

# PARLIAMENT OF THE REPUBLIC OF FIJI



## PARLIAMENTARY DEBATES

### DAILY HANSARD

**THURSDAY, 14TH FEBRUARY, 2019**

[CORRECTED COPY]

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## **THURSDAY, 14TH FEBRUARY, 2019**

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

HONOURABLE SPEAKER took the Chair and read the Prayer.

### **PRESENT**

All Honourable Members were present.

### **MINUTES**

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

That the Minutes of the sitting of Parliament held on Wednesday, 13th February, 2019, as previously circulated, be taken as read and be confirmed.

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

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

The Question is:

That the Minutes of the sitting of Parliament held on Wednesday, 13th February, 2019 as previously circulated, be taken as read and be confirmed.

Does any Member oppose the motion?

(Chorus of 'Noes')

HON. SPEAKER.- Honourable Members, as no Member opposes, the motion is agreed to unanimously.

Motion agreed to.

### **COMMUNICATIONS FROM THE CHAIR**

#### Welcome

HON. SPEAKER.- I welcome all Honourable Members to today's sitting of Parliament. I also welcome members of the public joining us in the gallery this morning and those watching proceedings on television and the internet, and listening to the radio.

#### Petitions

For the information of Honourable Members, I received two petitions from the Honourable Ro Filipe Tuisawau on 12th February, 2019 and Honourable Jese Saukuru on 13th February, 2019. I will now deliver my rulings on these petitions.

## SPEAKER'S RULING

### Petition Seeking Negotiation and Settlement in Relation to Land Claims in the Suva Peninsula

HON. SPEAKER.- On the Petition from the Honourable Ro Filipe Tuisawau, the Petition is seeking negotiation and settlement in relation to land claims in the Suva Peninsula. This Petition is clearly trying to get Parliament to take action that is not within the powers of Parliament to take. In that regard, this Petition cannot be allowed under Standing Order 37(2)(b).

It is critical that Parliament must respect the constitutional separation of powers between the three Arms of the State being the Judiciary, the Legislature and the Executive. An application for compensation by certain parties in relation to the land claims in the Suva Peninsula was made in the High Court and was dismissed by the High Court in 2011. An appeal against that decision of the High Court is pending in the Fiji Court of Appeal.

It is not for Parliament to adjudicate or deliberate on any matter in relation to which a judicial decision is pending, or is otherwise before a Court of Law.

It is important for all Honourable Members of Parliament to take note that Parliament does not award compensation. Claims for compensation have to be made in the Courts, where such claims are determined on evidence and law.

Parliament makes laws which, under the Constitution of the Republic of Fiji and the Standing Orders, is by way of Bills presented to Parliament. Parliament does not adjudicate on civil disputes and award compensation. I remind Honourable Members that the use of petitions in Parliament for such a purpose is fundamentally and legally incorrect.

I, therefore, rule that the Petition submitted by the Honourable Ro Filipe Tuisawau is out of order and will not be tabled in Parliament.

### Petition to Revert Certain State Land to iTaukei Land

Honourable Members on the second Petition, the Petition from the Honourable Jese Saukuru, the Petition is seeking action from Parliament for the Honourable Minister for Lands and Mineral Resources to revert certain State land to iTaukei land under the State Lands Act 1945.

The Petition is clearly an attempt to get Parliament to take action that is not within the powers of Parliament to take. In that regard, this Petition cannot be allowed under Standing Order 37(2)(b).

I wish to reiterate that this Parliament must always uphold and respect the constitutional separation of powers between the three Arms of the State, that being the Judiciary, the Legislature and the Executive. It is not for Parliament to adjudicate or deliberate on any matter in relation to which a judicial decision is pending, or is otherwise before a Court of Law.

I note from the Petition that it refers to evidence before the Court. It is not for Parliament to evaluate or deliberate on matters and evidence which are before any Court of Law.

It is also important to highlight that it is not for Parliament to direct the exercise of the Executive Authority when a written law expressly gives the power and authority to the Executive, whether a Minister or a Public Officer, to make decisions under any such law. Any challenge to any Executive action or omission must be judicially reviewed in a Court of Law.

I further note that the Petition seeks to get Parliament to make resolutions for the Minister for Lands to act in a particular way. However, the relevant Act of Parliament in this case expressly gives the Minister for Lands, in consultation with Cabinet, the discretion to make decisions which the Petition is seeking from Parliament.

Again, I remind Honourable Members that the use of Petitions in Parliament for such a purpose is fundamentally incorrect and ignores the fact that, by written law, Parliament has given the authority to the Minister to make the decision. In that regard the matters raised in this Petition should be raised with the Minister for Lands. The constitutional separation of powers between the respective Arms of the State must always be upheld and never jeopardised.

Honourable Members, I, therefore, rule that the Petition submitted by the Honourable Jese Saukuru is out of order, and will not be tabled in Parliament.

Thank you, Honourable Members, and we will now proceed to the next item on the Order Paper.

HON. SPEAKER.- Honourable Members, I have been informed that there are no Committee Reports for presentation.

## QUESTIONS

### Oral Questions

HON. SPEAKER.- Honourable Members, we will now move on to the first Oral Question for today and I give the floor to the Honourable Professor Biman Prasad to ask his question. You have the floor, Sir.

#### Investigation on the Former CEO of FSC (Question No. 29/2019)

HON. PROF. B.C. PRASAD asked the Government, upon notice:

Would the Honourable Prime Minister and Minister for iTaukei Affairs and Sugar Industry inform Parliament whether an investigation that was announced by the Sugar Permanent Secretary was conducted on the former Chief Executive Officer (CEO) of the Fiji Sugar Corporation?

HON. J.V. BAINIMARAMA (Prime Minister and Minister for iTaukei Affairs and Sugar Industry).- Thank you, Mr. Speaker. Mr. Speaker, I rise to respond to the question raised by Honourable Professor Biman Prasad and thank him for the question.

Mr. Speaker, Sir, while this question was allowed by the Business Committee, it should have been disqualified under Standing Orders 44(9), 44(10), 44(12) and 44(15) as it seeks:

1. To question the character and conduct of a person;
2. Confidential information; and
3. Confirm the accuracy of statement in the press.

However, Mr. Speaker, given that the Business Committee agreed to allow the question, I would like to inform Parliament that an investigation has commenced in relation to the former CEO of the Fiji Sugar Corporation (FSC). Investigation is still ongoing and it will not be prudent for me

especially, to comment further on this matter as it might compromise the investigation. Thank you, Mr. Speaker.

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

HON. N. NAWAIKULA.- I wish to ask a supplementary question?

(Honourable Member interjects)

HON. N. NAWAIKULA.- No, I am entitled to ask a supplementary question and I am asking the Speaker if I could have that opportunity.

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

HON. N. NAWAIKULA.- This is a very serious matter. Could the Honourable Prime Minister explain to us...

HON. SPEAKER.- But before you proceed, I think the Prime Minister has answered the question that was raised sufficiently. The process is still ongoing.

HON. N. NAWAIKULA.- I know that.

HON. SPEAKER.- So what is it that you would want to highlight, Honourable Member?

HON. N. NAWAIKULA.- Could the Honourable Prime Minister kindly inform the House when does he expect this to be completed and explain why the delay because this has happened last year, so by now charges should be made already?

(Chorus of interjections)

HON. N. NAWAIKULA.- Why are they sitting on this? When does he expect the investigation to be completed and hopefully charges laid?

HON. SPEAKER.- Honourable Member, you have heard the Prime Minister clearly indicate that the investigation is still ongoing. But I will give the floor to the Prime Minister to add anything further.

HON. J.V. BAINIMARAMA.- Mr. Speaker, Sir, I have already answered that question. There is an ongoing investigation and we are not allowed to deal with it.

(Honourable Members interject)

HON. J.V. BAINIMARAMA.- This is the problem with lawyers such as him.

(Laughter)

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

HON. RATU T. NAVURELEVU.- Thank you, Honourable Speaker. I also take this opportunity to wish you well in your new appointment.

A supplementary question; can the Honourable Minister inform this august House of the ongoing initiative of granting cane contracts to new cane farmers without proper leases? For example, there are three farmers in Vunivutu Village in Nadogo, who possess these kinds of contract and whether the Government can subsidise the lease offer? *Vinaka va'levu.*

HON. SPEAKER.- Honourable Members, I think we have dealt with this question. The Prime Minister has indicated that the investigation is ongoing. When it is completed, I do not have any doubt that he will inform this House of what had progressed. That is the end of this question.

We will move on to the next question and ...

HON. L.D. TABUYA.- Honourable Speaker, Sir, I apologise. A Point of Order. It is not related to the question directly, however, I would like to seek a ruling from your goodself about that Standing Order that the Honourable Prime Minister has referred to and that is Standing Order 44(13) about *sub judice*.

A clarity, Honourable Speaker, at what point is a matter *sub judice* and it is usually when a charge has been laid and then the matter is before a court of law that a judicial decision is pending. But before that, Honourable Speaker, Sir, a matter is not *sub judice* until a charge has been formally laid by the proper authority.

So the clarity that is sought in this question, Honourable Speaker, Sir, is where the investigation is up to? There has not been any charge and so I seek a ruling from your goodself, Sir, as to where the *sub judice* applies in this instance because no charges have been made and that is what *sub judice* means in the world. Honourable Speaker, Sir, I am begging for your indulgence to make a ruling on that.

HON. SPEAKER.- Honourable Member, you have heard me very clearly regarding this question. It has been answered sufficiently and whatever comes out of this question has already taken place and the Prime Minister, when it is over will inform the House, but, I will give the floor to the Honourable Attorney-General. You have the floor.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker. Just to perhaps enlighten the Honourable Tabuya, the Honourable Prime Minister did not refer to *sub judice* at all. In fact, he had referred to Standing Order 44 and the Clauses did not refer to *sub judice* rules. *Sub judice* is for matters before the courts, he never said the matter is before the courts.

If you look at Standing Order 44(15), it says, and I quote:

“A question must not be asked on whether statements in the press, or statements of private individuals or private concerns, are accurate.”

Standing Order 44(12) states, and I quote:

“A question may not seek information about a matter that, in the opinion of the Speaker, is confidential.”

Standing Order 44(10) states, and I quote:

“A question must not be asked that reflects on the character or conduct of any person.”

Standing Order 44 (9) states, and I quote:

“A question must not be asked about the character or conduct of any person expect in that person’s official or public capacity.”

He is the CEO of FSC, it is a limited liability company, and the matter is ongoing as had been clarified.

Mr. Speaker, Sir, the Honourable Tabuya, with due respect, is completely wrong. *Sub judice* does not apply here, *sub judice* in law means, when a matter is actually before the courts.

The Honourable Prime Minister did not say that the matter is *sub judice*, the matter is not before the courts but he said it is an ongoing investigation. As any prudent lawyer should know that when you have an ongoing investigation, whether it is internal, whether it is by the Police, whether it is the Fiji Independent Commission Against Corruption (FICAC) or whoever it is, you cannot actually discuss the contents of the investigations halfway through, one-third of the way through, nine-tenth of the way through, because it will compromise the investigation and that is what the Honourable Prime Minister was saying. *Sub judice* does not apply at all.

HON. SPEAKER.- Honourable Attorney-General, I take the point and I have listened to what the Honourable Member had said, but my ruling on this is that, it is covered sufficiently by the Prime Minister, when that investigation is over, he will inform the House accordingly.

We move onto the next question and I give the floor to the Honourable Vijendra Prakash.

Role of the National Occupational Health and Safety Service  
(Question No. 30/2019)

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

Can the Honourable Minister for Employment, Productivity, Industrial Relations, Youth and Sports explain the role of the National OHS Service in the issuance of business licence?

HON. P.K. BALA (Minister for Employment, Productivity, Industrial Relations, Youth and Sports).- Thank you, Honourable Speaker, and I also thank the Honourable Member.

Honourable Speaker, the workplace health and safety is one of the most critical and significant aspects for each and every employer in the industry because all the workers’ desire is to work in a safe and protected atmosphere.

Honourable Speaker, health and safety is the key factor for all the industries in order to promote the wellness of both employees and employers. It is a duty and more the responsibility of the employer to look after the overall protection of their employees as well as visitors to the workplace.

In regards to the issuance of business licence, Honourable Speaker, the National OHS Service as part of its moral and legal obligation carries out the Annual Business Licence Inspection in order to promote safety and health in workplaces by empowering the employers to meet the minimum OHS requirements.

Honourable Speaker, the past practice was to carry out OHS inspection at the beginning of the new year for business houses which used to take at least three to four months and delayed the issuance of business licence by the Municipal Councils.



Honourable Speaker, to assist in the ease of doing business, my Ministry will now conduct inspections beginning the month of October and the cut-off date will be mid-December each year. Honourable Speaker, all in all the whole idea of this policy change is for timely issuance of business licences to the business people here in Fiji. With that response, Honourable Speaker, I thank you.

HON. SPEAKER.- I thank the Honourable Minister. Honourable Salote Radrodro, you have the floor.

HON. S.V. RADRODRO.- Thank you Honourable Speaker and I thank the Honourable Minister for his explanation. In a recent presentation by his Ministry, they highlighted the lack of staff (staffing constraints) and in that way resulted to the backlog. Can the Honourable Minister enlighten us if staffing is still a challenge? If it is not, how have they resolved that and if it is still, how will they resolve it?

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

HON. P.K. BALA.- Thank you, Honourable Speaker and I also thank the Honourable Member. It is a challenge in terms of staffing but what we have done now is when this exercise will start, we will get all the resources together that is in terms of staff to do the inspection. But in the meantime, there are only a few District Offices that we have where we have an issue of staffing and in a few months' time all those vacancies will be filled. Thank you, Mr. Speaker.

HON. SPEAKER.- Honourable Pio Tikoduadua, you have the floor.

HON. LT. COL. P. TIKODUADUA.- Thank you Honourable Speaker and I thank the Honourable Minister for his answers. This is a quick one.

How frequently does the Ministry carryout OHS inspections of business houses in aspects of OHS that has to be complied with? I think he must have answered that to a certain degree but give me some clarity about, what exactly will you be doing between October and December, you sort of mentioned that but I am not quite clear what are you going to do? Thank you.

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

HON. P.K. BALA.- Thank you Honourable Speaker and I also thank the Honourable Member. Honourable Speaker, business licence inspection involves a wide range of compliance activities which are clearly stipulated in the legislation which the employer, the owner of the business needs to provide such as having an OHS Policy, training requirements, for example, fire safety, safe working methods, procedures, first-aid requirements, et cetera. Thank you, Honourable Speaker.

HON. SPEAKER.- Honourable Ro Filipe Tuisawau, you have the floor.

HON. RO F. TUISAWAU.- Thank you, Honourable Speaker. I thank the Honourable Minister for the explanation. Just a question when going through the villages, there has been a lot of complaints about business licences and you have explained about OHS. There has been too many requirements by your Ministry under your leadership for business licences, OHS, et cetera.

So for a village person who is, for example, catching crabs and selling them in Nausori, can all the licences required, the business licence, et cetera, and how much we have to pay? It becoming over regulated and too much business licences.

(Chorus of interjections)

HON. SPEAKER.- Thank you, Honourable Member. Honourable Minister, I hope you know something about these crabs that the Honourable Member is talking about.

HON. P.K. BALA.- Thank you, Honourable Speaker. Our Department does not go and inspect people who sell crabs.

HON. N. NAWAIKULA.- Why?

HON. P.K. BALA.- Because there is no requirement for OHS. That is the duty of the Ministry of Health and the Town Councils. Go and do some search before you people come here!

(Laughter)

HON. P.K. BALA.- And Ministry of Fisheries.

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

HON. A.M. RADRODRO.- Thank you, Mr. Speaker. Sir, I just wanted to ask a supplementary question to the Honourable Minister, in terms of Government Departments, Government Commercial Companies (GCCs) and Government Commercial Statutory Authorities (CSAs), the compliance level before they are issued their business licence as I have highlighted yesterday. Some of the CSAs are requesting protective equipment, protective clothing to conduct their work, in terms of issuing business licences, annual inspections, what sort of compliance level are there in the government departments, government commercial companies and statutory authorities?

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

HON. P.K. BALA.- Thank you, Honourable Speaker, and I also thank the Honourable Member. As far as the Ministry is concerned, everyone is equal to us, whether it is a government department or private enterprises, everyone has to follow the rule and the legislation. Thank you.

HON. SPEAKER.- Honourable Adi Litia Qionibaravi, you have the floor.

HON. ADI L. QIONIBARAVI.- Thank you, Honourable Speaker, Sir, a supplementary question to the Honourable Minister: The Health and Safety at Work Act 1996 requires the National OHS Service through the Director OHS to ensure disabled access in the workplaces and in the construction of new office spaces. This is consistent with the constitutional protection of the Rights of Disabled Persons and the Rights of Persons with Disabilities Act 2018. Can the Honourable Minister advise this august House whether the National OHS Service is carrying out these important legal responsibilities to the disabled people of Fiji, please?

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

HON. P.K. BALA.- Thank you, Honourable Speaker, and I also thank the Honourable Member. I am very much aware of the legal obligation by my Ministry, that is in terms of access.

Before 1996, we had a lot of used buildings already up and running, and that is the real challenge that we have on those buildings. But for all the buildings that are constructed now, when the municipal councils approve and issue building permits, that is one of the conditions that is put in for the applicants to follow.

HON. SPEAKER.- Thank you, Honourable Lynda Tabuya.

HON. L.D. TABUYA.- Thank you, Honourable Speaker, Sir, Honourable Minister, I am deeply concerned about the number of tertiary students, especially university students. Just earlier this year as they were enrolling for university and finding accommodation around the university, I am very concerned about rental properties and those that are in the business of renting properties that they do not find enough space for children, students in these apartments or flats. There can be about eight of them in a three bedroom apartment.

So the question is; where does your National OHS Service stand in looking out for our tertiary students when they are studying and coming to the urban areas in these rental properties where they are living in confined spaces and very small areas? What does your National OHS Service lend to these tertiary students?

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

HON. P.K. BALA.- Thank you, Honourable Speaker, what has that got to do with issuance of business licence? Are you a real lawyer? You should be the best person to ask the specific supplementary question in regards to the question that has been raised, and that is in terms of issuance of business licence. What is the involvement of the Ministry of Labour in terms of issuance of business licence? What he was talking about is something that should be referred to the Honourable Minister for Local Government.

(Chorus of interjections)

HON. P.K. BALA.- Thank you. You go and do some more search.

(Chorus of interjections)

HON. SPEAKER.- Order, order!

HON. N. NAWAIKULA.- This is relevant.

(Laughter)

HON. SPEAKER.- I hope so, Honourable Member. You have the floor.

HON. N. NAWAIKULA.- Honourable Speaker, surely the Honourable Minister will agree with me that the measure of success is on how many companies is taken to task. Could you inform the House as to how many have you prosecuted for non-compliance; and what are your challenges there? May be you are just issuing the licence and taking the money, that is what you are doing.

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

HON. P.K. BALA.- Thank you, Honourable Speaker, that is clearly some data that he is asking from me. I do not have any issue in providing that but definitely those who fail, they will have to face....

(Honourable Member interjects)

HON. P.K. BALA.- I am telling you that I will have to provide those data. What else do you want? Another lawyer here. Thank you.

HON. SPEAKER.- Honourable Members, I think we will move on to the next question, and I have the pleasure of giving the floor for the third question for today to the Honourable Aseri Radrodro to ask his question.

Government's Plans on Public Safety  
(Question No. 31/2019)

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

Can the Honourable Minister for Infrastructure, Transport, Disaster Management and Meteorological Services inform Parliament on Government's plans to ensure public safety from the threats of landslides at vulnerable spots occurring along our roads?

HON. J. USAMATE (Minister for Infrastructure, Transport, Disaster Management and Meteorological Services).- Thank you, Mr. Speaker Sir. I would like to thank the Honourable Member for his question.

Landslides are always a threat to every part of the country and, in particular, in Fiji landslides are often caused by heavy or prolonged periods of rainfall. We have a lot of rainfall, it gets into the ground and the ground becomes saturated with water, especially around a lot of our infrastructure and when it is saturated for a long period of time, any increase in ground or soil movement can lead to these landslides and we know where these things tend to happen.

There are places in Fiji where they tend to happen. We have the Lomolomo Slip where we have that issue around that area, the Veisari Slip, the Dilkusha Slip and Kasavu Slip. These are areas where these things are often happening.

What does Government try to do? First of all, we have mitigation measures that we try to implement as part of the remedial rehabilitation of these areas. These mitigation measures are focusing on trying to ensure the general safety of the public when they travel along those roads. Some of these things include; building retaining walls where this is necessary or sometimes it may involve the installation of temporary Bailey bridges or managing the traffic to single lane traffic and most importantly, identifying alternative routes that people can take if a road, in particular, has been affected by a landslide.

Mr. Speaker, Sir, identifying and the proactive management of landslide is something that happens continuously. Trying to predict a slip or a landslide is something that is always going to be difficult. So, to support the work on early detection, the Fiji Roads Authority (FRA) has engaged technical teams to conduct soil surveys. They do soil surveys on topography and slope stability surveys along some of our major highways so that they can try to predict in advance where these things are likely to happen.

Those assessments that the FRA does is helpful in trying to support the areas where there should be priority-focussed on trying to address the likelihood of landslides happening. We know that a lot of landslides may happen because of a lot of different things. One, of course, is because of poor landuse planning - the way that we use land; another major issue also is deforestation, people cutting down trees and because that happens, there is a likelihood of landslides happening. So, there is a need to ensure that land and property owners implement good landuse practices in order to better protect our roads and other public infrastructure. I think other arms of Government are also talking about these issues; the issue of deforestation, landuse planning to try to minimise the likelihood of landslides happening.

So, I would like to assure the House that there are plans in place to try to address the threat of landslides and slips. While we cannot be in all places at one time, it is important that we focus on areas that matter the most in terms of ensuring the safety of the travelling public to ensure better protection also of our road network infrastructure. Thank you, Mr. Speaker, Sir.

