR LOSSES INCURRED AS A RESULT.</li><li>4. THAT YOU ACKNOWLEDGE THAT THE PETITION WAS READ AND/OR EXPLAINED TO YOU IN THE LANGUAGE YOU ARE MOST FAMILIAR WITH.</li></ol> <p>Name of Signature Collector: _____</p> <p>Phone Contact: _____</p> <p>For any urgent queries email: <a href="mailto:patililai.waqabaca@gmail.com">patililai.waqabaca@gmail.com</a></p>







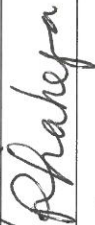








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No.	Printed Name	Signature	Address and Contact	Comment	Date
1.	LASENIA GARASE	[Signature]	6 Moki St, Suva	Support	9/3/19
2.	LEBA L. PACASE	[Signature]	✓	Full Support	9/3/19
3.	MESAKE KOKOI	[Signature]	Suci Rd, Nasesi	2 Support.	18/3/19
4.	SAKARATHA. CASLO	[Signature]	Xadomuni Rd, Lani	Full support	10/3/19
5.	Koro, NACAVI	[Signature]	TWIRARA, TOVATA.	"	10/3/19
6.	JONE USA	[Signature]	Lot 2 Block 4, RUPES SUB.	"	10/3/19
7.	TABISA KOPOI	[Signature]	MAVANA, V/ANANU	"	10/3/19
8.	SAPRISH FUNANI	[Signature]	NATANK	✓	✓
9.	JOE LILI M. KOGI	[Signature]	TWIRARA NASING	"	✓
10.	ANINETA VOSU	[Signature]	CONGO	✓	✓
11.	Uote Qolo.	[Signature]	DAVULAVU.	✓	✓
12.	Tevita Vuatavenu	[Signature]	Nakina weather Rd. DEANWAVES		
13.	JON L BACALISO	[Signature]	27 Kamunga Rd WATLASI	Extraordinary support	10/3/19
14.	Manasa Nukva	[Signature]	Nam (Caso)	✓	✓
15.	AMENIATAVE VUATATAM	[Signature]	NAKA WADRA RD DEANWAVES	✓	✓

# Read Conditions on Page 1 Before You Sign

No.	Printed Name	Signature	Address and Contact	Comment	Date
16	SEANARA VUATALEVU		WAKAGUADORA RD DELAIVAVESI	Full Support	9/3/19
17	SENIQORI VUATALEVU		"		9/3/19
18	Soso Lutu		TOORAK		9/3/19
19	NTELINE BUADROMO		NAKASI	Must be done ASAP	9/3/19
20	Angela V. Laka		Off - 1 Cumfurn	✓	9/3/19
21	Sedasi Sere		TOORAK	✓	9/3/19
22	LOPETI BULABALAU		ROGOVOKA RD DELAIVAVESI	SUPPORT STRONGLY	9/3/19
23	Paulini Lakepa		Cunningham Rd	Fuel support	9/3/2019
24	Seini Lakepa		Cunningham Rd	Full support	9/3/2019
25	JOSEFA		DRUGULEVU	✓	15/3
26	BOGIVITU LOTANA		NABERA	ITS LONG OVERDUE!	15/3/19
27	LUKE NAUMATUA		LAMI	✓	15/3/19
28	NAISA KOROY		NASOUA	✓	15/3/19
29	FILIPPE LAKEPA		RAUNAGAI	✓	18/03/19
30	ANAVE UUDOLE		TACIRUA EAST,	✓	15/3/19
31	TONY AND JANE		NADERA	✓	15/03/19




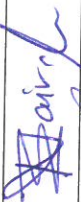






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No.	Printed Name	Signature	Address and Contact	Comment	Date
32	Kon Bwedua		<del>100 University Ave</del>	Empower	15/04/19
33	ben Daveta		Torad, Suva	SUPPORT	19/3/19
34	<del>Shirine Far</del>	<del></del>	<del>Deliconi bumbala</del>	<del>that's not</del>	<del>19/03/2019</del>
35	Josia Toloni		Ndoug, Suva	I am in support of this petition	19/03/19
36	Jane Tuisawa		Nase	Support	19/03/19
37	Peel Vornible		Nalae, Noma	Full support this petition	19/3/19
38	Sarav Radodono		Lot 41, Taema High	Supporter	19/3/19
39	Bina P. Camilleri		Lot 23, Calio, Noma	Support	19/3/19
40	Lynda Taburega		51 Hutson St, Suva	Support	19/3/19
41	Asema Tuisau		36 Dora Place Raga Ave	I fully Support	19/3/19
42	Mikale Lomave		Galor Loma	Support	19/3/19
43	Shobaswari		University, Vatu	Support totally	19/3/19
44	T.V. 15th		Domanikoro, Vatu	VERY MUCH SUPPORT!!	19/03/2019
45	Silino Matanibova		Veivabula, Noma	I fully Support	19/03/19
46	Luiga Koroi		8 Blindi Dr. Vatu	Fully Support	19/03/19
47	Mose Pulitua		Nakorosi, Loma	Fully Support	



Handwritten notes in a grid format, likely a calendar or a list of dates, with some entries in blue ink.