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

HON. A.M. RADRODRO.- Thank you, Mr. Speaker, Sir. A supplementary question to the Honourable Minister: in roads such as the Reservoir Road, Edinburgh Drive, Sawani-Serea Road - these roads not in the plans that you have mentioned. There is nothing to show that all those things that you have mentioned are actually there, it is always a risk to the travelling public. With Edinburgh Drive, there are over thousands of vehicles that travel that particular road in any particular day. So, it is a high risk to the travelling public. So, this is basically putting the life of the travelling public in danger because what you have mentioned is actually not physically seen in terms of high risk area such as the Edinburgh Drive.

HON. SPEAKER.- Honourable Member, what is your supplementary question?

HON. A.M. RADRODRO.- My question is, whether what he actually mentioned is actually on the ground?

HON. GOVERNMENT MEMBERS.- Yes.

HON. A.M. RADRODRO.- It is not physically seen at the Edinburgh Drive, it is not there.

HON. GOVERNMENT MEMBER.- He is already answering the question.

HON. A.M. RADRODRO.- It is not there.

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

HON. J. USAMATE.- Mr. Speaker, Sir, that was quite a good sermon done by the Honourable Radrodro but I was talking about the fact that a lot of work is done in terms of assessment, surveys to try to make sure that we can predict when it happens. You cannot see a survey, you cannot see an assessment, something that is done, reflected in the minds of the people that do that. So if you are going around Edinburgh Drive asking "Where is the survey, where is the assessment?" You will not be able to see it, but after the assessment and the survey has been done then you will see that implementation and the activities that are done to address the issues that they identify, *vinaka vakalevu*.

HON. SPEAKER.- Honourable Viliame Gavoka, you have the floor.

HON. V.R. GAVOKA.- Thank you, Honourable Speaker.

Honourable Speaker, relating to surveys and landslides, we remember that two weeks ago in Brazil a dam broke and buried an entire township or settlement. A few days ago, a landslide up in Draubuta in Navosa almost buried a village due to the dereliction of duties by an agency of Government who was constructing the road in that part of Navosa. The seriousness of that was made clear to us present here, and I wanted to ask the question yesterday but it was disallowed. It almost buried the village. My question is: while you are doing your survey, you obviously are not doing a good survey and what do you do when you have to restore what was caused through dereliction of an agency of Government, is there a restoration factor in the way you do this? Thank you.

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

HON. J. USAMATE.- Thank you, Mr. Speaker, Sir. A landslide, as I mentioned when I was talking earlier, occurs because there is prolonged rainfall. There is saturation of the soil with water. The agencies of Government are not responsible for the amount of rainfall that a part of Fiji gets. We are not responsible for that. This is the point.

HON. OPPOSITION MEMBER.- Has anyone been to Draubuta to see what happened, obviously no.

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

HON. J. USAMATE.- In the case of the place that we are talking about here, in Draubuta, what happened in Draubuta, there was a contractor for Fiji Roads Authority (FRA) that was building the road.

During that point in time, they had piled up the materials to be used for the road. There was then excessive rainfall and as a result of this, some of the materials that had been piled up was pushed by the water into the village. That is understandable, that is what happened.

The people in Draubuta had been contacted, a letter was received by the DO from the *Turaga ni Koro* earlier on this month on 8th February, 2019 of the event that happened earlier, but as a result of the crossings breaking down and there was no correspondence and communication with that particular village in place.

Since that particular time, the Emergency Planning Divisions for the DMO have been there. They have met the villagers and talked to them. Now, the Ministry of Health and Medical Services is actually in operation there doing vector spraying and checking the medical condition of everyone who is there. The FRA and the contractor has put in equipment to try to get rid of the soil. The vectors have been controlled - mosquitoes, et cetera, teams will be going in this week to bring in relief supplies to that area. So, work has been undertaken and it continues to be undertaken, and we hope to be able to visit Draubuta Village later on this week. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- Thank you Honourable Minister. Honourable Ro Teimumu Kepa, you have the floor.

HON. RO. T.V. KEPa.- Thank you, Honourable Speaker, before asking my question, I would like to wish you, Honourable Speaker, and your good wife, a happy valentine's day. I hope that you have many more happy valentines and *turaga Naita* too from the other side.

(Laughter)

HON. RO. T.V. KEPa.- So my question to the Honourable Minister is, how will Government ensure the safety of Adi Cakobau School (ACS) staff and students (I hope you will answer this question, Honourable Minister) in the event of a landslide in the aftermath of the cutting of mahogany trees on the Uluiqalau slope? Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Member for that question. She temporarily took the winds out of my sail, but I will give the floor to the Honourable Minister to answer that question.

HON. J. USAMATE.- Thank you, Mr. Speaker, Sir. ACS does not fall primarily under the purview of what we do in terms of landslides. The Honourable Minister for Forests has indicated that they are already going into the replanting of the forest.

In cases where there is a disaster, if there are things that need to be done to assist the students and the staff of ACS, I am sure that my Ministry, together with the Ministry of Education and all of the others, will be standing by ready to assist in case that does happen.

HON. SPEAKER.- I think, Honourable Members, we have covered this question sufficiently. I hope this is relevant to this, you have the floor Honourable Member.

HON. M.D. BULITAVU.- Thank you, Honourable Speaker, for giving me another chance. My supplementary question to the Honourable Minister, he has talked about the mitigation factor, measures that they have. I was trying to get what are the adaptive measures they have due to landslides now also being caused by climatic events.

In terms of emergency response to these landslides, I was a travelling public on the day when there was a landslide at Dilkusha. The road that goes to Sawani to Suva was completely shut, and the road that comes from Nausori to Koronivia took about one hour to come through, given they are still making it now for the last two years. There is no other access to cross.

HON. SPEAKER.- Question?

HON. M.D. BULITAVU.- What kind of response or the response times do FRA or our contractors have to respond to these landslides?

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

HON. J. USAMATE.- Mr. Speaker, Sir, the response time is as soon as possible, as we are aware that something has happened or if we are aware that something is likely to happen, the teams will be there to see what they can do to address the situation. I was talking about the Water Authority of Fiji earlier on but they have targets for response time by which they need to act.

I am not sure what their specific targets are but overall generally, the aim is always to address things as quickly as possible and if we know that something might be happening in the future, we try to address that beforehand to try to prevent it from happening in the first place.

HON. SPEAKER.- I thank the Honourable Minister. We will now move on to the next agenda item and this agenda item is a departure from the Order Paper.

It is my pleasant duty to welcome overseas visitors to the House. Honourable Members, I welcome Fiji's Honorary Consul to Hong Kong, Mr. Desmond Lee, and his delegation.

(Applause)

HON. SPEAKER.- Mr. Andy Chun, Miss Ma Lam, Mr. Yeung Kin Ying, Mr. Yang Huaili, John and his spouse, Ms. Judelyn Dumayas Ucol. I welcome you most sincerely to Parliament and I trust that your time here will be enjoyable.

Honourable Members, for your information, the Fiji's Consul has been Consul for many years from the time of our former Prime Minister Ratu Mara. And he has carried out that duty for Fiji over that period of time. He has come to Fiji on this occasion, but he his calling on me during the morning tea break, so welcome.

We will now move on to the next question for the day and I give the floor to the Honourable Sanjay Kirpal.

Amended Investment Act and Policy of 2016  
(Question No. 32/2019)

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

Can the Honourable Minister for Industry, Trade, Tourism, Local Government, Housing and Community Development inform Parliament on what the Ministry has done with regards to the 2016 Amended Investment Act and Policy?

HON. P.D. KUMAR (Minister for Industry, Trade, Tourism, Local Government, Housing and Community Development).- Thank you, Mr. Speaker, Sir. It gives me pleasure to talk about the Investment Policy Reforms that is taking place at the Ministry of Industry, Trade and Tourism.

We all have seen that the Fijian economy has been experiencing unprecedented levels of sustainable economic development and growth. Fiji has achieved nine consecutive years of growth, and we hope that if that there is no cyclone, we will be witnessing a decade of positive growth in 2019.

We are very much in line with our five-year and 20- year National Development Plan. The vision is to maintain the sustained annual real GDP growth rate at an average of 4 percent to 5 percent, to maintain investment level of 25 percent of GDP, and we are very much in line with that.

Mr. Speaker, Sir, the Fijian Government's investment in the enabling infrastructure and by providing stability and security, we have attracted both, foreign and domestic investors to come to our shores and invest in our economy. It is now time for the Fijian Government to focus on having a dynamic private sector that invests, innovates and creates jobs.

The Government's vision is to develop new areas for investment, such as Business Process Outsourcing (BPOs), knowledge-based industries, new age manufacturing and high-end retail to support our tourism sector.

Since Fiji is going through a second phase of sustained economic growth, it is time for us to decide the types of investment that we require to enhance great potentials. In order to attract investment that will create new industries and boost exports, this is an opportune time for us to review the current investment landscape.

In this regard, the Ministry and the World Bank in particular, International Finance Corporation (IFC), is now reviewing the legal framework and they are developing a comprehensive investment policy through an investment reform map.

The revised legislation will be expanded to include both, domestic and foreign investments, as opposed to the current law that focuses only on foreign investments.

The key features of the revised legislation will include:

- investors' rights and obligations,
- national treatment test,
- dispute settlement mechanism; and
- investment incentives.

This will make the legislation more robust and responsive to the needs of investors, while ensuring that investors fulfil their obligation as per the laws of Fiji.



Roles of all relevant investment-related agencies will be redefined and strengthened. This is actually being undertaken by the Ministry of Industry, Trade and Tourism by using the digital platform for the building approval processes and other approval processes that are required for an investor to set up his or her business in Fiji.

Investment Fiji will focus on promoting Fiji as an ideal investment destination, pursue desirable and high value investment and attract more multinationals.

Mr. Speaker, Sir, the Ministry with IFC has undertaken consultations with relevant stakeholders, such as key Government Departments, industry organisations and civil society. They have come up with a draft legislation and an investment policy statement.

The consultations started in November 2017, and it is still under progress. Just in January 2019, a Cabinet paper was presented where we have formed a taskforce to monitor the progress of this reform. Now, as we work on the legal framework, we will also undertake the development of a comprehensive investment policy.

Investment policy is very, very important because that will set the guideline as to how we should proceed in attracting high value export-oriented investment into the country.

Mr. Speaker, Sir, the review of the legal framework is expected to be completed and submitted to the Cabinet by this year and at the end of the process, we will have a simple, yet effective legal framework that provides protection for investors and outlines their obligation as an investor in Fiji. In simple terms, there is a need for Fiji to have a modern and comprehensive investment law so that we can attract quality domestic and foreign investments. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Minister for that answer.

Honourable Members, we will now break for morning tea and will take supplementary questions after morning tea. You all know the procedure for this morning tea break. The priority is for the photo to be taken and then followed by morning tea, not the other way around.

I will receive the visitors in the Small Committee Room after the photo is taken during the morning tea break. As there is this activity, we are going to extend the morning tea time to resume at 11.15 a.m.

Honourable Members, we will now break for morning tea.

The House adjourned at 10.30 a.m.

The Parliament resumed at 11:15 a.m.

HON. SPEAKER.- Honourable Members, we will continue from where we left off and we are onto supplementary questions.

Honourable Lynda Tabuya, you have the floor.

HON. L.D. TABUYA.- Thank you Honourable Speaker, Sir. Honourable Minister, liquidity is at an all-time low, it has been the lowest since the last eight years to 10 years, banks are borrowing from each other on short term loans because of this problem and of course ....

HON. A. SAYED-KHAIYUM.- Nonsense, nonsense!

HON. L.D. TABUYA.- Yes, for the first time yesterday, Westpac, did not even have \$1.8 million to lend right away, they had to look for the money, so this means pressure on interest rates and increase in interest rates is an increase in inflation.

My question to you is, if you are trying to improve investment, how are you going to deal with this liquidity problem? The Minister of Economy knows, it is an all-time low of only \$300 million and the banks will tell you that. So what would you do to address this problem so that we can talk about this investment that you are touting from Government? Thank you.

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

HON. P.D. KUMAR.- Mr. Speaker, Sir, the information given by the Honourable Member is incorrect. She needs to get her right data first, and then she can ask the question.

HON. L.D. TABUYA.- Honourable Speaker, Sir, according to the Standing Orders, unless the Honourable Minister has the information to show that I am incorrect, she is to take it as correct and answer to it unless she has information otherwise and she is to present, it is on her to rebut the question that I have asked.

Thank you, Honourable Speaker. So I might ask the Honourable Minister to answer that question. How can you generate more investment if liquidity, there is not enough cash in the economy, so how can you ...

HON. M.R. VUNIWAQA.- Point of Order. Standing Order 45 (4) (b) states, I quote: "A question must not contain arguments, inferences, imputation, epithets, or ironical expressions." That is an inference.

(Chorus of interjections)

HON. SPEAKER.- Honourable Member, I think that, that Point of Order is very clear. We will move on from here, but I will give the floor to the Minister. Is there any clarification you want to make, Honourable Minister?

HON. P.D. KUMAR.- Mr. Speaker, Sir, the statement is incorrect because it is not at an all-time low, the way it has been emphasized.

HON. SPEAKER.- Honourable Lenora Qereqeretabua.

HON. V.R. GAVOKA.- Honourable Speaker, can she at least...

HON. SPEAKER.- Honourable Member, it is the lady behind you to ask her question.

(Laughter)

HON. L.S. QEREQERETABUA.- Thank you, Mr. Speaker, Sir. I would like to ask the Honourable Minister, Mr. Speaker, one of the objectives of the new investment policy framework was to reduce time for the registration and approval of the new businesses by using the one-stop shop policy or idea. Can the Minister please advise Parliament on the average duration of the approval of business ventures? Thank you, Mr. Speaker.

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

HON. P.D. KUMAR.- Mr. Speaker, Sir, we all know that one-stop shop never worked and it will not work, no matter what we all do by getting the stakeholders together in one room. The Ministry of Industry, Trade and Tourism is now going to use the digital platform for the approval process and that work has already started in consultation with the various institutions that will be giving the approvals.

MITT is working with IFC to develop the digital platform and while we are developing that, we are also reviewing each institution's approval process. How we can streamline that? How we can reduce the time? So what will happen, all this information will go on one platform and everyone can see who has given the approval and which organisation did not give the approval and the investor will be able to track that on digital platform not in person. That is all I have to say.

HON. SPEAKER.- I thank the Honourable Minister. Honourable Ro Filipe Tuisawau, you have the floor.

HON. RO F. TUISAWAU.- Thank you, Honourable Speaker. Just sharing some data which will lead to my question in terms of World Bank rankings on the ease of doing business which for Fiji in 2007, it was easier to do business which was ranked 34 out of 190 countries and in 2018, it was 101. So it has, sort of, deteriorated and ease of starting business, ranking 55 in 2007 and 2018, to 160.

The Honourable Minister explained some of the processes which they would need to do to improve which she has explained this morning. The question I wanted to ask in terms of specific processes just to help the investor in terms of the ease of process, when they apply and the number of Ministries they have to go through in terms of specifically addressing this ranking and improving.

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

HON. P.D. KUMAR.- Mr. Speaker, Sir, the ease of doing business, the way it was assessed, it was actually done not through a consultative manner. In other words there was just one law firm involved in assessing all that. We just hope that the process was a lot more transparent and a lot more discussions should have taken place with various other stakeholders and not with just one law firm. However, moving on what we have done to address that is to have this approval processes online and streamlining institutional procedures and we hope by doing that we will be able to improve.

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

HON. J. SIGARARA.- *Vinaka vakalevu*, Honourable Speaker. First I would like to say *bula re* and a very good morning to you, Sir. Congratulations on your appointment as the Speaker of this august House.

Can the Honourable Minister tell the House what is the purpose of an Investment Policy Statement?

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

HON. P.D. KUMAR.- Mr. Speaker, Sir, we need an Investment Policy Statement. If we go back to the amendment that was done in 2016 in this House, the amendments clearly talked about having an Investment Policy Statement because by having an Investment Policy Statement objectives and investment principles for investment in our country will be clearly stated. So we will know exactly which direction we want to take when it comes to finding the right investors for the country.

The Statement will tell the world how Fiji will become a destination for investment that will support our development aspirations. We would like to look for a lot more joint ventures activities in the country, we want to attract them to come to our shores and participate with our local investors so that we can grow in that area.

The Investment Policy Statement actually marks the next stage of guiding investment in Fiji and when I say next stage, we will be looking at the national interest test that will apply as well. We want to make sure that key fundamentals are put in place such as, if an investor comes in, we need to look at the impact on national security, we want to look at the impact on competition, we want to see whether the investor is in compliance with Government laws and policies and impact on Fijian economy and the community where they are doing that particular activity and also the impact on environment and health. So, this would be the national test that will be applied to the foreign investor before he/she starts the business.

HON. SPEAKER.- Thank you Honourable Minister. Honourable Mitieli Bulanauca you have the floor.

HON. M. BULANAUCA.- Thank you Honourable Speaker Sir, just a short question about encouragement on investment in the agriculture sector. Your policies regarding that are to increase our exports and bridge the gap between our exports and our imports?

HON. SPEAKER.- Thank you Honourable Member. Honourable Minister you have the floor.

HON. P.D. KUMAR.- That is precisely why we are undertaking this review exercise. We would like to increase our exports and for that reason, we are looking at developing new areas of investment. As I mentioned earlier on, knowledge-based industries, we are also looking at new age manufacturing sector, particularly new age manufacturing is something that is of interest to the country and we would like to encourage more investors to come in and set up manufacturing businesses where they focus on making a particular part. If you recall when the vehicles were being recalled all over the world and it normally does, even this year the vehicles were recalled all over the world, the problem was with just the cutter airbag and this airbag was made in Japan but supplied to USA.

HON. M. BULANAUCA.- Emphasis is on agriculture.

HON. P.D. KUMAR.- So the emphasis I am placing here is that this is the type of businesses we would like to encourage where a company only makes a particular part in Fiji and they will be able to export it to the other global chain that we have.

HON. M. BULANAUCA.- It is an encouragement to the agriculture sector.

HON. SPEAKER.- Thank you Honourable Minister. Honourable Adi Litia Qionibaravi, you have the floor.

HON. ADI L. QIONIBARAVI.- Thank you, Honourable Speaker, Sir. I thank the lady speaker for her responses to the various questions today. My question, Honourable Speaker is, we note that the FijiFirst Government removed the previous minimum investment requirement of \$250,000 to encourage foreign investment under the 2016 Amended Investment Policy. But this had brought about a lot of fly-by-night investors as in the failed One Hundred Sands casino bid, Waila City and the Nakasi City Developments. Would you please inform the House as to what measures are in place to prevent more fly-by-night investors under the 2016 Amendment Investment Policy?

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

HON. P.D. KUMAR.- Mr. Speaker Sir, to address that question, I would say that even before the FijiFirst Government removed the investment level, even prior to that from 1987, despite having that minimum investment level, we were still attracting fly-by-nights. It is not a question of, because we have removed these or we have placed that, it is for this reason we are changing the law to apply the national interest test and that should be able to address that issue.

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

HON. M.D. BULITAVU.- Thank you, Honourable Speaker, Sir. In terms of the digital platform, given investment facilitation and investors are complaining and sometimes they lose confidence on the approval processes and procedures, even the Single Window Clearance System (SWCS) sometimes has not helped, even if it is only for tier 1 approval.

HON. SPEAKER.- Question, question?

HON. M.D. BULITAVU.- When can that come in, what time do you expect that to be up?

HON. P.D. KUMAR.- It is not a simple process where we can just take the magic wand and get it done. It takes time because the culture is ingrained in the system, that we need to change the processes and we need to get the processes right and also the legal aspect. That is why we are talking about the reform today, because to get the digital platform, we also need the laws to support that and this is where the consultation process is taking place.

HON. SPEAKER.- Thank you, Honourable Minister. Honourable Niko Nawaikula?

HON. N. NAWAIKULA.- Honourable Speaker, it is totally wrong to call these investors when they are taking money locally. Trivest in Vatulele, for example, took out FJ\$10 million from the Fiji Development Bank (FDB), now refinanced by Home Finance Company Ltd. Do you have any policy or clear restrictions on the so-called foreign companies taking money from local banks?

HON. A. SAYED-KHAIYUM.- Momi, Natadola, FNPF ....

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

HON. P.D. KUMAR.- Mr. Speaker, Sir, why ....

(Honourable Members interject)

HON. SPEAKER.- Order, order!

Honourable Minister, you have the floor.

HON. P.D. KUMAR.- Mr. Speaker, Sir, we have got banks in the country, particularly foreign banks, they are making their own decisions. There is a due diligence process in place.

(Honourable Opposition Member interjects)

HON. P.D. KUMAR.- Even for FDB, tell us what went wrong?

HON. N. NAWAIKULA.- What went wrong there is, they gave FJ\$10 million to this overseas company, refinanced by Home Finance Company Ltd.

(Honourable Members interject)

HON. SPEAKER.- Order, order!

HON. P.D. KUMAR.- I think the Honourable Member needs to understand that all these reforms that we are talking about are through the consultation processes and whatever gaps that are being identified will be addressed through these consultation processes. We cannot just be picking one or two examples here to express yourself. We have to look at the whole issue in totality and not just sing aloud this and that.

(Honourable Members interject)

HON. SPEAKER.- Honourable Members, do not carry out a conversation between you two and leave me out, I am the wedge inside, so do not ignore me. If you are going to carry out a conversation, do it for the benefit of the House, not between you two which has happened several times in the past.

Honourable Inosi Kuridrani, you have the floor.

HON. I. KURIDRANI.- Mr. Speaker, Sir, a supplementary question to the Honourable Minister. We have noticed that the Ministry of Tourism is one of the over-regulated and over-taxed business. My question is, are there any plans by the Government for a special package for local investors to help them establish tourism-related businesses? What we have noticed is that, some of the businesses that should be run, managed by locals, are being conducted by expatriates. So, are there any plans for the Ministry to help local investors, especially landowners and resource owners? Thank you, Sir.

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

HON. P.D. KUMAR.- Mr. Speaker Sir, such incentive packages are already there, and it is a question of the landowners accessing it. This reform that we are talking about, we would like to make sure that the local investors are treated the same way as the foreign investors. In other words, when we rolled out the red carpet for the foreign investors, similarly, we should roll out the red carpet for the local investors. So, this is what the reform is all about.

HON. SPEAKER.- Thank you, Honourable Members. We will move on to Question No. 33/2019 to be asked by the Honourable Adi Teimumu Kepa. You have the floor, Honourable Member.