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No.	Printed Name	Signature	Address and Contact	Comment	Date
64	Senikau Nabata		hevuka, Ovalau	1 Support	19/3
65	Elena Naivalu		Rewa St, Suva	I Support	20/3
66	Rajeli Koroi		Laucala Beach Estate	I support!!	20/3
67	Amie Unuani		Dilkes, Nausori	I fully support	20/3
68	Pita Wise		Lot 3 Kauritoni Rd DELAWARE	fully endorse	20/3
69	Jesse Samukapu		Lot 4 Patakeke Road L.D.C.	I Support	20/3
70	Itaitaisi Vasi Lema Loma		05 Barrett Place Laucala Bay Rd.	Fully Endorse	20/3
71	Anave Tale		Lot 26, Sodfrey Rd.	Support strongly	20/3
72					
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






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No.	Printed Name	Signature	Address and Contact	Comment	Date
1.	JOSEFA NAWAI		DABEA ROAD, NARERE	Agreed.	12/3/19
2.	Anae. S. Tale		26 GODFREY RD PILLING	Agree	12/3/19
3.	Toruta Tagilala		Lot 38 Koshue Rd, Mafu	Agreed	12/3/19
4.	Joeli Koto		LOT 25 Rosini Place	Totally Agreed	12/3/19
5.	Jotame Toraitavani		LOT 38 WAINUNU WAINUNU	Agreed	12/3/19
6.	Sikeli Volukitaga		Lot 38 Wainunu settlement	Agreed	12/3/19
7.	Rupeni Bale		Kuturua road	Agreed	13/3/19
8.	Josefa Ikonosale		Kolabu	Agreed	13/3/19
9.	Emosi K. Jele		Lot 10 Uaia Kakabu Hwy. Nasinu	Agreed	13/3/19
10.	Akuma Senikan		Lot 13. GODFREY RD	Agreed	13/03/19
11.	MATANASI TAWAKE		LOT 13, GODFREY RD	Agreed	13/03/19
12.	Qalo Kan KOTOISUVA		60020 Rd, SIATOKA	Agreed	15/03/19
13.	Timoci Sigarata		284 MEAD ROAD, Nabua	Agreed	15/3/19
14.	EBONI VANISO CA		92 Brawley F. ROAD NABUA	Agreed	15/3/19
15.	Amasini Suli Boka		VUTUVALEVA	Agreed	15/3/2019

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No.	Printed Name	Signature	Address and Contact	Comment	Date
16	Waisea Davuqawa	[Signature]	77 Dawa Rd.	Full Support	15/03/2019
17	Rosiate Cama	[Signature]	KALABU	Support	15/03/2019
18	Karvin Beka	[Signature]	Kubukawa Rd	Full Support	15.3.2019
19	Beke Cama	[Signature]	Malaita road	✓	✓
20	Mika Biu	M. Biu	KALABU NASINU	✓	15/3/19
21	Waisea Veiqarari	[Signature]	Kalabu 753 478		15/3/19
22	Ledwa Vekatale	[Signature]	Kallubu Nasinu	✓	15/3/19
23	JOSEFA NATANUSA	[Signature]	KALABU	✓	15/3/19
24	ME SARIE	✓	ME SARIE D ALI		
25	Loke, Karfuri	[Signature]	NABUA.	✓	15/3/19
26	Pini i naka	[Signature]	Makor	✓	15/03
27	Elenor Natansa	[Signature]	Toraka Kalabu	✓	✓
28	Lihana laka	[Signature]	Toraka Kalabu	✓	15/3/19
29	Kopo Takayawa	[Signature]	n n	✓	n
30	Wahi Luise	[Signature]	n n	✓	n
31	Apolavisi ga	✓	Colo i Suva	✓	✓



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No.	Printed Name	Signature	Address and Contact	Comment	Date
32	VICT VEROABAU	A. Veroabau	QARANU VEROABAU	Support.	15/13
33			KARABU		
34	Unise Kobo	Jubakila	Turara Sub Div	Support.	
35	Juthi Bagifini	Juthi Bagifini	Turara Subdivision		
36	Filisi Nata	Filisi Nata	Kashmir Lautoka		
37	Josigini Talatoka	Talatoka	Narese		
38	Serini Talebula	Stale	Narese		
39	Ane V Luveni	Luveni	Tovata		
40	Laise Soro	Kaze	Karaby		
41	Olmanper	Olmanper	Wailen		
42	ROTA WAOANIVERE	ROTA WAOANIVERE	KINOYA		
43	LAVINIA DRAUNIDIA	Nandalo	Nadere		15-03-2015
44	Salote Taram	SBurelem	Narese		
45	Enele	Jabangwer	Kalabau		
46	Vulagi	Lavinia	Kalabau		
47	Loata Vakananuni	Shakanamuni	Kalabau		