Teachers' Appeals Board  
(Question No. 33/2019)

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

Can the Honourable Minister for Education, Heritage and Arts inform Parliament whether there is a Teacher's Appeals Board in the Ministry where teachers can lodge their appeals for any disciplinary action?

HON. R.S. AKBAR (Minister for Education, Heritage and Arts).- Mr. Speaker, I thank the Honourable Member for this question.

Mr. Speaker, Sir, in answer to the question, the Ministry no longer has an Appeals Board to which teachers can lodge their appeals. There was a Disciplinary Staff Board which was dissolved at the end of 2016 because it did not comply with the constitutional authority of the Permanent Secretary. My Ministry, like all Ministries, is now bound by the disciplinary guidelines which came into effect in January, 2017. These guidelines were updated in December, 2018.

The disciplinary guidelines aim to bring in positive discipline which requires an approach to correct behaviour and ensure adherence to the Civil Service Values and Code of Conduct. These we do by improving poor performance where the employees are given an opportunity to improve to an interactive process and ensuring that any disciplinary action which may be undertaken is prompt, transparent, fair, impartial, consistent and made with the employee's understanding if the issue reported relates to the Code of Conduct.

Mr. Speaker, all disciplinary processes incorporate the principle of natural justice, that procedures and any related-decisions are fair and reasonable and the employee has a right to be heard.

The employee is informed of the details of the allegation in writing, is provided with the opportunity to respond to the allegations to the appointed panel and is given the opportunity to have a support person present during the investigation.

Mr. Speaker, Sir, Section 127 of the Constitution empowers the Permanent Secretary of each Ministry with the authority to appoint, remove, and institute disciplinary action against any staff member of the Ministry with the agreement of the Minister responsible for the Ministry.

The disciplinary guidelines are also aligned to this provision of the Constitution. Should an employee wish to appeal against the decision made by the Permanent Secretary, with the agreement of the Minister, he or she can appeal to the Employment Relations Tribunal or court, as the case maybe. They may also seek mediation to the Minister of Employment, Productivity and Industrial Relations.

The other option available to the Permanent Secretary is to refer a case to the Public Service Disciplinary Tribunal (PSDT) in line with Section 120 of the Constitution.

The PSDT is empowered to hear and determine disciplinary cases referred by the Permanent Secretary. This is complementary to the powers of the Permanent Secretary, in that, the PSDT can institute other forms of disciplinary actions such as a fine or a demotion which the Permanent Secretary cannot institute.

Mr. Speaker, Sir, when an employee wishes to appeal against the sanction, they may follow the grievance procedures under the Employment Relations Act 2007 and the decision of the PSDT as reviewed by the High Court. Thank you, Mr. Speaker.

HON. SPEAKER.- I thank the Minister for that statement. Honourable Leawere, you have the floor.

HON. M.R. LEAWERE.- Thank you, Honourable Speaker. I thank the Honourable Minister for her reply to the Question. I can quote two examples where teachers were terminated without being heard. So, according to the Fiji Civil Service Disciplinary Guideline, they have to be heard, they have to give their explanation as to the case that they are being disciplined against.

But the question, Honourable Speaker, is ....

(Honourable Government Member interjects)

HON. M.R. LEAWERE.- Can you just wait? You will have your time.

My question is, Honourable Speaker, there is a case where the teacher has been terminated without following the Disciplinary Guideline as tabulated as said by the Honourable Minister, what is the Ministry doing about that? Thank you, Honourable Speaker.

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

HON. R.S. AKBAR.- Thank you, Mr. Speaker, Sir. As I have mentioned, every employee within the Ministry has a right to appeal and it can go through the Public Service Disciplinary Tribunal and the employee will be given a right to be heard.

HON. SPEAKER.- Thank you. Honourable Mitieli Bulanauca, you have the floor.

HON. M. BULANAUCA.- There may be tribunals, disciplinary staff or appeals board. If they are operated with justice, fine, but all we are seeing is that, there is no justice there and teachers appeal, particularly for performing teachers being demoted to under-developed schools and unproven teachers from under-developed schools up to the developed schools. Also, they are paying the teachers now - \$3, \$7 and \$10.

HON. SPEAKER.- Your question?

HON. M. BULANAUCA.- What can you improve on that?

HON. SPEAKER.- What is your question, Honourable Bulanauca?

HON. M. BULANAUCA.- The question is, what can you improve on the way the justice is seen when they complain about their demotion from performing to under-developed schools and also why are they just being paid - \$3, \$7 and \$10?

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

HON. R.S. AKBAR.- Thank you, Mr. Speaker, Sir. If I can go back on the Public Service Disciplinary Tribunal: This is an independent body which, at the moment, is chaired by Justice Seneviratne. That is where the independent body comes in the appeals process. It is made up of sitting Judges, who decide objectively. The Honourable Member asked about justice in terms of receiving pays, he can bring that as another question and I will answer that.

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



HON. RATU T. NAVURELEVU.- Thank you, Honourable Speaker. Can you allow me to ask this supplementary question which is relevant to the Ministry of Education? Can the Honourable Minister update this House as to when will the Annual Performance Appraisal (APA) increment be paid to teachers, which was promised last year? The rest of the civil servants received theirs in December, except the teachers? *Vinaka*.

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

HON. R.S. AKBAR.- Thank you, Mr. Speaker. Like I said, the supplementary question asked is not related to the original question. The Honourable Member can bring that as a new question and I will provide answers for that.

HON. SPEAKER.- The Speaker takes note of that and I take note that it will be brought up when you ask a relevant question on a different occasion. Honourable Nawaikula, you have the floor.

HON. N. NAWAIKULA.- Thank you for that. Could you explain to the House where in the new procedure that allows or guarantees a complainant to have the right to be heard and to appeal that?

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

HON. R.S. AKBAR.- Thank you, Mr. Speaker, Sir. I think I mentioned that the first thing is that, any employee who feels he or she has not been rightly heard, has a right to appeal. That is the first thing, the right to appeal. In case of appointments and promotions, the employee, teacher or the officer has a right to go directly to the Public Service Commission (PSC) where we have an independent Commissioner. He or she need not go through the Permanent Secretary of the Ministry for an appeal when it relates to appointments and promotions.

In case of disciplinary measures, the employee also has a right to take the Ministry to Court. Also like I said, the Public Service Disciplinary Tribunal is an independent body, whereby the employee will be heard by a team of independent magistrates.

HON. SPEAKER.- Thank you, Honourable Minister, we will move on. Honourable Ro Teimumu Kepa.

HON. RO T.V. KEPa.- Honourable Speaker, thank you. I am very disappointed with the response that the Honourable Minister has given. However, I know that she has inherited a lot of baggage from her predecessors because according to their Annual Report 2016, there are: primary school teachers - 5,610 and secondary school teachers - 5,038. So you are looking at over 10,000 teachers alone that under the Education Act, Honourable Speaker, the teachers through this Teachers Appeals Board, seek redress in regards to promotions, wrongful termination and other issues. Many teachers, however, feel that they are working in a very threatening environment.

HON. SPEAKER.- Your question.

HON. RO T.V. KEPa.- Where their interests are not protected, Honourable Speaker. So how can these 10,000 teachers' issues be addressed properly because there is no Teachers Appeals Board and they have to go through the PSC? So how can you address their grievances? There are many complaints everyday?

HON. SPEAKER.- The Honourable Minister?

HON. R.S. AKBAR.- Thank you, Mr. Speaker, and I thank the Honourable Member for acknowledging here that we have a lot of legacy issues, a lot of baggage. And if I may say the baggage that I have inherited does not go back 10 years, it goes back 20 years, 25 years, maybe some from her time as well.

(Laughter)

HON. SPEAKER.- Order, order!

HON. R.S. AKBAR.- So, Mr. Speaker, Sir, I will not be able to resolve things overnight, but I can assure the House and the teachers that we will look into their plight and we will find solutions to address it, moving forward. Thank you.

HON. SPEAKER.- I think we have dealt with this question and we will move on to the next question. I will give the floor to the Honourable Jese Saukuru to ask Question No. 35/2019.

I beg your pardon, I have jumped the gun but I have been attracted by your pink shirt.

(Laughter)

HON. SPEAKER.- I give the floor to the Honourable Dr. Salik Govind to ask his question.

Initiatives for the Care of the Elderly  
(Question No. 34/2019)

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

Can the Honourable Minister for Women, Children and Poverty Alleviation inform Parliament on some initiatives on the care of the elderly that is being undertaken by the Ministry?

HON. M.R. VUNIWAQA (Minister for Women, Children and Poverty Alleviation).- Thank you, Mr. Speaker, Sir, and I thank the Honourable Member for the question asked. Yes, indeed a very important question for us as a nation.

In relation to the care and welfare of the elderly as a nation, we only adopted a standalone law on the National Council of Older Persons in 2012. That was the Bainimarama-led Government, whom for the first time, established a legal framework in relation to the care and welfare of older persons.

Prior to that, Honourable Speaker, what we had was a Social Justice Act, which lumps the elderly, the disabled and those living in situations of poverty together as groups in need of affirmative action. So in 2012, we had a standalone law, the National Council of Older Persons Act, that put together a national mechanism to address the needs and the welfare of the elderly in our country.

Following that, Honourable Speaker, Government introduced the Social Pension Scheme. It was basically an avenue where those who had no other form of pension from FNPF or from Government, who may not have had work in the formal sector, it gave them an opportunity to also receive a pension like those who have worked in their lives. That particular pension scheme started for those who had reached 70 years and over, and now we are giving the same pension to those reaching 65 years and over. They get \$100 a month, Honourable Speaker.

It is very comforting when I visit communities and villages and I hear from the pensioners themselves what this money has meant to them personally. An example from my side of Fiji, an old lady who was very proud of the fact that she is now able to pay the younger women in the village to get *voivoi* for her so that she could pleat her mats. Something that she had to endure by herself before.

There was another story of a gentleman who was so happy to be able to just get on the bus and go into the city and have an ice-cream on the park. Those stories, Honourable Speaker, may seem like a mundane thing for most people but it means a lot to the elderly and it is something that we are proud of as a Government to be able to provide that level of dignity to the elderly of our nation.

HON. M.R. VUNIWAQA.- I am glad that as a country we are also proud of the fact, and I am speaking from the perspective of Government, Honourable Speaker, because this is a Government initiative. We would have to carry out a national survey to see what the whole nation thinks about this, so I would not want to infer, I would not want to put an inference in this.

Apart from that, Honourable Speaker, there is also a bus fare subsidy that started back in 2011/2012. Honourable Speaker, it was an opportunity for the elderly also to get subsidy on bus fares. At the moment, from the current fiscal year, it is a top-up on their bus cards worth \$40 every month.

Honourable Speaker, apart from the bus fare subsidy, we also have now from this financial year, the insurance scheme. It is basically targeted at all those who receive social benefits from the Ministry, including our social pensioners.

The insurance protection, Honourable Speaker, it makes them eligible for money up to \$3,000 in the case of an injury or where there is a fire to their homes or if they do pass away, the family gets money for funeral assistance up to \$1,000 and for those 70 years and under, they get \$3,000 on top of that as a form of life insurance. Again, it is something that the elderly persons in our nation may not have been able to afford, if Government had not stepped in to assist them in this regard.

Apart from that, Honourable Speaker, there was interesting discussions here yesterday also in relation to caregiving, another very important aspect for the care of the elderly in our nation. As you would know, Honourable Speaker, we have three State Homes for the elderly around the country and there are also a number of non-State homes that do care for those elderly persons, who may not be able to take care of themselves and may not have loved ones to take care of them.

The need for caregiving in our country is real and as we venture into the next maybe, 20 to 30 years, and this need could be an emergency basically. So, as a Ministry, we are now looking into how we can encourage members of the community and loved ones on how they can take care of the elderly in their own communities.

To do this, we have partnered with Australia Pacific Training Coalition (APTC) to come up with a community caregiving training package that we have launched on the island of Ovalau last year. We are currently doing another three trainings in Yasawa in March this year, and we will go on from there.

We are doing basically surveys in these communities, looking at families that have elderly persons in their homes and may need to look after these elderly persons. So we have partnered with NGOs, to come up with this training to empower people living in the various communities around the country, to be able to look after the elderly in their own homes.

As for the formal homes, the State Homes and the non-State Homes, we have launched last year a minimum standards for the homes. It basically addresses the standards that we see should be applied in every home for the elderly around the country.

Honourable Speaker, in summary, that is what we are doing as a Government, to address the welfare and care for the elderly in our country. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Minister. The Honourable Professor Biman Prasad?

HON. PROF. B.C. PRASAD.- Thank you, Mr Speaker, Sir. Just a quick question to the Honourable Minister; I think in the last three budgets, we had allocations for State Homes, Mr. Speaker, and I just wanted the Minister to give us the progress on that, whether those budgets were utilised and whether we built any new homes?

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

HON. M.R. VUNIWAQA.- Thank you, Honourable Speaker. Yes, the upkeep of State Homes for the elderly is the standing item on every budget, but for this particular fiscal year, \$2 million has been given for this particular purpose. We are using this to start with our home in Labasa, to basically do works that will change the whole face of State Homes in Fiji. We will start with Labasa and we hope to continue with that particular exercise with the other Homes as well.

Honourable Speaker, I had said that we had launched the minimum standards for homes on the care of older persons. In light of that because of the standards we have put in, we do need the budget to make sure that we, as a Government, also adhere to the standards we have set for ourselves. And that is why we have this particular budget and, yes, there has been a progress in relation to the works, to do with the Labasa home and I have here a National Minimum Standards for Homes on the Care for Older Persons.

On the cover (showing cover of the book), we have this lady from Vione, in Gau, who turned 102 last year. She passed away on Friday morning, last week, five months short of her 103rd birthday. She is fondly known to us as 'Bu Be', and that is the face of the elderly in our nation. She stayed with us for 10 years and we miss her, Honourable Speaker.

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

HON. S.V. RADRODRO.- Thank you, Honourable Speaker. I thank the Honourable Minister for your explanation, particularly in trying to give some kind of dignity to our senior citizens.

I believe, for the Homes, there is about, at the most, maybe 70 people according to the Annual Report, so 70 people are being accommodated in the Homes. And we heard the Honourable Attorney-General said, what did previous Governments do? Previous Governments built those State Homes.

This Government has been saying that they will build new homes for our senior citizens and Honourable Speaker, this is a demand. Considering the population of Fiji - 900,000, there is about 100,000 of people that go into that category.

HON. SPEAKER.- Your question, Honourable Member?

HON. S.V. RADRODRO.- My question is; can the Honourable Minister inform us what kind of arrangement do they have, temporary or permanent, to be able to accommodate the high demand for those who want to go to the elderly Homes?

Thank you, Honourable Speaker.

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

HON. M.R. VUNIWAQA.- Thank you, Honourable Speaker. As I had stated earlier, in this particular financial year, we have \$2 million for the upgrade of the Homes. We are starting with the Labasa Home. It is basically a whole new design which will cost Government \$4.5 million. So the \$2 million is for this particular year, and that will be finished in the next financial year.

For the Lautoka and the Suva Homes, we are now into the design stage. We have engaged a consultant through the Construction Implementation Unit of the Ministry of Economy, they are working very hard, they have got a consultant in place and we are now working with the consultants to come up with a design.

Yes, we have the statistics and the estimates for how many elderly people the State would be accommodating in the years to come and that is what we are planning for. Lautoka will be new buildings, in accordance with the design we are working with the consultant right now. What I am reporting on, Honourable Speaker, is what is happening right now. We are working with the consultants to do the designs, to look at what we know will be the number of elderly persons in our nation in the next 20 to 30 years. Thank you Honourable Speaker.

HON. SPEAKER.- Thank you. Honourable Anare Jale, you have the floor.

HON. A. JALE.- Mr. Speaker, Sir, I remember a few cases in the islands where people died before getting the services of the Ministry of Women, Children and Poverty Alleviation. I just want to know from the Honourable Minister what is the process that you put in place for rural areas so that the people in need of the services they provide can get them?

HON. SPEAKER.- Thank you Honourable Member. That was directed to you Honourable Minister.

HON. M.R. VUNIWAQA.- Thank you Honourable Speaker. We have offices in various locations but apart from offices, we are here as Members and I get requests and referrals from Honourable Members of this House, even on the Opposition side. Those who may come across cases, it does not stop you from bringing those cases to us and we are happy to help. We will send our officers to wherever those persons in need of our services are.

Apart from that Honourable Speaker, we also have what we call the REACH Programme which is a Government programme, taking out Government's services to various communities. It is a full time office and they work full time in relation to the taking out of services. So if the Honourable Member has a particular area that needs our presence which does not have our office, please let me know, we will send REACH there. Thank you, Honourable Speaker.

HON. SPEAKER.- Thank you Honourable Member. Honourable Mosese Bilitavu, you have the floor.

HON. M.D. BULITAVU.- A supplementary question, Sir. A SODELPA Government would have increased the scheme.

HON. M.R. VUNIWAQA.- The what?

HON. M.D. BULITAVU.- And we were planning to do that and if we were there, we would have done a better job in reviewing because this particular issue come from Vanua Levu, the same area of the Honourable Minister comes from.

HON. M.R. VUNIWAQA.- Point of Order, Honourable Speaker. The Honourable Member is making inferences that is against our Order.

HON. M.D. BULITAVU.- No, no, I am formulating the question.

HON. SPEAKER.- Honourable Member, you have the floor, just ask your question.

HON. M.D. BULITAVU.- These questions comes from those that come from our area whether the Government will review the rates of those schemes and also what the Government can do onto the challenges of responding to late payments and also other services provided by the Social Welfare Department to these elders. Will Government addresses this and how will they address that? Will Government review those rates because those who voted the Minister want it to be reviewed?

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

HON. M.R. VUNIWAQA.- Honourable Speaker, I could not get a specific issue to address there, it is so convoluted and so full of argumentative material, I do not know where to start.

(Chorus of interjections)

HON. M.D. BULITAVU.- I need an answer.

HON. SPEAKER.- Honourable Member, could you ask your question so that it is clear, you have the floor.

HON. M.D. BULITAVU.- Thank you Honourable Speaker, Sir. A simple question, will the FijiFirst Government review those rates on the scheme because the SODELPA Government would have done that?

(Chorus of interjections)

HON. M.D. BULITAVU.- Listen, listen, listen. It started with previous Governments, they have increased it, but we were planning for the increase. Can they further increase the current rates?

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

HON. M.R. VUNIWAQA.- Honourable Speaker, the particular Social Pension Scheme, I assume that he is talking about. That started only about I think two years ago on the \$100 threshold we are sitting on. Now, that was done by the FijiFirst Government....

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. SPEAKER.- Order, order!

HON. M.R. VUNIWAQA.- These rates do not get plucked out of a hat, Honourable Speaker.

HON. SPEAKER.- Order!

HON. M.R. VUNIWAQA.- There are national obligations that Government carries for every Fijian.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. SPEAKER.- Order!

HON. M.R. VUNIWAQA.- There are national obligations that Government carries for every Fijian and I think the question needs to be a bit more responsible in that regard. So the rate for Social Pension Scheme at the moment is \$100 per month, Honourable Speaker.

HON. SPEAKER.- Thank you. Honourable Viliame Gavoka, you have the floor.

HON. V.R. GAVOKA.- Thank you, Honourable Speaker, we hear so much about what the FijiFirst Government has done.

(Chorus of interjections)

HON. V.R. GAVOKA.- Normally when there is an interjection I get another minute.

The FijiFirst Government reduced the pension for the elderly in this country. Pensions that was set up by the Alliance Party, SVT, Labour Coalition and SDL because they destroyed the lights of many elderly people when they reduced the FNPF pension. Can they reinstate what they took away from the elderly of this country?

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

HON. M.R. VUNIWAQA.- Thank you, Honourable Speaker. If I just refer the Honourable Member back to the question. This is to do with what we as a Ministry are doing in relation for the elderly. What he is talking about is a matter that can be dealt with by FNPF. That is the question that can be answered by FNPF, Honourable Speaker. As a Ministry, what we give is a Social Pension Scheme which I talked about today.

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

HON. LT. COL. P. TIKODUADUA.- Thank you Honourable Speaker. I thank the Honourable Minister for the answers to the questions that have been raised and in particular her offer to assist in those places where this side of the House brings cases to her. In particular, I acknowledge because the Minister would be aware of the case of Akata Marama, I think, someone would have already mentioned about her to you.

The case here, Honourable Speaker, it is the gap where aged people fall through in communities like villages, people know who has got a relative and who does not. But in the case of this lady, she lives alone and so I asked my wife who used to work at the Samabula Care Home whether she could go there. But apparently, the policy is that only those aged people who can actually look after themselves can be looked after in his Home. I am not so sure whether that is true or not. Can I just ask the Honourable Minister, can that policy be reviewed if that was true?

HON. SPEAKER.- Thank you, Honourable Member.

HON. M.R. VUNIWAQA.- Thank you, Honourable Speaker. What the Honourable Member stated is not true. There is no policy as such. We actually look after some elderly who are bedridden. Yes, the Home is open to those who cannot take care of themselves or those who do not have family who can take care of them.

HON. SPEAKER.- Thank you. Honourable Ro Teimumu Kepa, you have the floor.

HON. RO T.V. KEPA.- Thank you, Honourable Speaker. My question is to the Honourable Minister, where she says here about the legal framework that was put in place in 2012 and it is a Government initiative. What I want to ask the Honourable Minister is whether she can seek redress for the 3,500 FNPF victims of an illegal deduction in 2012, the same year, who do not want State assistance and further burden the State through already overstretched social welfare resources, but to have their rightful earnings reinstated which was stolen from them. Thank you, Honourable Speaker.

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

HON. M.R. VUNIWAQA.- Thank you, Honourable Speaker. I believe this is the same issue that was raised before in relation to FNPF. It is outside the realms of the question that we have here before Parliament and it is something for FNPF to answer and not my Ministry, Honourable Speaker.

HON. SPEAKER.- Thank you, Honourable Minister. Honourable Member, I was going to give you the floor, irrespective of what they have been indicating from the other end. You have the floor.

HON. S.R. RASOVA.- Thank you, Honourable Speaker, thank you very much and happy Valentine's to you and also the ladies and the bachelor ladies.

In regards to the Honourable Minister for Women, Children and Poverty Alleviation, I have been hearing that your Ministry have been giving monies to the elderlies and I see here the children, the children who are totally handicapped. Does the Ministry have any other money that is given to them on a monthly basis?

Also, I would like to talk to you, I have this thing here behind me that I would like to have an Old People's Home at my *tikina* in Kadavu and then I would like to have it as a role model in Fiji in all the villages. Are you willing to discuss this with me? Thank you.

HON. SPEAKER.- Honourable Minister, that is the last question.

HON. M.R. VUNIWAQA.- If I heard correctly, I believe the question was whether we have an allowance for disabilities as well? Yes, we do.

HON. SPEAKER.- Honourable Members, we will move on. I now give the floor to the Honourable Jese Saukuru to ask Question 35/2019. You have the floor, Sir.

Government Plans in Combating Urban Drift  
(Question No. 35/2019)

HON. J. SAUKURU.- *Cola vina*, Honourable Speaker. It is Valentine's Day so perhaps, pink is the appropriate colour today.

Honourable Speaker, my question is:



Can the Honourable Attorney-General and Minister for Economy, Civil Service and Communications advise Parliament on what plans Government has in place to combat the issue of urban drift?

HON. A. SAYED-KHAIYUM (Attorney-General and Minister for Economy, Civil Service and Communications).- Thank you, Mr. Speaker Sir.

Mr. Speaker, I seek your indulgence just to clarify before I get into the substantive answer to the question. Honourable Lynda Tabuya had said that liquidity is at an all-time low. She is absolutely incorrect and I have got the figures here with. I have got the staff send it to me from Reserve Bank of Fiji.

Liquidity as of end of January 2019 is \$398 million, end of 2018 was \$306 million, 2017 was \$606 million and 2016 was \$412.2 million. In respect of ....

HON. L.D. TABUYA.- Point of Order!

HON. SPEAKER.- Honourable Member, Point of Order.

HON. L.D. TABUYA.- Thank you, a Point of Order.

Honourable Speaker, Sir, the Honourable Attorney-General should have addressed this concern at the same time immediately after my question. That is under Standing Order 81. He should not be given time now to respond to that. He should be responding to the question that is now before the House and, therefore, under Standing Order 45, it is also irrelevant to the question that is being asked Honourable Speaker, Sir. He was supposed to address it immediately after I had asked the question. Thank you, Honourable Speaker, Sir.

HON. SPEAKER.- Honourable Member, I will ask the Honourable Attorney-General to reply to the questions that has been asked by the Honourable Jese Saukuru and then we can look at the other question after.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir. Now, I wanted to highlight that initially but I take your direction, Mr. Speaker Sir, because it does have an impact on the question that I am going to answer. Nonetheless, it does, because you do not understand economics, so you do not understand.

(Chorus of interjections)

HON. A. SAYED-KHAIYUM.- She does not know what she is talking about.

Mr. Speaker, Sir, there are a number of reasons as to why people move from a rural area to an urban area. A lot of this is to do with the lack of opportunities in the rural area. This could be economic opportunities, lack of services in that particular area, people want more services, deprivation or perhaps, access to land on which they live on or removal from land on which they live on; change in different career professions.

As we have heard the Honourable Prime Minister said today that we have, for example, an aging sugarcane farmer population. People want to do other things - the growth of municipalities, Navua will soon be declared a Municipal Council so suddenly Navua becomes an urban area.

When towns and cities expand their boundaries, rural areas become encompassed with municipalities. We are looking at setting up townships in Nabouwalu, Keiyasi; all of these areas will suddenly become urban areas so the figures will go up.

A change in social attitudes, for example, a lot of people have the attraction to urban life. They do not have, for example, cinemas in Seaqaqa or various other places. Young people want access to cinemas, night clubs or whatever the case maybe and, of course, technological changes; all of these combined. If, for example, previously, we were harvesting cane or cutting cane and now we have cane harvesters. Those who used to cut cane may not necessarily have a job in that area. So, all of these things actually have an impact.

Rural urban drift, Mr. Speaker, Sir, to contextualise it, is in fact a global phenomenon, and I think we need to understand that because perhaps sometimes the way the Opposition presents this, is as if that is the only thing that is happening in Fiji or Fiji is the only country where it happens.

In American Samoa, four to eight percent of the population are actually in the rural areas; 87.2 percent are in the urban areas. Brazil (which is a very large country), 13.7 percent of the population actually live in the rural areas; a whopping 86.3 percent live in the urban areas; Barbados, 68.8 percent live in rural areas; 31.2 percent in the urban areas; China 42 percent live in the rural areas; 58 percent live in the urban area.

We have a number of countries, a single country like Singapore, of course, the entire population live in the urban area itself because the entire country is one big city. Cuba, 23 percent of their population live in rural areas; 77 percent live in the urban areas. There are numerous examples and comparables, even countries like (closer to home), New Zealand, for example, 13.5 percent in rural areas and 86.5 percent. The issue there also, Mr. Speaker, is some of these countries, even like Australia, there is very low rural population-based and even in New Zealand, the agricultural output is enormous because of the adoption of technology, et cetera. Those are some of the reasons why we have these changes.

Mr. Speaker, the Government actually has, since 2007, injected at least \$2 billion into the development in respect of the rural areas. For example, rural roads, expanding access to water and rural electrification, supporting the various sectors like sugar and agriculture and income-generating opportunities in the rural areas, the Small and Micro Enterprises (SMEs) - all of these things actually entice people to stay in their rural areas.

By comparison, of course, Mr. Speaker, in the 2017 and 2018 fiscal year, we spent over \$315 million for the rural economy compared to less than \$50 million in the years prior to the Bainimarama-led Government. In fact, we are spending seven times more in rural areas annually now, Mr. Speaker, Sir. Of course, apart from this, we provide for education for our young people. We have invested in rural schools. Boarding schools have been created in rural areas; we have access to legal aid, social welfare and, of course, even things like Birth, Death and Marriage (BDM) Offices.

So, for example, if you go to places now in Lekutu, Seaqaqa, Vunidawa, Lakeba in Lau, Nabouwalu - all of these places now have actually BDM Offices. They also act as recipients or officers where you can lodge business registration applications.

On the other hand, we now have Legal Aid Offices throughout Fiji. Taveuni is operational, of course, awaiting an official opening; Seaqaqa and Keiyasi now have new branches; for Rotuma and Kadavu, tenders have been called, they will be setting up offices there.

The reason why I am highlighting all these, Mr. Speaker, Sir, is to demonstrate Government's ability and willingness and the political administrative willingness and capacity to actually invest in the rural areas so our rural people actually do not feel marginalised, they do not have these services because when you have your day to day service requirements in far-flung urban areas, people will feel inclined to go and live actually in those urban areas, so we have made a lot of investment in that.

The Honourable Minister for Infrastructure highlighted about how they expend so much funds in water and electricity access. All of these actually retain people in those areas. Of course, the Honourable Leader of the Opposition would know because he is from there, places like Buca Bay, Nabouwalu to Dreketi, Sigatoka Valley Road, Sawani-Serea Road - all of these have been tarsealed.

So, the farmers actually living in those areas have better access to the markets. They do not necessarily have to feel that they have to go and live in the urban areas. Of course, people can easily go to them too to go and pick up their produce, so it makes it attractive to live in rural areas.

Mr. Speaker, Sir, we have also declared Vanua Levu, Kadavu, Levuka, Lomaiviti, Lau, Rotuma and North-West part of Viti Levu, right from the Rewa, Nausori side of Viti Levu, all the way up to Matawalu Village, in Drasa which are now economic zones. These are, of course, to attract investors to set up businesses and create jobs in those areas, and in that way you get people, not only to stay there, but for people from the urban area to go and live there. We have actually seen those types of changes taking place.

Connectivity also, mobile phone connectivity, internet connectivity, through the *Walesi* Platform - all of these issues contribute to people actually seeing the rural areas as attractive. They do not feel like 'I have to go and live in Suva to have access to internet or move to Nasinu', but infrastructure growth in those areas helps people to find the rural areas a lot more attractive.

Conversely, we have seen, for example, Honourable Nawaikula is fully aware of this, that late in the 1990s, wholesale areas in Fiji land leases were not renewed. If you go to places like Waidamudamu, the settlement here in Koronovia, numerous other places are full of people from Vanua Levu. They did not have any place to live, so they all came to Suva and became taxi drivers, building their homes on sewerage pipes, squatter lands, et cetera. Then they suddenly became urban dwellers. What are we doing, Mr. Speaker ....

(Honourable Members interject)

HON. SPEAKER.- Order, order!

HON. A. SAYED-KHAIYUM.- It is a two-pronged approach, Mr. Speaker, Sir. You have to invest in the rural areas to make rural areas attractive but you also have to invest in the urban areas to make sure that those people who actually came from the rural areas have access to facilities in the urban areas also. You can be a squatter living between Suva-Nausori but not have access to sewage, water, electricity. We have also, Mr. Speaker, invested quite heavily in the health services.

If you go to 9 Miles, we are building a Fire Station, Health Centre in Davuilevu, Honourable Tikoduadua would know that, he would see all the developments because everyday he passes by. We are building the capacity, we are also de-centralising services. So before in Fiji, if you have to register your child you could only go to Labasa, Lautoka and Suva, now it is everywhere. You can also go to Nasinu, so by de-centralising Government services, you are keeping people a lot more in a peripheral area, so this is a lot of investment that have been made, Mr. Speaker, Sir, and we will continue to, of course, focus on these areas. Thank you.

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

HON. J. SAUKURU.- Thank you, Honourable Speaker, thank you, Honourable Attorney-General.

My concern is that, our people are actually moving away from the very resources that they have that will assist government to develop and enhance their livelihood. They could be running away from that. So to be specific, I ask if the Honourable Attorney-General is thinking of, I think, packages for tourism, for example, backpackers operating in the Yasawa Group of Islands or having trading centres in the rural areas where they will facilitate more economic developments, people will have easy access to education, easier access to things that are attracting them to the urban areas, because moving to the urban areas will have other social issues like we are having today? Thank you.

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

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker. Perhaps, the Honourable Saukuru is getting a bit carried away with his pink shirt. In fact, I answered three quarters of his question on what he had just asked, but let me also highlight to the Honourable Member, Mr. Speaker, Sir, is that, it is one thing to say, "Let's have trading centres", but you need to have trade around it for people to have access to funds.

When you have Tax Free Zones in the North-West of Viti Levu, in the Lau Group, Lomaiviti Group, Vanua Levu, Kadavu and Rotuma, the whole rationale behind that is to get business owners to come and set up businesses there. We have already seen some of that happening in the corridor between Matawalu Village and actually up to Tavua. There are a couple of businesses that have set up there, so they will also set up factories and value-adding plants there too, so people in that area will have jobs.

Of course, when you have jobs, people will have money in their pocket, they will then go and spend the money. When they want to spend the money, we will need to have shops around it, retail services around it, that is the logic behind it. But also as you know in Fiji, we are a sporting nation. These things again are part of the services. We have a whole list of areas where the Honourable Minister for Youth and Sports, through the Ministry of Economy, is putting up numerous parks and also playing fields, so that our young people who also live in rural areas can have access to all the services too - you have access to hospitals, sporting facilities, you have BDM Offices all set up there, and that is what attracts them to stay there.

Of course, as the Minister for Industry and Trade had highlighted, a number of projects are on hold. The Honourable Minister for Agriculture highlighted that a number of initiatives will be announced by his Ministry. All of these are being done so actually we will provide the services also to the rural areas, get people to generate income, even though those people who may have left previously, how do we look after them in the urban areas too? Thank you.

HON. SPEAKER.- I thank you the Honourable Attorney-General. Honourable Members, we have covered this question enough, and the hour has come for us to adjourn for lunch.

For the Business Committee, there will be a Business lunch in the Small Committee Room. For the others, lunch is served in the Big Committee Room.

We will adjourn now for lunch and resume at the same time at 2.30 p.m.

The Parliament adjourned at 12.27 p.m.

The Parliament resumed at 2.30 p.m.

HON. SPEAKER.- Honourable Members, we will continue with Oral Questions. We will move on to the eighth Oral Question for today and I give the floor to the Honourable Rohit Sharma to ask his question.

Plans for Makogai Research Station  
(Question No. 36/2019)

HON. R.R. SHARMA asked the Government, upon notice:

Can the Honourable Minister for Fisheries highlight the plans that the Ministry has for Makogai Research Station?

HON. CDR. S.T. KOROILAVESAU (Minister for Fisheries).- Thank you, Honourable Speaker, Sir, and I wish to thank the Honourable Member for the question.

The Ministry has carried out and undertaken research and development in Makogai since 1987. Last month, the Ministry reopened the station on the completion of rehabilitation after *TC Winston* which totally destroyed the infrastructure.

Honourable Speaker, Sir, the Makogai facility will focus on research and development, designed to foster outcomes for the Ministry's key strategic objectives. This is mainly sustainable fisheries and climate change mitigation and adaptation.

Research activity will include spawning and culturing of giant clam species and cage farming of coral trout and cod, normally, locally known as *donu* and *kawakawa*.

Honourable Speaker, Sir, the giant clam stocks produced at Makogai have been used to restock the reefs around Fiji. The Makogai Research Station will continue to contribute on implementing the International Ocean and SDG commitments through better and more effective conservation of coral reef research.

Honourable Speaker, Sir, plans are also underway to establish the station as a regional hub with facilities that can be collectively used by the region to enhance our knowledge on marine species.

Honourable Speaker, Sir, we are committed to the conservation of our marine environment and we need to make a courageous stance. This is why we have taken this bold step to ban the use of plastics on Makogai Island. We are walking the talk and leading by example.

Honourable Speaker, Sir, I would like to highlight the Ministry's effort in reducing plastic pollution due to the threat that plastic pollution has on our ocean. The presence of microplastics in marine organism and the marine ecosystem and our very own source of food is of great concern to fisheries.

Honourable Speaker, Sir, in light of this, the Ministry of Fisheries intends to rev up our efforts to stop plastic pollution by raising awareness with our young generation through school-based awareness programmes. In this regard, Honourable Speaker, Sir, the Ministry of Fisheries will work closely with the line Ministries, such as the Ministry of Education and the Ministry of Environment, to have a collective effort in reducing plastic pollution. I would also like to encourage Honourable Members of this august House to tell our people about the danger of plastic pollution.

Honourable Speaker, Sir, while on the subject of letting our voters know about plastic litter, it is important to tell them the facts. Unlike Honourable Nawaikula and Honourable Bulitavu, who preach politics of fear and the Members going against party leadership in the presence of two paramount chiefs.

The other day, Honourable Speaker, Honourable Nawaikula and Honourable Bulitavu went to town in addressing *iTaukei* issues. They do not even respect the *iTaukei* leadership within their own Party which includes the Honourable Ro Teimumu Kepa and Honourable Ratu Naiqama Lalabalavu. Honourable Nawaikula chooses to lead a rebellion of a few Members of the Opposition. Thank you, Honourable Speaker.

HON. N. NAWAIKULA.- A Point of Order. I ask the Honourable Minister to withdraw that. I did not bring any rebellion in the Opposition. You come here, you talk facts. You talk on merit. We argue issues. You do not get personal. Can he be asked to withdraw it?

HON. CDR. S.T. KOROILAVESAU.- I am telling the truth!

HON. N. NAWAIKULA.- Withdraw it!

HON. SPEAKER.- What is your Point of Order?

HON. N. NAWAIKULA.- If you cannot handle the debate here, you get out!

HON. CDR. S.T. KOROILAVESAU.- I am telling the truth!

HON. SPEAKER.- What is your point of order?

HON. N. NAWAIKULA.- Mr. Speaker, Standing Order 18. He said, I led a rebellion in the Opposition, totally wrong, factually wrong. Can you withdraw that, please? Do not misrepresent Parliament. This is not the fish market, mind you!

(Laughter)

HON. N. NAWAIKULA.- You may be the Minister for Fisheries, but this is not a fish market.

(Laughter)

HON. N. NAWAIKULA.- Yes, you come here, you have your integrity...

(Laughter)

HON. N. NAWAIKULA.- We argue issues, we do not get personal...

HON. SPEAKER.- Honourable O'Connor, you have the floor.

HON. A.D. O'CONNOR.- Thank you, Mr. Speaker, Sir.

Can the Honourable Minister elaborate on the need for Makogai Waters to be declared a Marine Protected Area?

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

HON. CDR. S.T. KOROILAVESAU.- Thank you, Honourable Speaker, Sir. I would like to thank the Honourable Member for the question. The Ministry Station at Makogai is wholly devoted to research. It is, therefore, logical that the ecosystem that it operates would be an opportune place to protect the coral ecosystem which is rich with biodiversity and that it protects to allow stock enhancements and further research and development.

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

HON. V.R. GAVOKA.- Thank you, Honourable Speaker. I wish to thank the Honourable Minister for outlining the project around Makogai and being a regional hub and to enhance the growth in other parts of Fiji.

Honourable Speaker, a point that keeps coming up is the distribution of proceeds from the fishing licences to the 'qoliqoli' owners. In Nadroga, the Vanua Nahoni had been promised three years ago that they would be getting proceeds deposited into their bank account, but nothing has happened. The Honourable Minister went there and told them to open a bank account, they did so with the Bank of Baroda, and they are still waiting for the proceeds to go into the bank account. What is happening Honourable Minister?

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

HON. CDR. S.T. KOROILAVESAU.- Honourable Speaker, Sir, that is totally different from the substantive question. He can ask that question on another day.

HON. SPEAKER.- Honourable Members, I give the floor to the Honourable Anare Jale.

HON. A. JALE.- Honourable Speaker, I understand that the giant clam project in Makogai, the seedlings were brought from some parts of Fiji. If I understand correctly, from the island of Vatoa in Lau. Can the Honourable Minister inform the House, what it will do in replenishing the area where the seedlings were brought from?

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

HON. CDR. S.T. KOROILAVESAU.- Thank you, Honourable Speaker, Sir, I wish to correct that. The original giant clam came from Australia. We only brought some clams that are almost facing extinction from Maravu in Oneata. We have replenished and taken back clams to reproduce in those reef system.

HON. SPEAKER.- Thank you, Honourable Member. Honourable Rasova, you have the floor.

HON. S.R. RASOVA.- A supplementary question, Mr. Speaker, Sir. Just to the Honourable Minister for Fisheries, I have been going around Suva and people have been asking me in regard to the bycatch licence. Most of them are locals and I take it that they wish to know what is the Ministry's stand in regard to the near future whereby the bycatch for these big fishes whether it will come back in a day, whether they will be given the licence to get the bycatch. At the moment, I think all the big boats are selling direct and the locals are not getting their cut from the bycatch. Thank you.

HON. SPEAKER.- Honourable Minister, do you have any further point to add?

HON. CDR. S.T. KOROILAVESAU.- Thank you, Honourable Speaker, that is a new question. I would just like to tell him that there is no more bycatch just because of the lack of fish within the EEZ.

HON. SPEAKER.- Honourable Leader of the Opposition, you have the floor.

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA.- Mr. Speaker, Sir, going back to the Makogai area, Honourable Minister, are you aware that there are some *kai* Makogai still crying for their fishing rights and now living in the interior of Naitasiri, Bua and Drekeniwai, Navatu in Cakaudrove; and whether they will be brought into your programme that you are carrying out on Makogai?

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

HON. CDR. S.T. KOROILAVESAU.- Honourable Speaker, Sir, that is, again, another new question and it can be brought back to me on another day.

HON. SPEAKER.- Honourable Minister, but you will consider the question in future?

HON. CDR. S.T. KOROILAVESAU.- Yes, Sir.

HON. SPEAKER.- Honourable Members, there being no further supplementary questions we will move on to the first Written Question for today and I call on the Honourable Ratu Suliano Matanitobua to ask his written question.

#### Written Questions

##### Policies and Programmes for Income Generating Projects (Question No. 37/2019)

HON. RATU S. MATANITOBUA asked the Government, upon notice:

Can the Honourable Minister for Employment, Productivity, Industrial Relations, Youth and Sports inform Parliament on all the policies and programmes under which the youth clubs registered with the Ministry of Youth and Sports can benefit by way of income generating projects?

HON. P.K. BALA (Minister for Employment, Productivity, Industrial Relations, Youth and Sports).- Thank you, Honourable Speaker. I will table my response at the latest sitting day as permitted under Standing Order 45(3).

HON. SPEAKER.- I thank the Honourable Minister. The second written question, I now call on the Honourable Simione Rasova to ask his written question.

##### Youth Exchange Programmes (Question No. 38/2019)

HON. S.R. RASOVA asked the Government, upon notice:

Can the Honourable Minister for Employment, Productivity, Industrial Relations, Youth and Sports inform Parliament the number of Youth exchange programmes in which Fiji has been engaged with another country in the last three years and provide particulars of those who have benefitted from these Youth Exchange Programmes? If I may add an example, the Duke of Edinburgh Scholarship.



HON. P.K. BALA (Minister for Employment, Productivity, Industrial Relations, Youth and Sports).- Thank you Honourable Speaker. Honourable Speaker, I will table my response at latest later sitting date as permitted under Standing Order 45(3). Thank you.

HON. SPEAKER.- Thank you, Honourable Minister.

Honourable Members, question time is now over. We will move on to the next Agenda Item in the Order Paper.

### **MINISTERIAL STATEMENTS**

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

1. Minister for Employment, Productivity, Industrial Relations and Youth and Sports;
2. Minister for Agriculture, Rural and Maritime Development, Waterways and Environment;
3. Minister for Forests has two Ministerial Statements; and
4. Minister for Infrastructure, Transport, Disaster Management and Meteorological Services.

Honourable Members, each Minister may speak for up to 20 minutes. After each Minister, I will then invite the Leader of the Opposition or his designate to speak on the statement for no more than five minutes. There will also be a response from the Leader of the National Federation Party or his designate to also speak for five minutes. There will be no other debate on those Statements.

Honourable Members, I now call on the Minister for Employment, Productivity and Industrial Relations and Youth and Sports to deliver his Statement. You have the floor.

#### Strengthening Youth and Sports Development

HON. P.K. BALA.- Thank you, Honourable Speaker.

The Honourable Speaker, Honourable Prime Minister, the Honourable Leader of the Opposition and Honourable Members of this august House; I am pleased to present this Ministerial Statement on operational and policy matters under the Ministry of Youth and Sports.