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No.	Printed Name	Signature	Address and Contact	Comment	Date
48	Seini Dany Begunio	Seini	17 Boro Rd Nassau Rd, Vale	Support	15/03/2019
49	Susana Luvengi	Susana	3 Nasseon St Lami	for safety of the people of Vat	15/03/2019
50	Lamnia Yahi	Lamnia	Valevu	Support	15/3/2019
51	Jdaperei Capetu	Jdaperei	Vunisia	Support	15/3/2019
52	Cava Lagilagi	Lagilagi	Nausosi	Support	15/03/2019
53	Reli Matatoga	Matatoga	Maki	Support	15/03/2019
54	MERESEINI VALE	MERESEINI	LOVATA	Support	15/03/2019
55	Ruci R. NULEVA	Ruci	42 SALA TO RD NASSAU	DEFINITE	15/03/19
56	Juta Vslam	Juta	Leuko Galan	Support	15/03/19
57	Rupeni Kueson	Rupeni	Torata Kalaran	Support	15/03/19
58	Apaitia Tora	Apaitia	stage 4, Luvengi	Support	15/03/19
59	INOKA LUVENI	INOKA	QALANIVAKULU KALARAN	Support	✓
60	ALIESA KOJO	ALIESA	QARAVIATANI	Support	✓
61	METUUSA TAREGACI	METUUSA	✓	Support	✓
62	SEARO ULUI	SEARO	✓	Support	✓
63	1. DEREDE	DEREDE	✓	Support	✓



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No.	Printed Name	Signature	Address and Contact	Comment	Date
64	Sam T		Wainimua	Support	15/03/19
65	JOELI BALEIRUA		VUNITEGOLA	Support	25/3
66	JOSEPH MOTUICILIM		LOT 126 PUNASIA - K. C. CANNING ST. 11	Full Support	15/03
67	SENATE ZAKARU		LOT 9 DUKUNAMA	✓	15/03
68	PITA, R. LUVENI		LOT 07, TURARA SUB DIV MARCOL	✓	15/03/19
69	JONE NAWELE		LOT 9 DULOMOLU & Rd	✓	15/03/19
70	Mele Halaola		Leanigham	✓	17/03/19
71	Mesui Mataitoga		Tovata	✓	17/03/19
72	Jimaima Louai		Tovata	✓	17/03/19
73	Sulava Koroi		Palelonegla Rd.	✓	17/07/19
74	Waglan Capacoka		Dipukoda Rd	✓	17/07/19
75	Makari Louala		KUBUKA RE TOVATA	✓	17/03/19
76	Aulivensi Koroi		Tovata	✓	17/03/19
77	LWAI LAGI COROI		Tovata	✓	✓
78	VAKENI DONA		TOVATA	✓	✓
79	SEMANI KARUBOSO		✓	✓	✓



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No.	Printed Name	Signature	Address and Contact	Comment	Date
80	KOA HANANALAI	[Signature]	Kerubunwa Rd. Tongareva	Agree	17/3/19
81	S/SARO UKUSAKABA	[Signature]	Burunguhen Rd. Page 1	Agree	17/3/19
82	JONE FATIPELW	[Signature]	Torata Valabur	Agree	17/03/19
83	SITEM (Rokk)	[Signature]	-	Agree	17/03/19
84	TOJIVELI TABUKA	[Signature]	-	Agree	17/03/19
85	SULIASI TUKOROROA	[Signature]	-	Agree	17/03/19
86	ISIA BANA BANA	[Signature]	-	Agree	17/3.2/19
87	WANSAP CACEA	[Signature]	-	Agree	17/3/2019
88	WIK. WILLIAMS	[Signature]	NAKASI	Agree	19/03/19
89	TONGSI	[Signature]	-	Agree	19/03/19
90	Paficu Yonawono	[Signature]	Turava	Agree	19/03/19
91	Finke: Cesti	[Signature]	Torata	Agree	19/03/19
92	'MITEI BOST	[Signature]	Valabur	Agree	19/03/19
93	JAKKE IASINTE	[Signature]	Valabur	Agree	19/03/19
94	JAKKE IASINTE	[Signature]	Torata	Agree	19/03/19
95	SITEM KEGN	[Signature]	Torata	Agree	19/03/19

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No.	Printed Name	Signature	Address and Contact	Comment	Date
96	Wiesa Wapwivere		82 DANIVA ROAD VALELEU, NASINGU	support	03/17/2019
97	Erni Kinkindraso		WAKONISING KATHELI KUBUMARAP	✓	✓
98	Jene Dausiga		Kalabu Jul's Nasinu	✓	✓
99	Iuno Ratawivere		29 - 100000000	✓	✓
10	Anoncinis - Levi		Nabua Koto	✓	✓

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# **APPENDIX 5:**

## **PICTORIALS FROM THE PUBLIC CONSULTATION**



Public Consultation conducted on 5<sup>th</sup> June, 2019 at *Dranotalia* Methodist Hall, Nakasi.



Public Consultation conducted on 6<sup>th</sup> June, 2019 at *Namuka-i-Lau* Hall, *Veisari, Lami*.



Public Consultation conducted on 6<sup>th</sup> June, 2019 at *Navesi* Methodist Church Hall, *Nadonumai*.