Honourable Speaker, I assured this Parliament the day before yesterday that I will come up with the feedback on the issues that were raised by Honourable Members on the other side of the House in regards to the types of drugs and the suppliers.

The types of drugs, I will suggest to my good friend the Honourable Member, to direct that question or the subject matter to the relevant Minister, who is the Honourable Minister for Defence. In regards to the supplier, I have been told that there are a lot of suppliers but most of the suppliers come from Kadavu.

Honourable Speaker, the other matter that was raised was whether there was any matter in relation to the welfare of players and whether that was reported to the Ministry or not, and I was asked to confirm or deny. I must report to this House that there was no such report reported to the Ministry.

Honourable Speaker, as we move on towards the second term in office, it is timely to highlight the enormous contribution that the FijiFirst Government is making towards the development of youth

and sports for our beloved nation. Honourable Speaker, for this reason among others, our Fijian youths justify the expanded role vision for this sector and the Ministry has embarked on a well thought-out programme to achieve.

Sports, Honourable Speaker, is more than just throwing a ball, running a mile, or engaging in century's old skills in a range of physical activities. It is that, and much more. Sport binds nations, it unites nations and it brings joy into our lives. Sports promotes health and wellness and discipline, it empowers the young and old to seek freedom and pleasure from their sporting activity of choice.

Honourable Speaker and Honourable Members of this august House, we all have personal or national sporting memories that are dear to us. And these memories are a reminder to all of us, as it is for all Fijians, of the core role of sports in our lives.

Sports have well documented social and mental benefits. This includes discipline and self-esteem. This is important for our youth, especially as we become addicted to our mobile phones or other screens.

Honourable Speaker, lack of physical activity, as we all know, is directly linked to the rise of NCDs and its associated costs in healthcare and to the society generally. Thus, it becomes even more important that we promote sports as a means of staying active, focussed and to be able to contribute as productive and healthy Fijians.

Honourable Speaker, in the context of these sentiments on sports, it gives me pleasure to briefly update the House on the sustained effort under the Ministry of Youth and Sports to provide clear and relevant programmes and policies towards sports development and youth empowerment.

Honourable Speaker, this ties in well with the stated goals under this Government in the 5-year and 20-year National Development Plans launched last year. The Fiji NDP Section on Youth and Sports is prefaced with this statement, and I quote; "Empowering Youth to be Agents of Change and Promoting Sports for Development". As such the plans will further progress the general theme of the NDP, that is, transforming Fiji.

This Development Plan pathway and its achievement, of course, will need consultation and input from other stakeholders, including national, regional and international sporting bodies, in order to be successful. Honourable Speaker, to this end, the Ministry of Youths and Sports in the past few weeks has embarked on public and stakeholder consultation towards a National Sports and Anti-Doping and Drug Policies in the Central, Eastern and Northern Divisions, and this will expand to the West next week.

Honourable Speaker, the above initiative also gives us a proper perspective on the lead role taken by the Ministry of Youth and Sports to host the first ever Pacific Regional Seminar on the Manipulation of Sports Competition that is, "Keep Crime out of Sports". The Seminar is sponsored by the Council of Europe with the assistance of the Ministry of Youth and Sports.

Honourable Speaker, the objective of this Seminar is to promote the ratification of the Council of Europe's Convention on the Manipulation of Sports Competition. This is the only international and legally binding Convention of its kind. This Seminar will provide a regional platform to discuss the Convention and its content, and assist countries with the implementation of its principle. The partnership will also provide technical assistance from its international affiliates.

In addition, Fiji will take the lead role of the first to host such a major event in the Southern Hemisphere with Australia and New Zealand coming to Fiji. This Seminar, Honourable Speaker, will

complement the FijiFirst Government's initiative to practice clean sports in Fiji. The Seminar complements and has strong correlation with Anti-Doping in Sports Policies that will safeguard the welfare of players and the integrity of the sports.

Honourable Speaker, turning to the transforms aspects of programmes for our youth, the Ministry provides avenues to upskill youths through sports and youth development programmes.

Honourable Speaker, in line with the stated aims of the Fiji NDP, apart from sports the Ministry of Youth and Sports provides training in priority areas that are taken to earmark communities. These communities are given priority because they have limited access to services and programmes offered at institutions, such as technical and vocational colleges.

The Ministry through its youth empowerment training provides youth with skills, such as basic financial management, project management, leadership and business planning. This is supplemented with technical advice relevant to the need of that community.

Honourable Speaker, it is not only wise to teach those in need how to fix their livelihood but as this Government had demonstrated time and again, it is also important to go the extra mile by providing funding towards income generating projects. It is no point teaching the theory of fishing without the practical support needed to empower our youth to lead productive and meaningful lives.

Honourable Speaker, the Ministry is focussed to meet the needs of our rural and maritime youth, as well as engaging with urban and peri-urban youth. Our mobile skill training is aimed at empowering youth through the provision of training that is relevant to their situation. These trainings are skill-based, that youth can use to actively contribute to their respective households and communities. This includes, Honourable Speaker, training in areas towards marine licence, small engine repair, screen printing, art and craft and hair and beauty therapy.

Honourable Speaker, just for the record, for the past six months, we have conducted 57 community-based trainings across the four Divisions. As a Ministry, we are focussed not just on the programme but on its delivery and accessibility to more and more Fijians in the coming days, weeks and months.

Honourable Speaker, with the Ministry of Youth and Sports being the lead Ministry in non-formal education programme, such as the Seeds of Success and Duke of Edinburgh International Award, both Programmes are targeted at empowering youths and providing soft skills in developing the young minds of our future leaders. Since 2013, Honourable Speaker, over 3,000 young Fijians have gained an award, with around 50 schools and youth clubs being involved.

Honourable Speaker, the Ministry co-ordinates the support system for the implementation of the programme with the Ministry of Education, Heritage and Arts. This strong partnership with the Ministry of Education plays a vital role in strengthening this programme and expanding its profile.

Honourable Speaker, our Youth Training Centre for Music at Valelevu also exposes our training through community engagement and participation as part of the training which allows them to gain skills in music, performing arts, and a means to employment.

Honourable Speaker, our Ministry is also mindful of the threats and pressing issues of the effects of climate change and the need to create a knowledgeable and a resilient society. In recognition of this, the Ministry in close collaboration with the Fiji Higher Education Commission has developed the Level 1 Certificate Programme, Climate Change Adaption and Disaster Risk Reduction. The Programme is a pathway to further training at USP under the Fiji Qualifications Framework.

Moreover, Honourable Speaker, this year our Ministry is planning a National Youth Conference in Suva. This will provide a platform to strengthen national identity in Fiji amongst the youth population. It will also provide the means to link youth with key stakeholders and build on networks to facilitate knowledge exchange and shape policy direction.

As a progressive nation, under the FijiFirst Government, one of the key priority areas under the 5-Year and 20-Year Development Plan and goals is for our youth to develop a confident voice and be active citizens in community and national affairs. The Ministry will explore new innovative ways to engage young Fijians and give them a meaningful state in national affairs.

Honourable Speaker, as we build on new initiatives and innovations, a key part of this will be youth involvement and empowerment in the development of these policies and plans. This will mean inclusive and open engagement with our youth.

Honourable Speaker, it is important that we listen to our youths. Government will ensure that our youths are heard and that we empower them as equals. Modern youth empowerment is all about an inclusive approach. We cannot and we will not have the 'old stick' approach. Instead, it is important to recognise our youth as positive contributors and change agents to transform Fiji as is the aspiration in our Fijian National Development Plan.

Honourable Speaker, as outlined earlier in my speech, the Ministry of Youth and Sports has a clear platform and clear pathway to meet the NDP 5-Year and 20-Year plan and goals and this, no doubt, will be greatly strengthened by taking a more inclusive and proactive approach by taking on board our youth and their thoughts and views when we embark on policies and programmes that will bear upon their future lives.

Honourable Speaker, allow me to thank the House for their attention and patience during this speech before I move on to my concluding remarks.

As a Ministry with important portfolios of Youth and Sports as two of the important pillars of nation-building, we look forward to the input and involvement of all stakeholders, in particular, the relevant intra-Government Ministries, national associations and all Fijians to enable us to achieve these plans and goals. Let us all come together united, positive and goal-focused to realise the potential of our sports and youths in this country. *Vinaka* and thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Minister, and I now have the pleasure of giving the floor to Honourable Ratu Suliano Matanitobua. You have the floor, Sir.

HON. RATU S. MATANITOBUA.- Thank you, Honourable Speaker. Mr. Speaker, Sir, I rise to respond to the Statement by the Honourable Minister for Employment, Productivity, Industrial Relations and Youth and Sports.

Having heard the Government policies and programmes, I have the honour to present ideals and principles of the Opposition with regards to sports.

Mr. Speaker, Sir, SODELPA went into General Elections in 2018 with the ideology of promoting sports for healthy lifestyle and employment opportunities. We presented to the people of Fiji our Manifesto which states as follows, on Page 22, and I quote:

“Sports has promoted nation-building as it unites people of different communities. Our national Sevens Team has shown that we are united as a nation. Therefore, promoting sports to foster unity, healthy lifestyle and employment opportunities will be high on

SODELPA's agenda. It will promote people who are passionate about sports to champion the cause. All sporting bodies will be encouraged to work together for peace-building and to maintain sports in all facets of national development."

Mr. Speaker, Sir, it must be noted that arts and sports are two of the highest paid vocations in the world today. That being so and Fiji being a nation blessed with artists and sportspeople, there is a wide scope for meaningful employment at home and abroad to earn foreign receipts and to empower our families and communities.

Mr. Speaker, Sir, there are other pertinent matters related to youth and sports development in Fiji which are:

1. Sanitising sports administration and operations in par with international practices and standards.
2. Compliance of gaming and athlete status in par with international practices and standards.
3. Development of necessary infrastructure for the training and development of our national teams and national athletes to competitive sports.
4. Sanitising the policies and programmes of the Ministry of Health and Medical Services with regards to NCDs with the aim and objectives for international sporting organisations to which Fiji is affiliated.
5. Devising policies and programmes to provide direct and maximum benefits to the under-privileged, rural and maritime youths, as well as those dwelling in Fiji's urban slums.
6. Fair share for the involvement of youth and sports' personalities involved in product promotion by business firms.
7. Inducting youth leadership at all levels to discuss reinstating the concept of a Youth Parliament.
8. Appreciation and recognition of the contribution of our youth and athletes in nation-building and honouring them appropriately.
9. Making an unconditional apology to the youth of Fiji and prepare their future by the removal of the draconian laws to allow them the necessary freedom of expression and speech to live and work as free citizens.

I see very little, if anything, of these relevant issues pertaining to youth and sports development and advancement enshrined in the Honourable Minister's address. That being so, I am afraid to say no one in the country desires to see a repeat of what the Honourable Minister did with promises for Local Government election and declaring Navua as a town, happening here in the next four years in his new Ministry, the Ministry of Youth and Sports.

With that response, Mr. Speaker, Sir, I express the hope that Government takes these suggestions in good faith and incorporate them in their policies and programmes for the welfare of youth and athletes, and when all that happens, we will have no hesitation to lend our support to the policies and programmes highlighted by the Honourable Minister for Youth and Sports. I thank you.

HON. SPEAKER.- Thank you, Honourable Member. I now call upon the Leader of the National Federation Party, the Honourable Professor Biman Prasad. You have the floor, Sir.

HON. PROF. B.C. PRASAD.- Thank you, Mr. Speaker, Sir. I thank the Honourable Minister for his statement. Mr. Speaker, I will confine my remarks to just sports development in the interest of time, I know the Honourable Minister raised other issues as well.

When we talk about compliance with international sporting organisations, and I do not think he said a lot about that, I think it is also important to remember that adherence to best practices and achieving international benchmarks through our own local sports development is very important.

Honourable Speaker, I know the Honourable Minister is not a sportsman but I certainly know that he was a renowned sports administrator and I think part of the reason for Ba's success in the last decade in soccer was probably his skills and administration. And I do hope that he will use that experience as a very good sport administrator to harness the talents and nurture the youths into sports progression, not only in soccer but in other areas as well.

Obviously, Mr. Speaker, Sir, I think what is lacking in our Sporting Development Policy and Framework is the development of sporting academies or institutes, and I would like to ask the Honourable Minister that in the next four years, he would concentrate and perhaps, get the Government to concentrate on building sports academies as an important strategy for sports development in this country. I know we have soccer academies. The Fiji Football Association built two and the one in Ba is part of FIFA's gold project. I think that is an example of how sports academies could be developed in other areas as well.

The other point that I want to make, Honourable Speaker, Sir, is about sponsorship for our national teams, and I really think that Government actually missed a very golden opportunity when we won the Rio Olympics. I think more efforts should have been put in place to actually look for large corporate sponsorship. All Blacks is supported by Adidas, for example, they have a sports academy, and really when we talk about sport academics and trainings, especially for our rugby players, that could be one of our biggest exports from this country in terms of developing the idea of remittances, et cetera.

Mr. Speaker, many years ago, I said to one of the previous Police Commissioners that the best way to reduce crime is probably, to build small sports stadiums with floodlights around the country, so that youths, instead of wasting time during the night and especially in the evening, could play rugby and we can produce players from all over the country into great rugby and soccer players in this country.

We certainly need a lot more effort, Honourable Speaker, in terms of developing those sports infrastructure and I do hope that the Honourable Minister, as I said and I sincerely mean it, that his experience in terms of sports administration over the last two decades, I guess, between now and the Budget Session, he would actually get or convince the Government that we should have some allocation in the Budget for a sports academy, at least, for one or more type of sports in this country. Thank you, Honourable Speaker.

HON. SPEAKER.- I now call on the Minister for Forests, the Honourable Osea Naiqamu to deliver his first statement.

HON. O. NAIQAMU.- The Honourable Speaker, the Honourable Prime Minister and Cabinet Colleagues, the Honourable Leader of the Opposition and Honourable Members of the House, ladies

and gentlemen: Honourable Speaker, I rise to deliver my Ministerial Statement, and in doing so, I wish to firstly congratulate you on your appointment as the Honourable Speaker of this august House. I wish you well and good luck in your endeavour.

Honourable Speaker, my Ministerial Statement is specifically to update the House on recent developments towards building climate resilient communities and ecosystems through a national programme called, Reducing Emissions from Deforestation and Forest Degradation or REDD+.

Honourable Speaker, I have, in the previous sittings of Parliament, delivered statements on Fiji's REDD+ programme. However, given the presence of new Members of Parliament, I shall endeavour to share a very brief background of the Programme.

Fiji, as we are all aware, is a signatory to the United Nations Framework Convention on Climate Change (UNFCCC). Fiji has attended the annual climate change negotiations over the years and this culminated in our historic election as the first Small Islands Developing State (SIDS) to preside over a Conference of the Parties (COP) negotiation.

The Honourable Prime Minister very successfully presided over COP 23 where he introduced the *Talanoa* concept into the world stage, as a means to strengthen discussions in a reciprocal environment that ultimately aims to increase climate ambition and promote constructive consensus-building on climate change negotiations.

Mr. Speaker, Sir, Fiji is also a signatory to the Paris Agreement, which aims to strengthen the global response to the threat of climate change in the context of sustainable development and efforts to eradicate poverty, which include:

1. Holding the increase in the global average temperature to well below 2 Degrees Celsius above pre-industrial levels and to pursue efforts to limit the temperature increase to 1.5 Degrees Celsius above pre-industrial levels, recognising that this would significantly reduce the risks and impacts of climate change.
2. Increasing our ability to adapt to the adverse impacts of climate change, foster climate resilience and low greenhouse gas emissions development in a manner that does not threaten food production.
3. Making finance flows consistent with a pathway towards low greenhouse gas emissions and climate resilient development. Fiji, together with our Pacific Island neighbours, is pushing for the more ambitious goal of the Paris Agreement to hold temperature increase to 1.5 Degrees Celsius, in recognition that any increase in temperature above this will be disastrous for our small island nations.

Honourable Speaker, the Forestry Sector is recognised as a main contributor to the emissions of Green House Gases (GHGs), mainly carbon dioxide, therefore, contributing to global warming. The industry's carbon footprint is mainly from:

1. large scale deforestation, driven by the conversion of forests to agriculture and other land uses; and
2. forest degradation, which is largely from unsustainable timber harvesting. The removal of trees releases carbon dioxide into the atmosphere.

But cultivating the sustainable Forestry Industry is important.

Mr. Speaker, our forest also plays a crucial role in removing GHGs from the atmosphere as they take in and store carbon dioxide as carbon. While forest plays a crucial role in removing and storing carbon dioxide, forests also plays a huge, if not more, important role in strengthening the resilience and livelihood of local communities. It is within this context, Honourable Speaker, that the REDD+ mechanism was developed within the UNFCCC.

R-E-D-D stands for Reducing Emissions from Deforestation and Forest Degradation. The Plus component represents the role of forest conservation, sustainable management of forests and carbon stock enhancement in climate change mitigation.

Honourable Speaker, in 2009, Fiji embarked on the National REDD+ Project which aims to capitalise on financial opportunities and instruments that will support Fiji to reduce emissions in the forestry sector by reducing deforestation and forest degradation, and to enhance Green House Gas removal by planting more trees, increasing forest cover and health, and protecting standing forests. The underlying intension of the Fiji National REDD+ Programme is to build climate resilient societies, enhance the livelihoods of local communities and support poverty alleviation.

Apart from reducing emissions and climate change mitigation actions, REDD+ activities will specifically contribute to:

- Biodiversity conservation;
- Protection of ecosystem services;
- Increasing resilience against the impacts of climate change;
- Ensuring food security;
- Increasing economic activities in local communities and especially for women; and
- Improving forest/natural resource governance and national monitoring and reporting structures.

There will be continuous monitoring and reporting to verify impacts from REDD+ actions. Aside from monitoring emissions, social, environmental, economic, gender, and governance impacts will also be monitored.

Honourable Speaker, I wish to inform this august House that the National REDD+ Programme is set up to ensure that REDD+ actions and initiatives will also support and benefit sectors other than forestry. It also includes supporting Fiji to meet other international commitments, such as the Convention on Biological Diversity; the UN Convention to Combat Desertification, the Sendai Framework on Disaster Risk Reduction and also to support the implementation of Fiji's National Development Plan and other national programmes towards achieving the United Nations Sustainable Development Goals.

Findings from REDD+ will also assist Fiji in reporting for the National Communications under UNFCCC, as well as contributions of the forest sector to Fiji's Nationally Determined Contributions or NDCs. Honourable Speaker, NDCs embody efforts by each country to reduce national emissions and adapt to the impacts of climate change by doing their part to curb emissions and limit global temperature rise.

Mr. Speaker, Fiji has been in the readiness phase for the last 10 years with extensive consultations and capacity building undertaken with various stakeholders and local communities. Structures like the multi-sectorial National REDD+ Steering Committee has been established and is active in guiding the REDD+ activities. This, in a nutshell, is the background to REDD+ in Fiji.



Fiji has now reached the stage where it needs to present its Emissions Reduction Programme Document, known as the ERPD Programme. Fiji's ERPD Programme is titled, 'Reducing Emissions and Enhancing Livelihoods in Fiji'. And I am honoured to inform this august Parliament that Fiji was able to promptly submit the draft ERPD in December 2018.

The draft ERPD describes the measures Fiji will take to ensure long-term reduction of Green House Gas emissions in the forestry sector, whilst at the same time ensuring that the livelihoods and wellbeing of local communities are enhanced; that social and environmental safeguards are strengthened; and all activities contribute to the sustainable development of our beloved nation.

Honourable Speaker, some of the measures under the 'Reducing Emissions and Enhancing Livelihoods in Fiji' Programme include:

- the development of integrated land use plans following a broad landscape approach;
- strengthening institutional, regulatory and governance structures; and
- improving forest information systems and the monitoring of related social and environmental impacts.

Specific actions of the Programme include:

- Promoting sustainable forest management applications, such as reduced impact logging and promotion of non-timber forest products, to reduce forest degradation.
- Large-scale afforestation and reforestation of degraded lands, including *talasiga* grasslands to increase carbon pools, restore ecosystems, strengthen food security and provide economic opportunities.
- Reforestation and enrichment planting of plantation forests to meet timber supply demands without exerting pressure on natural forests.
- Climate-smart agriculture, including agroforestry, as well as livelihood diversification with the aim to reduce clearance of forests for agriculture.
- The conservation of indigenous forests.

Mr. Speaker, Fiji's Draft ERPD was submitted to the World Bank for review, before its final submission to the Forest Carbon Partnership Facility (FCPF). This is a global partnership of governments, businesses, civil societies and Indigenous Peoples undertaking REDD+.

The FCPF has two separate but complementary funding mechanisms - the Readiness Fund and the Carbon Fund. Both Funds are underpinned by a multi-donor fund of governments and non-governmental entities.

Fiji successfully accessed the FCPF Readiness Fund in 2014 and this is the fund currently supporting the Ministry's work on REDD+, including the establishment and running of the REDD+ Unit based in Colo-i-Suva. With the ERPD, we hope to progress in accessing the Carbon Fund for the payment of performance-based actions.

Honourable Speaker, the draft ERPD that Fiji submitted in December 2018 has been reviewed by an independent Technical Assessment Panel (TAP) from the World Bank. The TAP Team was in Fiji last month to provide its feedback on our draft document.

I can envisage interesting and exciting times ahead, as this document is not only about reducing emissions, but includes opportunities on how we will effectively manage Fiji's forest resources sustainably, and how the benefits will be delivered directly to local communities throughout the country. The ERPD will help guide future policy direction for responsible, accountable, equitable and sustainable management of the nation's forest resources and will support the implementation of Fiji's National Development Plan across many areas. It provides a framework for Fiji to build climate resilient communities and ecosystems; to improve local livelihoods; and to contribute to poverty alleviation.

Honourable Speaker, REDD+ will certainly be a game changer on how Fiji sustainably manages its forest resources as we head into the 21st century. As this Government works to modernise and streamline every single Ministry and every single sector of our economy, I am proud to say that our forestry sector is helping to pave the way for a brighter and greener future for our children to inherit. Thank you, *Vinaka Vakalevu* and *Dhanyavaad*.

HON. SPEAKER.- Thank you, Honourable Minister.

Honourable Members I now give the floor to the Honourable Mitieli Bulanauca.

HON. P.W. VOSANIBOLA.- Honourable Speaker, Sir, just a correction, I will be delivering our response. Before I respond to the Ministerial Statement, I also join Honourable Members in congratulating you, Sir, on your appointment to the high office and wishing you a fruitful tenure, blessed with continued good health.

Mr. Speaker, Sir, I wish to begin by thanking the Honourable Minister for Forests for his elaborate statement regarding the global and regional and the initiative recognising REDD+ for the purpose of trying to restore the earth or our land in Fiji. Also on that token, the reality of what has been said on the ground to us does not reflect otherwise, with the objective of seeking to address the issue of climate change and green economy.

Mr. Speaker, Sir, we are one of these Small Island Developing States which have financed the Green Bond in order to support the regeneration of brown and barren patches on our earth. To become green yet in that pursuit, we have turned a blind eye to our own plight on how Fiji is turning barren and brown to be a green economy, given the accesses of environmental exploitation, depleting forest cover and let us hopefully to address the critical challenges faced by those dependent on our ecosystem for their survival in the rural and maritime areas of the country.

Mr. Speaker Sir, an environmental exploitation is perhaps, the most critical issue affecting Fiji in terms of achieving the objectives of REDD+ initiative, such as:

1. The damages to the environment on Malolo Island by a Freesoul Real Estate Development.
2. Devastating mineral exploration and extraction which has led to soil erosion, depleting of forest cover, damages to the food chain and imminent threats to the marine lives, such as the bauxite mining in Bua and Macuata areas.
3. The unchecked exploration extraction of low value mineral by multinational and foreign corporations, causing some damages to our rivers and streams, causing forest degradation, affecting local flora and fauna and the eco-system in which thousands of people are depending upon for their livelihood.

4. Poor logging practices that enhance forest degradation and ultimately deforestation.

This clearly indicates the poor and the untimely development control monitoring and inspections by the Government, the concerned ministries and departments.

The impact of forest depletion in Fiji is felt in many ways such as reducing the number and variety of already rare species of fauna now pushed to the verge of extinction.

Mr. Speaker Sir, I would like to sum up with a relevant quote which reads, and I quote; “The forest was shrinking but the trees kept voting for the axe as its handle was made of wood and they thought it was one of them.”

Mr. Speaker Sir, I wish to end with a prophetic quote from a Rainbow Warrior, this was made by a Latin American native women to her son, and I quote:

“And the land will become barren, the water will turn black, the tree will stand without leaves, the deer will fall in its path and the rain of fire will come from the sky, that is when men’s greed would be fulfilled but unfortunately there would be no men left by that time.”

I hope this message dawns upon this House especially the Government side. Thank you Honourable Speaker.

HON. SPEAKER.- Thank you Honourable Peceli Vosanibola. I apologise for calling on another Honourable Member from the Opposition earlier on – my mistake. Honourable Member, you have the floor.

HON. L.S. QEREQERETABUA.- Thank you very much, Honourable Speaker, and I thank the Honourable Minister for his statement this afternoon.

Honourable Speaker, in March 2018 and prior to that, the NFP had raised many questions and requests to the Honourable Minister on this same issue of REDD+ in response to his Ministerial Statement on the same subject.

The issue raised in March, with still zero update to this House is on the matter of the development of a Feedback and Grievance Redress Mechanism or FGRM. Now, in relation to the Honourable Minister’s Report submitted to the World Bank, we understand there was a consultancy on FGRM that was supposed to have been concluded in January 2018.

We understand that a US-based company, Integra, was awarded this consultancy. We further understand that part of the consultancy was to carry out a training of trainers, these all appeared to be cascading initiatives to ready the Ministry of Forestry’s submission this June to the Forest Carbon Partnership Facility so Fiji can access the Carbon Fund in 2020.

The biggest question in my mind, Honourable Speaker, is that, current standing forests are mostly on Native land, yet most of the consultations and communications appear to be primarily relayed in the English language. We ask again, as we raised last March, Honourable Speaker, that the study on benefit sharing mechanism and carbon right be also tabled in this House. We are aware that Conservation International who was awarded the consultancy to carry out this and completion was due last September.

In closing, Honourable Speaker, we respectfully suggest to the Honourable Minister, taking the queue from the Honourable Minister for Women, Children and Poverty Alleviation's statement earlier today that the Fair Share of Mineral Royalties Act passed last year should be amended and expanded for native and freehold landowners, to capture forest carbon rights and blue carbon rights with robust safeguards to alleviate unscrupulous trading practices. Honourable Speaker, we are very aware that the World Bank's grievance redress services are crystal clear. Thank you Honourable Speaker.

HON. SPEAKER.- Thank you Honourable Member.

### **SUSPENSION OF STANDING ORDERS**

HON. SPEAKER.- Honourable Members we will now go into the Suspension Motion and for the purposes of complying with the Standing Orders with respect to sitting times, I will allow a Suspension Motion to be moved and I now call upon the Leader of the Government in Parliament to move his motion. You have the floor, Sir.

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Thank you Honourable Speaker Sir. Honourable Speaker, I move under Standing Order 6 that so much of Standing Order 23(1) is suspended so as to allow the House to sit beyond 4.30 p.m. today to complete all items as listed on today's Order Paper.

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

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

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Honourable Speaker, Sir, we have few Ministerial Statements and a Motion as agreed to by the Business Committee. This is concerning the Fiji Development Bank that we need to cover before we adjourn for tomorrow session thus the request for us to sit beyond 4.30 p.m. today. Thank you, Honourable Speaker.

HON. SPEAKER.- Honourable Members what normally happens now is that we have a debate on this, but the explanation has been clear by the Leader of the Government in Parliament on the reasons for the extension. I do not believe we should put it to a vote and I think that the House agrees on this motion. What I will do now is, we should adjourn for afternoon tea and after that we will take the other statements.

Where I made the mistake is that when the list was given to me, it was given in the order that was not in line with what is in the Order Paper and that is why I was confused. I do not know why Honourable Bulanauca and Honourable Vosanibola. Honourable Members, I can distinguish between Honourable Lenora Qereqeretabu and Honourable Pio Tikoduadua; no problem at all.

(Laughter)

Honourable Members, we will adjourn for afternoon tea.

The Parliament adjourned at 3.43 p.m.

The Parliament resumed as 4.15 p.m.

### **MINISTERIAL STATEMENTS**

HON. SPEAKER.- Honourable Members, I call on the Minister for Agriculture, Rural and Maritime Development, Waterways and Environment the Honourable Mahendra Reddy to deliver his statement. You have the floor, Sir.

#### Keeping Our Environment Clean

HON. DR. M. REDDDY.- The Honourable Speaker, Honourable Prime Minister, the Honourable Leader of the Opposition and Honourable Members for Parliament; it is a pleasure and honour to get this opportunity to speak on this topic of “Clean Environment”.

Honourable Speaker, our natural environment is our most precious inheritance. Our pristine natural environment is under threat from irresponsible anthropogenic activities and it needs to be protected. Section 40 of the Constitution of the Republic of Fiji guarantees, and I quote:

“Every person has the right to a clean and healthy environment, which includes the right to have the natural world protected for the benefit of present and future generations through legislative and other measures.”

Honourable Speaker, as such it warrants a law or an administrative action taken under a law to protect the above right. It further includes the right to have the natural environment protected for the benefit of the present and future generations.

Honourable Speaker, clean environment entails clean air, water and land essential for human existence. Our right to clean environment is ultimate, it is the collective right of our future generations and indigenous cultures.

Honourable Speaker, a clean environment is a right of all Fijians and our desire for a clean environment represents a powerful sense of purpose and hope for the future. Maintaining the cleanliness is not the responsibility of one person alone but it is a collective responsibility. It is a public issue and thus, it needs a national movement. We need to mobilise the people for a public course.

Honourable Speaker, it is essential to understand that our environment is not fully elastic, and its supply of the resources and service is rather finite. We have been increasingly modifying our environment from its natural state. Our past actions have been such that we modify our environment to an extent where it is no longer able to support our needs, so what do we do? We relocate to a cleaner environment and start the destruction all over again? No, Honourable Speaker.

Honourable Speaker, it is very important we drive that environment is not an issue, it is a value and we need to recognise its value. Historically, environment has been perceived as a free good which is disposable and renewable, a resource with no value, instead, its values were recognised as benefits derived from dumping waste and pollutants. Honourable Speaker, while the world has moved on and replaced this mentality with green and clean, some of us still perceive the environment as a dumping ground.

Honourable Speaker, it is important that we recognised the fact that our natural environment is a unique form of capital that provides aesthetic benefits as well as social and economic benefits. More importantly it is key to human existence.

Honourable Speaker, many times we define sustainable development to suit our economic priorities at the cost of the environment. Gone are those days where we defined sustainable development as improving the quality of life through various socio-economic activities while living within the bounds of the carrying capacity of supporting environment.

Honourable Speaker, it is important to recognise economic development and protecting the environment so that the environment can co-exist. We still, however, have individuals who still prefer to reign supreme with their irresponsible actions at the cost of environment.

Honourable Speaker, while we litter and pollute our environment, we often overlook the fact that humans cannot live and survive amidst waste. A clean environment is, therefore, essential for human existence and its economic prosperity, including wealth creation.

Honourable Speaker, given the facts above, we still treat our environment irresponsibly, treat it as a common good to advance our interest. This needs to change.

Fiji has one of the most comprehensive legislation regarding the environmental protection. It officially recognises an individual's human right to a clean environment. Fiji has officially adopted the Rio Declaration on Environment and Development by ratification on 29th December, 1993. Honourable Speaker, the Rio Declaration on Environment and Development recognises the right to a clean environment and provides overarching principles for environmental safeguard and sustainable development.

Honourable Speaker, our environmental-related legislation includes the Environmental Management Act 2005 that allows for robust decision making concerning developments by requiring Environmental Impact Assessments (EIA).

The EIA process allows for assessment of impacts of a proposed development to enable the decision maker to decide whether the development should be permitted and what should be the conditions associated with it.

Honourable Speaker, we also have Environment Management Regulations 2007 that guides the EIA process. Moreover, the EIA guidelines have also been developed further. Furthermore, there are regulations to curb litter.

Honourable Speaker, the Litter Act 2008 aims to prohibit and regulate the deposit of litter in the environment of the Fiji Islands and to provide for enforcement on related matter. Honourable Speaker, while anti-litter laws have deterred some form of littering, many still do litter irresponsibly.

Honourable Speaker, our Ministry recognises that litter can cause a whole range of problems to everyone in our community and that is why we often say that it is not an individual's problem, it is everyone's problem, everyone's issue and, therefore, everyone's responsibility. There are a host of problems that stem from littering, for instance, when discarded carelessly, litter ends up in our rivers, creeks and drains causing flash flooding and eventually ends up in our oceans, threatening our food security and our very economic viability, as also alluded to by my colleague, the Honourable Minister for Fisheries earlier on.

Litter is also a threat to public health as it attracts vermin and is a breeding ground for bacteria. Litter can also be a fire hazard and negatively affects the images of communities. Honourable Speaker, litter can also affect our groundwater cables via leaching off the negative elements of the litter.

Honourable Speaker, despite Fiji's anti-littering laws and recycling policies, the nation has problems with proper rubbish disposal. There needs to be a paradigm shift to tackle the littering problem. As such the Ministry of Waterways and Environment has begun with the implementation of a new policy titled, "Clean Environment Policy", which provides guidance for securing clean Fiji for all Fijians through a decentralised community based awareness readiness and litter enforcement programme.

The enforcement of this Policy, Honourable Speaker, to prosecute people is the last part, it is the last component. The first component is to educate, create awareness and mobilise the entire community.

Honourable Speaker, given the nature of the problem, this requires a mass movement, a national movement because it concerns everyone. Honourable Speaker, if someone litters in the neighbourhood, that does not mean that the others will not be affected. Litter affects everyone in the community.

Honourable Speaker, the Policy further aims at interventional actions that would reduce litter through the effective implementation of various campaigns, readiness programmes and volunteer activities. The aim of this Policy is to contribute to the Ministry of Environment and Waterways' long term ambition to make Fiji cleaner for its citizens and visitors, through self-compliance on littering as specified under the Litter Act 2008.

Honourable Speaker, we are looking at a self-regulating and self-compliance guideline rather than a legislation that enforces and prosecutes people. The Policy further aims to promote self-compliance towards an anti-litter behaviour and culture in Fiji, and instil environmental pride.

Honourable Speaker, we need to have a major culture change, if we want to be successful in ensuring that Fiji is indeed a clean place. Honourable Speaker, there is a lot at stake, it is not only about households or communities, it is also about industries and sectors of the economy which will be affected in the long run, if we are not able to protect and safeguard our environment from litter and other aspects of littering.

Honourable Speaker, through this Policy, the Ministry will appoint litter prevention officers in accordance with Part 2 of the Litter Act 2008. These officers will be trained to enforce the Litter Act. Additionally, non-public servants will also be trained and appointed as litter prevention officers as provided for in the legislation.

Honourable Speaker, our Ministry will facilitate divisional national clean competitions for villages and communities, as well as oratory contests and essay competitions amongst our children. These competitions will see the appointment of clean environment youth champions, clean environment ambassadors, student category and youth category. The champions and ambassadors will carry the "clean environment" message across Fiji and similarly, this will promote public consciousness. It is to encourage people to change their attitude towards environment and be the active part of positive change in order to make a safe future.

Honourable Speaker, we will be doing branding of our ambassadors, branding of this particular activity and we are looking at a national movement for clean environment.

Honourable Speaker, a Community Clean Environment Unit is being established. Given the nature of this issue and the magnitude of this problem, we are establishing a separate Unit within the Ministry of Water and Environment for the Community Clean Environment Unit to raise awareness, educate our communities and administer the enforcement of Litter Act 2008.

District level activities based on clean environment will be organised by the Unit to include the participation of individual villages, communities and schools in keeping the surrounding litter-free. The Unit will also liaise and collaborate with all relevant line Ministries and Authorities.

Honourable Speaker, the Unit would function around a behavioural transformation pathway. The pathway will include research, education, provision of infrastructure, incentivisation, enforcement, communication, monitoring, evaluation and reporting. Honourable Speaker, by introducing this model, it will not only be effective but would also set a consistent standard for litter and the Unit to follow.

Honourable Speaker, the Department for Environment has been allocated a total of \$260,000 for Litter Awareness Programmes. The Ministry will continue with the media campaign that already exists to both, print and TV channels of advertisement. Through this funding just mentioned, our Ministry will assist Municipal Councils in providing special collection services for white goods which include electrical waste and other bulky waste. I just had a meeting with one of the IT Companies who was supplying cartridges and toners for printers, of collecting all those and sending them back out of Fiji, for recycling purpose and they will do it at no cost, so we will support that initiative.

At the moment, we are registering, Honourable Speaker, all the formal and informal institutions, faith-based institutions who would want to come and partner with us and together, we will do the branding and start this mass movement that we are talking about to make Fiji's environment clean.

Honourable Speaker, the Government has set aside a sum of \$1 million towards the establishment of consistent garbage and waste collection services. A trial programme of installing smart bins that operate under a uniformed programme is also being finalised.

The smart bins, when installed, would provide unique services, apart from waste and litter collection. They would communicate with the garbage collection agency when the garbage is rising up to let us say, two-thirds, et cetera. There will be a signal sent to the garbage collection agency that they will need to come and collect it. That is why we will see now, due to this lack of timely communication in some places, the litter bins are overflowing and it is causing quite a bit of a problem. It would also ensure that accountability is maintained between the collection point and the collection agency's desk.

Honourable Speaker, the Ministry is currently in discussion with relevant public authorities on establishing enforcement network for the effective implementation of the Litter Act 2008. Through such network, the Litter Act would not only be enforced by the Department of Environment but by other public authorities as well. This will ensure that those that litter in public are fined in accordance with the Act.

Honourable Speaker, to conclude, the condition of our environment is on a decline and we must do something now. We should promote environmentally-friendly practices in Fiji in order to save the environment for a better future. A clean environment is not a luxury. It must be a right, and it is a massive opportunity for us all Fijians to get together and take care of our environment. To achieve a clean environment, we need to join hands and put a stop to irresponsible littering through any means.

Honourable Speaker, it is not about us, it is not about households, it is not only about communities but it is about the entire country. It is about not only the current generation but it is also about the future generations and we owe it to them as well.

Honourable Speaker, thank you very much for giving me this opportunity to speak and elaborate on our clean environment policy, and I do hope that those who have listened to this would all join hands, spread the word around and join our movement to make Fiji a clean place. Thank you.



HON. SPEAKER.- I thank the Honourable Minister for his Statement, and I now give the floor to the Honourable Lynda Tabuya. You have the floor, Madam.

HON. L.D. TABUYA.- Thank you, Honourable Speaker, Sir. I would like to acknowledge the Honourable Minister's Statement. I would like to wish you, Sir, a very happy Valentine's Day as well as all the Members, a day we celebrate true love and looking around the room, there is not any doubt, but talking about broken hearts, I feel the same to be said about our relationship with our environment.

We have been given many sweet promises since the Environmental Management Act which the Minister referred to and also the Litter Act of 2008, but just like the empty chocolate wrappers that probably litter our streets today, we are left with nothing but an elevated risk of diabetes and lingering questions. Why have there not been more citizens or companies prosecuted under these Acts? It has been over 10 years but there has not been any measurable improvements on it. If the Government is as serious as it is, being a climate champion, it might look into how cities like Singapore are kept spotless through the street anti-littering enforcement, backed by legislation with teeth.

Speaking of toothless enforcement, what steps will the Government take to ensure that what happened on Malolo Island regarding the Freesoul Hotel development will not happen again in the future? I mean disregarding environmental preservation is one thing but blatantly disregarding the Government and the laws of this land, I only wish the Government was as efficient in shutting down these operations as it did with the Fiji Trades Union Congress (FTUC) permit applications for our Suva marchers. I believe that it starts with qualified and competent Environmental Impact Assessment (EIA) officers and inspectors and I understand that the Honourable Qereqeretabua would be elaborating on that tomorrow.

What measures are there to ensure more qualified inspectors as our last line of defence against greedy overseas investors, who could not care less about the environment, let alone Government attempts to rein them in.

In developing countries, decentralised environmental governance has become a catchy solution to the environmental problems caused by the failure of centralised governance. What a lot of these countries have discovered is that, there is disconnection between lofty aspirations of decentralisation and the sort of human capacity-building and support needed to sustain these initiatives.

My question to the Honourable Minister is, what sort of researches have been done to ensure that all your proposals under the clean environmental policy will be effective in human capacity-building and support?

Lastly, the Honourable Minister for Fisheries had alluded to plastic pollution, a huge problem for fisheries and also the Honourable Minister for Forests talked about food security and enhancing livelihoods, but as the country that prides itself as a global environmental champion, I fear we might have been overshadowed by a smaller neighbour, Vanuatu, who in May 2018, has actually gone a step further and been the first country in the world to ban single use plastic bags, polystyrene takeaway boxes which we see all the time in use at restaurants and plastic straws.

A 2013 ADB Report stated that Suva alone produces 65 tonnes of garbage, that was over five years ago, that is a day, a lot of which ends up in the ocean. Some reports estimate that in about 30 years, there will be more plastic than fish in the ocean.

My last question to the Government is, when can we make a firm commitment just like following Vanuatu and become the next global nation to ban single use plastic bags, polysterene takeaway boxes and plastic straws? That is my challenge to the Government today.

(Honourable Members interject)

HON. L.D. TABUYA.- In conclusion, there will always be ....

(Honourable Members interject)

HON. SPEAKER.- Order, order!

HON. L.D. TABUYA.- Honourable Speaker, Sir, the 20 cents levy is not enough to deter the use because people will still be able to buy and the majority of our people need to use plastic bags.

In conclusion, there will always be a better way of doing things and that it involves asking the right questions and working together to find real solutions.

Your own Honourable Minister stated that there is a problem with plastic pollution. Have you shown that the 20 cents levy has reduced this? No, no evidence to date. He has not presented it, no evidence to date, that is why my question to you is my challenge.

Thank you, Honourable Speaker, Sir, and thank you to the Minister.

HON. SPEAKER.- Thank you to the Honourable Member. I now give the floor to the Honourable Pio Tikoduadua, you have the floor.

HON. LT. COL. P. TIKODUADUA.- Thank you, Honourable Speaker. Honourable Speaker, I thank the Honourable Minister for his Statement.

In recalling, Honourable Speaker, the media reports on the launch of the initiative on the 1<sup>st</sup> of February this year, we note that the Minister had highlighted the prioritisation of litter prevention and implementation of the Litter Act 2008.

Allow me, Honourable Speaker, to turn the Minister's attention to his predecessor's Assistant Minister's acclamation to this august House last July during the Budget Debate. The Minister said, and I quote:

“The Ministry will carry out its mandate through the strict enforcement of the Environment Management Act and other associated regulations like the Environmental Management (EIA Regulations, the Environmental Management (Waste Disposal and Recycling) Regulations, the Ozone Depleting Substances Regulations, the Endangered and Protected Species Act and the Litter Act. The Ministry has also maximised the effectiveness of monitoring, compliance and reporting by forming partnerships with other Ministries and Government agencies and providing training for their teams based across Fiji to monitor and report breaches against Environment Management Laws. The Ministry is also entering into the drone surveillance era through the effective deployment of drones to monitor and report environmentally-illegal activities.”

Honourable Speaker, once again I do not believe much more has to be said. When the taxpayers watching the debate already know the major and very public shortcomings of the Minister's Environment Department, and certain officials there who seem to be continuously embroiling themselves in these shady environmental shenanigans.

Obviously the much vaunted drone capabilities in the Ministry did not capture free souls environmental mess, among others. It is high time that my colleague, the Honourable Minister, ensure

that his environmental laws are robust and reduce any cartel-like behaviour, amend the Act with proper public consultation, if he is not in step with the current realities, especially if it is to align with the new “national interest test” that the Honourable Premila Kumar had briefly described this morning.

I thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Member.

Honourable Members, we will move on to the next Ministerial Statement and I now call on the Honourable Minister for Forests to deliver his Statement. You have the floor, Sir.

#### 4 Million Trees Initiative

HON. O. NAIQAMU.- The Honourable Speaker, the Honourable Prime Minister and Cabinet Colleagues, the Honourable Leader of the Opposition, Honourable Members of the House, ladies and gentlemen; I rise to deliver my Ministerial Statement to inform this august House about Government’s plan to vastly and aggressively improve Fiji’s forests, a plan we call the ‘4 Million Trees’ initiative. It is an aptly-named programme, that its goals are quite clear; we aim to plant an unprecedented four million trees in Fiji over the course of just the next four years.

Honourable Speaker, four million trees will fundamentally re-shape the face of Fijian forests. The benefits of this initiative are extremely wide-reaching. You will be able to literally see and feel the changes that such a massive investment in our forestry sector will yield.

This expands far beyond the massive expansion of our current forest cover, or the conservation and protection of our existing forests. The four million more trees will:

- Protect our natural environment and rich biodiversity, and it will restore land that has been degraded and deforested.
- Reduce soil erosion and siltation, with protective root systems, preventing damages of ever-worsening storms and flooding.
- Offset carbon output, and pump life into the lungs of our country, allowing us all to breathe a little easier.
- Beautify communities and roads throughout Fiji.
- Contribute to our growing renewable energy sector.
- Stimulate our forestry sector’s already-robust contribution to Fiji’s continued prosperity and near-decade of unbroken economic growth, producing jobs, fuelling livelihoods and reducing poverty along the way.

Honourable Speaker, following the handing-over of Fiji’s historic Presidency of COP 23 in December 2018, our Honourable Prime Minister made a commitment that despite Fiji’s successful Presidency coming to a close, he will continue our fight against climate change.

As we have always said, Fiji will lead the world from the front. We set the most ambitious targets that inspire other larger countries to follow in our footsteps. Now, as the COP 23 chapter comes to a close, we are opening a new chapter in environmental leadership, one that aims to take drastic

measures to protect and grow Fiji's environment and rich biodiversity. The Ministry of Forests' bold initiative to plant four million trees in four years is an integral part of this commitment.

Honourable Speaker, the President of Fiji, His Excellency Major-General Jioji Konrote, officially launched the '4 Million Trees' initiative on Tuesday, 8th January, 2019, while I had the honour of standing beside him and breaking ground as we together planted a *masiratu* plant. I also wish to highlight my sincere gratitude in thanking His Excellency the President of Fiji in supporting this great initiative during the launching.

With one down, we had only 3,999,099 more to go but we in Fiji have never been scared of taking on the boldest of challenges, for we must act with boldness to institute real change for the betterment of all Fijians.

As we kick off the initiative, His Excellency said, and I quote:

"The 4 Million Trees Initiative reflects visionary leadership and a deep sense of responsibility on the part of Government to leave the nation in a better state for future generations."

That has been this Government's mission from the start, Mr. Speaker. It guides every Minister and Member of Parliament on this side of the Chamber. We are fighting for Fijian families, not just today, but tomorrow. With every policy and programme, we are fighting for future generations.

That is the difference between us and the Opposition, we have a vision that they lack. While we look to tomorrow, they hope to return us to yesterday. This is going to be a team effort, and I have been encouraged to see so many Fijians show their excitement about this landmark programme.

Honourable Speaker, I wish to take this opportunity to express my sincere gratitude to His Excellency the President for embracing this initiative. In the same way that he has embraced the national campaign to eradicate Non-Communicable Diseases (NCD) by being the lead advocate and champion, His Excellency continues to demonstrate great wisdom in promoting the 4 Million Trees Initiative because of its potential benefits to the nation as a whole. A big *Vina du riki* to His Excellency the President.

Honourable Speaker, since the launching of the initiative, I have personally continued the Ministry of Forestry's outreach programme in various villages and rural communities in the Western and Central Divisions. And I wish to also thank the communities who have so far pledged to provide the land to plant trees and get us closer to our goal.

Honourable Speaker, the intention is to plant, not only timber trees that could be a major source of revenue but to also plant other types trees, including indigenous species, fruit trees, ornamental trees and non-wood species. This is what sustainable development is all about, and it is why Fiji is being recognised around the world for its leadership in cultivating a green economy.

Honourable Speaker, we are not just looking inland to our forests, the Ministry also intends to plant not less than 500,000 mangroves in the next four years, in another bold move that will protect our coastal ecosystems and protect us from the adverse effects of a changing climate and rising seas.

When it comes to protecting and growing our mangroves, I would like to thank the business community, organisations like Fiji Airways, the Australia and New Zealand Bank, and many others, who have started planting mangroves.

We look forward to partner again with them and many more organisations and individuals to plant many thousands more in the months and years ahead. These partners will play an integral role in the 4 Million Trees Initiative.

Mr. Speaker Sir, the Ministry aims to reach to all the Provinces throughout Fiji and to invite as many people as humanly possible to participate in this initiative. We intend to invite the whole of Government, women and youth clubs, school children, business communities, resource owning communities, civil society, organisations, national and international development partners to join us and plant trees to help us achieve our goal.

I invite the Honourable Members of the other side of this House to plant a tree. That is, should they be willing to put aside their differences and do what is best for the country.

But based on the internal row we saw over your well-deserved nomination, Mr. Speaker, I am not keeping my fingers crossed for any type of bipartisan cooperation but if they choose to plant a tree for each time they are caught in a lie, we will probably get to four million pretty quickly.

Honourable Speaker, this initiative will also allow Fiji to meet its targets in the five-year and 20-year National Development Plans. It will also enable Fiji to meet its obligations in many international treaties and conventions, such as the United Nations Framework Convention on Climate Change and the United Nations Convention to Combat Desertification.

This also includes Fiji's contribution towards the United Nations 2030 Agenda for Sustainable Development, particularly the Sustainable Development Goal (SDG) 15, which states and I quote:

“Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, halt and reverse land degradation and halt biodiversity loss.”

Other specific SDGs that this initiative will contribute towards include, but are not limited to:

- SDG 1 - Rural and national Poverty incidences;
- SDG 6 - Access to clean and safe water;
- SDG 7 - Renewable energy;
- SDG 13 - Reduction in Green House Gases, and
- SDG 15 - Forest conservation.

Importantly, Honourable Speaker, under the Cancun Agreement of the United Nations Framework Convention on Climate Change, Conference of Parties in 2010, the REDD Safeguards referred to the UN Declaration on the Rights of Indigenous Peoples as well as the social and environmental safeguards to be promoted and supported.

Honourable Speaker, Sir, through this Government's commitment under this ratification, we are currently developing our National Gender and Free Prior Informed Consent Guidelines for the full and effective participation of forest owners, indigenous peoples, and local communities including women and youth. This will ensure the adequate protection of rights of the vulnerable communities, and to develop their ability to become more climate-resilient.

Mr. Speaker, the 4 Million Trees Initiative is also aligned to Pillar 1 of Fiji's national security vision which states; Protect our people, our ecosystems and biodiversity, our sovereignty and Fiji's way of life.

Furthermore, the initiative will be pivotal in promoting green jobs in rural communities through community participation in nursery management, propagation and monitoring. It is undeniable that the active participation of the rural communities, and especially the empowerment of women and youth groups, will be critical to the success not only of the 4 Million Trees Initiative, but to Fiji's socio-economic development as a whole.

Honourable Speaker, the 4 Million Trees Initiative will immediately complement the Ministry of Forests' existing reforestation and land restoration projects that are coordinated with other stakeholders. These include the:

- REDD+ Programme, which I just spoke on earlier today;
- The Reforestation of Degraded Forests;
- The Reforestation of Indigenous Species; and
- Sandalwood Development.

The Initiative will also complement other programmes that are currently being implemented by other agencies, including the Ridge to Reef Project with the Ministry of Environment, and the Climate Smart Agriculture Programme with the Ministry of Agriculture.

Further still, it will bolster our nation's growing use of agro-forestry practices — a method of that, when embraced, tends to benefit both, our environment and the farmers who sustain it, for when our forests and our farms act in harmony and do not come at the cost of one another, our farmers are not just being environmentally-conscious — their livelihoods are more secure and more sustainable.

Honourable Speaker, the 4 Million Trees Initiative will help promote the importance of forests and how forests could help in the preservation and conservation of other basic resources like water.

One can clearly see the link between forests and water availability as well as quality. Restoring and protecting forests today is one measure that can help prevent the water crisis of tomorrow.

For school children in particular, the initiative could empower them to make their schools green and colourful by planting endemic and native species within their learning environment, extended into their homes and their communities.

It will enable our children to appreciate their natural environment, inculcating in them the values and the importance of not only planting trees but educating them in the process, leading to an increased appreciation of their country's own natural resources.

Our young people have proven to be our most enthusiastic climate champions, so this will give them an outlet to make a real and tangible difference in their environment and then go on to grow and prosper alongside the trees that they have planted.

Honourable Speaker, I am also pleased to inform this august House that a number of NGOs are already involved in community based restoration, conservation and management of trees in the forests, farms, along coasts and in the towns and cities.

I mention in particular Conservation International, which has been working with indigenous communities in the Ra Province to reforest more than 1,135 hectares of degraded land along the

Nakauvadra Range, a landscape encompassing roughly 11,387 hectares of forest that is designated as a Key Biodiversity Area (KBA).

The project impacted more than 2,500 people across 26 villages and is estimated to result in the sequestration of approximately 280,000 tonnes of carbon dioxide over the 30-year project lifespan, validated to the Climate, Community and Biodiversity Standard (CCBS). This was the first large-scale community restoration project in Fiji.

Given the potential of this project, it is estimated that the 4 Million Trees Initiative will be able to add significant value to Fiji's efforts to off-set our carbon output. And importantly, Honourable Speaker, in the case of the Tokaimalo District in Ra, the villagers have made a collective decision to stop lighting fires within their forest areas to protect their investment.

The Ministry of Forestry is also working with our stakeholders and development partners to identify improved methods to reduce fires in our forests as these tend to cause untold damage on the natural environment and ecosystem, including our forests and agriculture, especially our sugarcane fields.

Honourable Speaker, the 4 Million Trees Initiative does not include the trees that the Fiji Pine Limited and Fiji Hardwood Corporation are planting as part of their annual targets.

The trees planted by these agencies, if added to the 4 Million Trees Initiative will boost our timber which essentially means that our nation can be assured of a regular and sustainable source of revenue from our plantation forest.

In closing, Honourable Speaker, the FijiFirst Government believes that all Fijians need to go further than just planting trees over the next four years, we need to permanently embed tree planting as a part of our culture.

To achieve this, I wish to urge all Fijians to look for every opportunity to plant a tree. We can, for instance, plant a tree when a child is born into the family as a symbol of origin and growth; we can plant a tree when we celebrate a member of the family's birthday, or when someone graduates from university.

We can plant a tree in remembrance of a loved one who has passed, allowing them to live on in spirit through the connection to our earth. We can, in fact, plant trees when we celebrate any event.

There is no more beautiful gesture to link us to the God-given environment we have been blessed with, and that we have been charged to protect and preserve.

Honourable Speaker, I invite all Fijians, including the Honourable Members of the Opposition to work together towards a green, beautiful, healthy, prosperous, and sustainable Fiji. For when we look to our trees, we look to our future. Thank you.

HON. SPEAKER.- Honourable Members, I thank the Honourable Minister for his Statement and I now give the floor to Honourable Mitieli Bulanauca.

HON. M. BULANAUCA.- Mr. Speaker, Sir, I wish to thank the Honourable Minister for Forests for his Statement on the 4 Million Trees Initiative.

In principle, while we support the initiative commending its intent, let me begin by laying the defined policy of SODELPA on Page 15 of SODELPA's Manifesto, 2018 which states:

“The sustainable management and value addition of forestry resources through the meaningful and effective participation of resource owners will also be given priority. The main challenge facing the industry are the lack of downstream activities for value adding, overall assessment of the real economic value of forests and eco-system, proper international certification, absence of implementation and monitoring of reforestation by industry players and lack of meaningful and active participation by resource owners.

A SODELPA Government will ensure that the forestry sector achieves optimal capacity in its contribution to GDP, in export income, employment creation, provision of environment services and the protection of bio-security.”

So, in effect, Mr. Speaker, Sir, the SODELPA Manifesto on forestry as on every other issue is more comprehensive, relevant and more inclusive than the FijiFirst policy on forestry and I now demonstrate.

Fiji’s forests grow on lands owned by the Fiji’s first nation - *iTaukei* people. It is part of our natural heritage and has been recognised and appreciated as such by the successive constitutional and legal arrangements until the advent of the cultural autonomy with its sunset clause and a string of draconian Decrees tampering with the rights of the first nation - *iTaukei* people and their rights pertaining to land and resource ownership.

Mr. Speaker, Sir, a related issue in the Mahogany Industry where the resource owners have been forced to the margins by the Mahogany Industry Development Decree, Decree No. 16 of 2010. It has diluted the powers of the resource owners where on the Mahogany Industry Council, out of the five Board members there, only one is representing the landowners. The other four are the Prime Minister, Attorney-General, Minister for Forests and an independent member.

As if that was not enough, Sir, the Mahogany Industry Development is so draconian in its provisions that resource owners cannot pick up the firewood from the mahogany trees and forests dreading the prospect of criminal prosecution and to make it far worse. Any decision made by the Mahogany Industry Council, according to the Decree cannot be challenged by the resource owners before any Court, Tribunal or Commission. This is simply a daylight robbery. There is no legal redress, loss of ownership and there is no right.

(Chorus of interjections)

HON. M. BULANAUCA.- The guiding ideal and principle of SODELPA is this: “Sustainable management and value addition of forestry resources through the effective participation of resource owners.” That is very important. This premise is based on our historical development, the interests and aspirations as well the unfair treatment and grievances of the resource owners and Fiji’s national interest.

That being so, Mr. Speaker, Sir, we wish to express our concerns and fears that yet again by this 4 Million Trees Initiative, about 2,740 trees a day, the Government may once again use the draconian Decree to encroach upon the native land introducing non- indigenous trees, destroying local forest and plant the existing variety of trees occupying the native land with no or very little returns to the resource owners while criminalising the natives when they enter their own ancestral land. It is a purge upon the less than half a million first nation of *iTaukei* descent in Fiji.

Mr. Speaker, Sir, if that is not the case then let me question the Government of the day what plans are in place to ensure a fair and just participation of landowners and/or receive fair share upon the same. That also includes the pine and native timber industry. If reforestation will not help in the



initiative, both the Fiji Pine Limited and Fiji Hardwood Corporation Limited have failed badly. There are records of late planting, behind in planting.

No landowner would like to see a repeat of the Mahogany Industry Development Decree experience back in place with another Act of Parliament slapped upon them by the use of Standing Order 51 to rob them of their right and share in this 4 Million Trees Initiative.

Mr. Speaker, Sir, in conclusion, the 4 Million Trees Initiative ....

(Honourable Members interject)

HON. SPEAKER.- Honourable Member, I am not interrupting you, your own side is doing that.

(Laughter)

HON. M. BULANAUCA.- Mr. Speaker, Sir, in conclusion the 4 Million Trees Initiative looks lucrative and noble on the paper like every other Government policy and programme.

HON. SPEAKER.- Order, order!

HON. M. BULANAUCA.- But a lot depends on how it will be implemented and who will be its ultimate beneficiaries. Given the experience of the last one decade, the distasteful experience leaves us a lot to desire. Thank you very much indeed.

(Chorus of interjections)

HON. SPEAKER.- Thank you Honourable Member. Honourable Members, I now give the floor to Honourable Lenora Qereqeretabua. You have the floor, Madam.

HON. L.S. QEREQERETABUA.- Thank you, Sir. I again thank the Honourable Minister, my *tauvu*, for his statement. Now while the initiative was launched in January this year as a means of coping with climate change, I think the Honourable Minister needs to be very clear that at the heart of this initiative is carbon trading in readiness for (as I said before), Fiji's intention to make submissions to the Forest Carbon Partnership Facility this coming June, so we can access the carbon fund next year.

I am reminded that in 2010, the then Permanent Secretary for Fisheries and Forests, Commander Naupoto, had begun a campaign to plant one million tress and it is claimed that, that target was achieved within eight months. Honourable Speaker, just this morning a supplementary question raised by the Honourable Ro Teimumu Kepa with regards to the cutting of mahogany tress at Uluiqalau Hill at Adi Cakobau School and I note that the Honourable Minister had mentioned leaving the world a better place in his statement. Now, Adi Cakobau School's motto is "*Leave the world a better place than you found it.*"

I believe that the Honourable Minister had responded that replanting was now occurring. That should give us no comfort as legislatures, when on one hand we would hear that the precious ecosystems of our forests, our flora and fauna should be protected, yet there seems to be special a *caveat* for forest species of high commercial value.

Lautoka tress were last week the latest victims, Sir, of cutting down. It is one rule and only one rule, Honourable Speaker. So, therefore we again respectfully suggest to the Honourable Minister taking the queue from the Honourable Minister for Women's statement earlier today that the Fair Share of Mineral Royalties Act passed last year should be amended and expanded for native and freehold

landowners to capture forest carbon rights and blue carbon right with the robust safeguards that we all need to alleviate unscrupulous trading practices. And I again repeat, Sir, what we had asked that we are very aware and very mindful that the World Banks grievance redress services are crystal clear. I thank you, Honourable Speaker. *Vinaka*.

(Honourable Members interject)

HON. SPEAKER.- I thank the Honourable Member.

(Honourable Members interject)

HON. SPEAKER.- Honourable Members, we will move on and I now give the floor to the Minister for Infrastructure, Transport, Disaster Management and Metrological Service, the Honourable Jone Usamate to deliver his statement. You have the floor, Sir.

### Monasavu Hydro Electric Scheme

HON. J. USAMATE.- Thank you, Mr. Speaker, Sir. Thank you for giving me the floor and I will try to make sure that I speak a bit more slowly so that people can understand what I am trying to say.

Energy Fiji Limited (EFL) which was formerly known as the Fiji Electricity Authority (FEA) was established back in the 1960s and under the Electricity Act, it has the function to provide and maintain a power supply that is viable financially, viable economically and economically sound and consistent with the required standards of safety, security and quality of power supply.

EFL is responsible for generation transmission and the retail of electricity on the four main islands of Viti Levu, Vanua Levu, Ovalau and Taveuni and this accounts for more than 90 percent of our population here in Fiji. Our electricity demand has increased by 18 percent from 794 million units at the end of December 2014 to 937 million units at the end of December 2018, so that is in a four-year time period electricity demand has increased by 18 percent and currently, the total number of customer accounts has increased quite significantly by 14 percent from 2015 to 2019. So there has been an annual average growth rate of around 3.21 percent over this period.

As at January, 2019, there are more than 171,000 domestic accounts, and almost 19,000 commercial and industrial accounts. I think one of the things that we see is that the demand for power is increasing in Fiji and this is not something that you only see in Fiji, it is something that is happening all around the world. It is a global trend.

Globally also now, there is a realisation that there is a huge need to address greenhouse gas emission reduction by doing a number of things. First of all, by increasing energy efficiency, changing light bulbs, for instance, putting in the Light-Emitting Diode (LED) lights so that we can get the same amount of light that will use less electricity. Also by enhancing electrification, seeing how we can put electrification into various sectors where we did not have much electricity before but making sure that electricity is renewable electricity. So if you want to increase electrification, make sure that it is renewable electricity. This is the way forward.

I think I read in the report recently that was released last year around October, that in the world we have around a 12-year window in which to change the kinds of things that we are doing in this world or in terms of our temperature growth will exceed the limit at which it is too late to turn back, so we have only 12 years to make some fundamental changes to the way we do things in the world. That is why the work that was undertaken by the Prime Minister in COP 23 is very important, the work

undertaken by the four million trees - all of these things are very important because we have this short 12-year window in which to make fundamental changes. That includes how we go about addressing power, to ensure that we do not go over the temperature increase threshold beyond which it will not be possible for us to handover a healthy world to the generations that follow us.

There is now a trend towards pushing electricity into areas such as transport with electrical vehicles as a major way to reduce greenhouse gas emissions and this will be something that we will look to in the future, but that electricity must be renewable energy.

Our focus, therefore, will be to ensure that our renewable energy sources are not only maintained, but they are improved and that new renewable energy sources come on line. Yesterday, I talked briefly about the new five Megawatts in Qeleloa Solar Farm and that is an example of some of the programmes that EFL is putting into place to try to enhance our renewable energy portion that we have out of our energy, so Monasavu is very critical for Fiji.

Mr. Speaker, Sir, the Monasavu Hydro Electric Scheme was established in 1983, with a total electricity-installed capacity of 80 megawatts. The Monasavu Hydro Electric Scheme with the Wainikasou Power Station and other renewable power energy projects, such as Nadarivatu Hydro Electric Scheme, the Butoni Wind Farm and the independent power producers contributed to around 59 to 60 percent of our electricity demand in the year 2018.

Mr. Speaker, Sir, the development of these new renewable energy sources has also contributed to Fiji having the lowest electricity tariff rate compared to any other Pacific Island country, including parts of Australia and New Zealand. Currently, our electricity tariff stands at FJ37.4 cents per unit compared to parts of New Zealand, where they have 47.5 cents; parts of Australia, where they have 47.2 cents; Tonga, where they have 89.4 cents per unit; PNG at 61 cents per unit; and Solomon Islands, \$1.47 per unit. So we are very thankful for our predecessors, those that had the vision to set up facilities like Monasavu and also the support of the landowning units that participated in this great development for the establishment of the Monasavu Hydro Electricity Scheme.

Without this project, Fiji would have had to rely heavily on importing great amounts of expensive fossil fuel which would have had an adverse impact on our economy. Our electricity tariff rates would have been too high and we would not have been competitive in the international arena as we have been so far.

Honourable Speaker, the Monasavu Hydro Electricity Scheme has been in operation for more than 35 years. We know that it is critical that major Half-Life refurbishment works be carried out to ensure that the Monasavu Hydro Scheme continues to perform to its optimal level for the next 25 to 30 years.

Mr. Speaker, Sir, the Bainimarama and FijiFirst Governments have been proactive about this. We commenced the Monasavu Half-Life Refurbishment in the year 2013. By 31st December, 2018 EFL has invested more than FJ\$58 million on these refurbishment works. What does this work consist of? The main components of the work that were carried out were the replacement of the four main valves for the turbines and the replacement of four power transformers at the Wailoa Power Station.

Most of these works have been carried out during the Easter Weekends and also during the Prophets Mohammed Birthday (Long Weekend), from the years 2016 to 2018. These works need to be carried out over the long weekend as this exercise is time-consuming with teams working around the clock in shifts and the electricity demand being lower than a normal working day.

In order to carry out the replacement of these main valves, EFL engineers have had to shut down Wailoa Power Station and rely on the diesel power stations around Viti Levu to meet the demand for electricity. Other works carried out included the replacement of electrical equipment and hardware at the three main sub-stations at Wailoa, Vuda and Cunningham Road and on the 132,000 volt transmission lines and the maintenance of steel lattice towers, including the removal of rust and painting, to name a few.

The Energy Fiji Limited (EFL) will invest an additional FJ\$40 million to complete the remaining works in the next three to four years. These include the replacement of the turbine components, nozzles, switch gear runners, et cetera; repair and maintenance of the transmission lines from Wailoa to Cunningham Road Sub-station and Wailoa to the Vuda Sub-station.

Mr. Speaker, Sir, the EFL Engineers have been engaged on the refurbishment works, however, in areas where high levels or specialised expertise is required, if this is not available locally, EFL will engage overseas experts through a competitive tender process.

Mr. Speaker, Sir, providing reliable and affordable electricity supply from renewable energy sources is necessary to continue to modernise our economy, create increased economic opportunity and make sure that we have sustainable development of our country.

Through each 10-year Power Development Plan, EFL has put in place strategies and plans to meet our increased electricity demand through the available resources. The Power Development Plan also highlights the associated electricity networks to be developed or upgraded and it is estimated that the total funding of around FJ\$2.4 million would be required to implement this PDP.

Mr. Speaker, Sir, to conclude, it is in the best interest of Government and EFL to carry out the Half-Life Refurbishment of the Monasavu Hydro Electric Scheme. This will enhance and complement the implementation of our PDP and to achieve the target of supplying 90 percent of our electricity supply from renewable sources by the year 2026.

This is consistent and in line with the targets set out in our National Development Plan.

Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- Thank you, Honourable Minister. I now give the floor to the Honourable Jese Saukuru.

HON. J. SAUKURU.- Honourable Speaker, I wish to thank the Honourable Minister for Infrastructure, Transport, Disaster Management and Meteorological Services for his Statement on the Monasavu Hydro Electric Scheme Half-Life Refurbishment Programme.

While we welcome the programme in principle, there are a number of concerns that we have with regard to the programme specifically and the energy sector generally and I wish to dwell to the same as I respond to this Ministerial Statement.

Honourable Speaker, Fiji Energy Sector is electrified as follows:

1. Hydro Power - 63.06 percent;
2. Diesel Fuel - 35.46 per cent;
3. Wind Power - 0.39 per cent; and
4. Independent Power Producers (Tropic Wood and the Fiji Sugar Corporation) – 1.11 per cent

I am quoting these figures from the EFL's submission to the Standing Committee on Economic Affairs on January, 2018. It only demonstrates the importance of Monasavu Hydro Scheme. That being so and in our quest for clean energy as well as to achieve the target of 100 percent electrification, he challenges how the EFL seeks to reconcile the need to electrify the nation and at the same time, conserve our environment by keeping the targeted reduction of carbon emissions for Fiji in mind. This again shows how important hydro-electricity is an important step to enjoy clean energy.

Honourable Speaker, on 11th January, 2018 the *Fiji Sun* reported that the Permanent Secretary of the Department of Public Enterprises in making a submission to the Standing Committee on Economic Affairs revealed that 7,500 households will have accessed to EFL's power grid by the end of the year. The Opposition wishes to ask the Honourable Minister responsible whether that target of 7,500 households was reached or not?

Honourable Speaker, the EFL went on to highlight its plan for the year 2018 stating that there had been a budget increase for rural and electrification by 50 percent. In the 2017-2018 Budget to the tune of \$42 million of which \$32 million was allocated for EFL grid extension project. What has happened with the \$32 million to electrify our rural areas' needs to be satisfied in this House and whether the EFL was able to use all the funds allocated to it to achieve the target or not? If not, then why?

Honourable Speaker, the Chief Executive Officer of Energy Fiji Limited is reported in the *Fiji Sun* on 30th August, 2018 as follows, and I quote:

“Over the past 10 years, hydro power-generation in Fiji has generated 4.67 million units of electricity. That has avoided the use of 1.154 million litres of diesel fuel, that means offsetting a total of 3 million tonnes of carbon emissions since 2008. The same amount of fuel would have filled the tanks of 15 million Ford Range trucks.”

That being so, Honourable Speaker, Energy Fiji Limited must also explain to the people of Fiji that that is the same amount of carbon emissions they offset, then how come the forest cover of the dam areas adjacent to the dam have begun to shrink and dry out in the same period leaving us to dread. The prospect of having dry streams in the short to medium term and dry rivers in medium to long term effects not taking into account its impact on our eco-system and those dependent on the same.

Honourable Speaker, as we continue to stride forward seeking a green economy to achieve the 1.5 percent reduction in carbon emission, the Opposition notes with both sense of optimism and concern at the new sources of hydro-electricity developments now being earmarked by the Government of the day.

They are, Honourable Speaker, Sir, in Wailevu, Cakaudrove with the capacity of 14 megawatts; Ba River project, 12 megawatts; and the development of a hydro in the upper Namosi region. The EFL has entered into a power purchase agreement in respect of Namosi. I have alluded to these projects simply because like Monasavu Hydro Scheme, they will be the source of our future clean energy.

Having said that, we, the Opposition can only express the hope that these projects are allowed to see the light of day on the paper and while doing so, ensure proper Environment Impact Assessment.

HON. SPEAKER.- Honourable Member, you had gone beyond your time. I thank the Honourable Member for his statement. We will move on. I now give the floor to the representative of the National Federation Party, the Honourable Pio Tikoduadua.

HON. LT.COL. P. TIKODUADUA.- Thank you, Honourable Speaker. I thank the Honourable Minister for his statement.

We note, Honourable Speaker, that during the Honourable Minister's update yesterday while talking about water, the quick insertion of the update on solar, Viti Renewables Limited in Nadi by the Minister.

Perhaps, the Honourable Minister can also update at some point on the Memorandum of Understanding (MOU) between Electricity Fiji Limited and ICO Energy from France, the joint venture aimed at solar power generation as alluded to by the Honourable Minister for Economy to his Budget Speech last year.

Honourable Speaker, returning to the update on the progress of the Monasavu Hydroelectric Half Life Refurbishment Programme, we are cognizant from media reports that this began in August 2013 when the Chief Executive Officer updated the public on the start of this programme and had warned of the possibility of power rationing because of it.

Indeed, Honourable Speaker, every annual report of the EFL tabled in this august House since 2012, I believe, mentions the Programme. It is now 2019 and let us not forget the debacle only last year of the fragile ecosystem and possible degradation of the Wainisavulevu Weir in Monasavu.

The Telecom Fiji Limited (TFL) Chief Executive Officer (CEO) was sensationalist and chose to speak on behalf of the shareholders, perhaps, misrepresenting the fact that the CEO did not ask all the shareholders specific opinion on the Weir issue.

Honourable Speaker, I draw the Honourable Minister's attention to his Government's green growth framework released in August 2014, with intention to enhance Independent Power Producers (IPPs) so they say entry in the electricity sector by fast-tracking reforms.

Honourable Speaker, the medium term schedule the Government set itself in the green growth framework on this activity will be up by this August. The Honourable Minister may like to consider actually realising more lofty pledges by taking the cue from the Honourable Minister for Women's statement earlier today and speaking with this side of the House to open up the National Energy Policy space as a priority, to allow landowners both, Native and Freehold to be part of renewable energy independent power producers solutions. It would be gravely disappointing if the green growth framework joined the myriad of other glossy books, breadth of reality where it really matters to the people. I thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Member for that statement.

Honourable Members, we will move on. I have been informed that there are no Bills for consideration. We will now move on to the next Item on the agenda.

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

#### **GOVERNMENT GUARANTEE – FIJI DEVELOPMENT BANK (FDB)**

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

That Parliament approves that -

1. Government provide a guarantee of \$160 million for the repayment of the short and long-term bonds, promissory notes, term deposits, and other short-term borrowings of the Fiji Development Bank for the 12 month period from 1st March, 2019 to 29th February, 2020; and
2. The Fiji Development Bank pay a guarantee fee of 0.075% on the utilised credit.

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

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

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, this is an annual event when Government comes to Parliament as provided for under the Constitution, to seek Parliamentary approval for the guarantee of the funds that FDB is going to raise in the open market to seek funds which they then use to actually lend to ordinary Fijians.

Just by way of background, FDB was established under the provision of Fiji Development Act 1966. It opened for business on 1st July, 1967.

It had a special mission to provide development finance for projects which contribute to the development of the Fijian economy, and help improve the country's quality of life.

Under section 5 of the Act, the FDB's function, amongst other things, is to facilitate and stimulate the promotion and development of natural resources, transportation and other industries and enterprises in Fiji. And in the discharge of these functions, FDB shall give special consideration and priority to the economic development of the rural and agricultural sectors of the Fijian economy.

In the discharge of this function, FDB, under section 16 of the Act, may raise funds through the issuance of bonds, promissory notes, term loans and other interest bearing instruments. The repayment of such borrowings may be guaranteed by Government in accordance with section 16(3) of the Act. That was precisely what had happened for the past number of decades since the creation of FDB.

With the 2019 Government Guarantee, Mr. Speaker Sir, will enable FDB to continue facilitation and implementation of Government policy by lending to essential sectors of the economy which include particularly resourced- based sectors, including agriculture, mining and quarrying, manufacturing, transport, communications and storage, small and micro enterprises, wholesale, retail, hotels and professional business services which will assist our citizens to earn a decent livelihood.

Mr. Speaker, Sir, by Government giving this Guarantee the private investors then feel very secure to lend to FDB. FDB is not a commercial bank, it is actually a development bank and, therefore, it does not necessarily get into charging market rates to its customers and, therefore, it does not have the profit element to it and, therefore, investors will actually seek other forms of guarantee that it can actually repay the promissory notes and treasury notes, et cetera that it will raise.

Mr. Speaker Sir, the FDB, of course, in terms of its portfolio, has at the moment 5,150 loan accounts with a total loan portfolio of \$487.05 million. The number of loan accounts for the agriculture sector constitute 55.6 percent of the total loan accounts as at June 2018.

Overall, the focal sectors represent more than 80.15 percent of the total loan accounts, corresponding with the 45.4 percent of the total value of the loan portfolio.

For the last two years, Mr. Speaker, Sir, FDB's borrowing request average around \$140 million. FDB's total forecast and inflow for 2019 is \$71.70 million while the total outlay is \$231.70 million, leaving a shortfall of \$160 million which was why it wants to go out and borrow in the market.

Mr. Speaker, Sir, just in respect of the profitability and the financial position of the FDB which I have to provide to Parliament and indeed, Honourable Members of Parliament must be informed about that. However, I also refer them to the last FDB Annual Report which we actually tabled in Parliament the last time we were here and that gives you a full information on FDB's financial position.

But for the purpose of today, the FDB recorded an operating profit after tax of \$7.41 million, a decrease of \$0.74 million from the previous period.

In terms of the overall gearing of the total assets of FDB, stood at \$467.65 million which is up by \$65.69 million or 16.31 percent while total liabilities accounted for \$309.67 million, an increase of \$58.18 million or 23.13 percent, compared to the same period last year.

A modest decrease in debt equity ratio 1,287 was noted in 2018, compared to 1.58 recorded in the same period last year, mainly due to the increase in FDB borrowings to cater for an upward demand in loans.

FDB has been managing its debts in a sustainable and robust manner. In the financial performance front, the profitability is slightly lower, compared to the same period last year mainly driven by an increase in operating cost. However, on a very positive note, a marked increase of \$7.05 million or 27.8 percent growth is recorded in the gross interest income due to a hike in FDB's overall loan portfolio.

Mr. Speaker, Sir, the Reserve Bank of Fiji (RBF) does not supervise FDB directly but undertakes offside monitoring and provide the six months report to the Minister for Economy.

The RBF Report shows recently that the overall performance of FDB of the six months ending 30th June, 2018 remain at a satisfactory level. The rating continues to reflect positively on the strength of management and the overall oversight provided by the FDB board.

In addition, FDB's capital position continues to be assessed as strong at 47.9 percent and asset quality as marginal with the increase in classified exposure over the review period.

The liquidity was satisfactory, noting an increase over the six months, coupled with the institution's ability to raise funds when needed. In other words, it was able to attract investors.

Its earnings performance was also satisfactory which was attributed to the profitability level recorded for the year ended 30th June, 2018.

Before I go on to the actual liabilities guaranteed by Government and indeed, the whole of Government's contingent liabilities positions, I would also like to say that FDB has been accredited by the Green Climate Fund (GCF) up to \$10 million and FDB is currently in the process of identifying gaps so they can access funding up to US\$50 million in respect of GCF. In other words FDB will become the conduit to financing green projects.

Mr. Speaker, Sir, I am happy to note that FDB is the only development bank in the entire South Pacific that actually has got this accreditation from the Green Climate Fund.



Mr. Speaker, Sir, the FDB liabilities guaranteed by Government as at 31st December, 2018 stood at \$262.4 million of which bonds were \$212.8 million which is about 81.1 percent of the total portfolio, promissory notes were \$37.5 million which is 14.3 percent and term deposits - \$12.10 million which is 4.6 percent.

Government's guarantee for the past five years is now standing FDB liability as at 31st December, 2018. In 2014, the amount of guarantee provided by Government was \$120 million, in 2015 was \$110 million, in 2016 - \$130 million, in 2017 - \$130 million and 2018 was \$160 million.

FDB's current average lending rate and cost of borrowing as of 31st December, 2018, are 6.82 percent and 3.68 percent respectively. So, there is a margin of approximately 3 percent.

FDB has a good track record as there had been no Government guarantee call ups. In other words, whatever we have guarantee we have never actually had to physically pay those monies out because FDB has always paid off its loans and, of course, been managed in a prudential manner.

To cushion the underlying risk exposure for Government as well as build reserves to support guarantee entities, it is proposed that a guarantee fee of 0.075 percent be levied to be utilised as guarantee credit. So, even though Parliament may approve \$160 million worth of credit guarantee, they may not necessarily utilise the full \$160 million, depending on their needs. But, of course, they cannot draw anything more than \$160 million which Parliament has not approved.

Mr. Speaker, Sir, as provided for under the legal provisions, we have to also inform Parliament of the total Government guarantee exposure to State-Owned Enterprises, includes FDB, stood at \$618.06 million as at 31st October, 2018.

Mr. Speaker, Sir, before I conclude and allow for any questions or debate on it, the Fijian Government also has a separate allocation to assist FDB, in particular its customers. So as allocated in 2018/2019 Budget, a sum of \$4.43 million has been set aside in the National Budget where we actually subsidised interest rates for specific customers, in particular interest on agricultural loans.

So, generally, for example, effective rate would be 8 percent when you lend in the agricultural sector, but we subsidise up to 6 percent for these farmers and other people who are investing in the agricultural sector, so their interest rates can hover between 2 percent to 3 percent as opposed to what we would call a market rate of 8 percent.

Similarly, we have the programme, the Small Business Scheme, again there is the subsidy provided for in the Budget to pay lower interest rates, so the customers can pay a low interest rate, in the northern projects also, in particular in the Northern Division. Mr. Speaker, Sir, that is the type of assistance we provide through FDB. We have a new CEO, in fact a very robust CEO, who was appointed last year. He is bringing about lot of positive changes.

Mr. Speaker, Sir, I would also like to perhaps inform Parliament of those entities that actually invest. We have entities like Bank of Baroda, FNPF and other banks and life insurance companies that actually buy these bonds and promissory notes. This is the type of attraction that they have for the FDB loans. They know it is for a good cause, but they also make money in the process, at the back end of it, they also know that the investment is protected by the fact that Parliament actually guarantees the loans, bonds and promissory notes they buy way of a loan that FDB seeks out in the market, which they then get that money and they lend loan to their customers.

With those introductory remarks, Mr. Speaker, Sir, I urge Parliament to support this. Thank you.

HON. SPEAKER.- Thank you, Honourable Attorney- General. Honourable Members, speakers on this debate are given 20 minutes. The floor is now open for debate on the motion and each Member, as I have said is given 20 minutes. At the end of the debate we will have the Right of Reply from the mover. The floor is open. The Leader of the Opposition, you have the floor, Sir.

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA.- Thank you, Mr. Speaker, Sir. I apologise in advance if I am going to say exactly the same things that the Honourable Learned Attorney-General has said this afternoon. It is not a matter of, "great minds think alike nor fools seldom differ", it is just that we are working from the same document, the Annual Report of the Fiji Development Bank.

Sir, first of all, I would like to congratulate the Honourable and Learned Minister responsible for FDB, Mr. Bob Lyon and his team on the Board and also the new Senior Management and Executives of FDB. As I looked over the record of the performance of the Bank, I am greatly encouraged. There was a patch in the middle from 2007 to the early 2010. There was a slight decline in their performance, perhaps in his Right of Reply the Honourable Learned Attorney-General and Minister for Economy, Communications, Civil Service and Public Enterprise would like to enlighten us on the reason for that.

One point, Mr. Speaker, Sir, is the guarantee fee. He highlighted that 0.075 percent on utilised credit. I am sure, Honourable Speaker, Sir, that in all his dealings with international economic systems and Ministries and Financial Ministers, et cetera, he would probably had found that most pay interest on the actual amount of guarantee rather than the drawn down amount. There is no doubt the Fiji Development Bank has been pivotal in its role in the socio-economic development of our nation.

At this time, Mr. Speaker, Sir, I would like to just say that I have never in all my time in Parliament overshot my time. I remember the coaching we used to have when we were young subalterns in the military where our Commander then said, "you know the message you want to give, you know how much time you have, give your message in that time", and I would like to encourage my colleagues on my side of the House and also the Government side of the House to keep that in mind next time they are up.

(Honourable Members interject)

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA.- As the Honourable and Learned Minister for Economy and Attorney-General has pointed out the Bank did not receive normal deposits, that is why we are being asked to give this guarantee for the Bank to use for the repayment of short and long term bonds, promissory notes, term deposits and other short term borrowings of the Bank for 12 months from the 1st March to the 29th February, 2020.

Mr. Speaker, Sir, as I had asked earlier in his Right of Reply, he might like to explain why there was a decline in profits from 2007 to 2013 and then it starting picking up from 2014 up to a very healthy figure at the end of 2017. Also the value on the numbers of accounts that the Honourable and Learned Minister had raised, in 2016 the total number of approvals was 1,346 as he has mentioned and 88 percent of the total approved portfolio in terms of value note, it was only 48.3 percent. Most of these figures as I had mentioned, Mr. Speaker, Sir, were contained in this presentation in support of the motion.

One area I would like to raise for consideration by the Board, the Management and perhaps the Honourable and Learned Minister would communicate to them is the area of shipping into outlying islands, particularly for Vanua Levu and I declare my interest. I would like to also record here that I was part of a shipping company. I was a shareholder and I became a CEO of the company and we had

taken advantage of the facilities provided by the FDB. I do not know whether it is still available now and those very attractive interest rates given for those providing shipping services. As I said earlier, the Government should consider charging FDB for interest on the full amount rather than drawn down amounts.

Apart from that Mr. Speaker, Sir, I believe the Bank has been doing what it was setup to do and it contributed well to the development of our nation. I would like to encourage them; the Minister, Board, Management and Executives to also take into account and consider the various things we have been talking about in the Ministerial Statements this afternoon. Tree planting, whether it could be financially rewarding for those that participate in those ventures.

With those few points, Mr. Speaker, Sir, I support the motion before the House. It is something that I had raised in the House when I was on that side, something we have to do annually, it is pretty straightforward, it gives a lot of leverage to the ordinary citizens of this country and I am encouraging more to come forward and take advantage of the facilities provided by our own Fiji Development Bank. Thank you, Sir.

HON. SPEAKER.- Honourable Members, I thank the Leader of the Opposition for his statement. I have the pleasure of giving the floor to Honourable Professor Biman Prasad. You have the floor.

HON. PROF. B.C. PRASAD.- Honourable Speaker, Sir, I also support the motion and I agree with the Honourable Leader of the Opposition that this is an annual requirement. I think it is also important for us to use this opportunity to raise a few issues with respect to the activities of the Bank.

Honourable Speaker, I have always had a particular interest in the role of the FDB. The Bank was where I started my first job as a Loans Officer so I have a bit of a history about the Fiji Development Bank and it is an important contribution to development especially development of the rural agricultural sector. We heard yesterday from the Honourable Minister for Agriculture and I agree with him on the importance of agriculture and I think he also pointed out that agriculture need not be just at the subsistence level, agriculture should be seen as a business activity. The FDB's role in the promotion of agriculture has been very important.

When I look at the 2017 Annual Report, Honourable Speaker, I think the Honourable Attorney-General pointed out that the FDB share of the total agricultural loan which includes the commercial banks and other lending institutions may be over 50 percent. But if you just look at FDB's portfolio, the total loan portfolio for 2017 was \$438.09 million and of that only \$76.76 million was for agriculture. If you break that down further, Honourable Speaker, and take out sugarcane growing \$18.22 million, forestry and logging \$4.67 million, fisheries \$3.57 million, and you have others - \$50.30 million, assuming that the others include other non-crop sectors. But if you put it in percentage terms, the total agricultural loan is just 17.5 percent of the total FDB lending for 2017. If you take out sugar, forestry, logging and fisheries, for non-sugar, forestry and fisheries sectors, assuming that is all agriculture, it only amounts to about 11.4 percent and this is where I want to raise this issue and perhaps the Government can take into account.

We have had and obviously if you look at the statistics, agriculture sector, Honourable Speaker, is a real sector, it is a very productive sector in terms of its contribution to GDP growth. We heard from the Honourable Minister for Agriculture yesterday about the link of agriculture production to tourism industry, to exports and I think export-led agriculture provides us promise for the future. We will continue to have a level of subsistence activities in the country but more and more as the demographics change or as more people move from rural to urban areas, I think the idea of agriculture as a business is

going to be more important. I would think that FDB should endeavour to increase the percentage of loan that it gives to Agriculture.

Honourable Speaker, when I talk about giving loans, I also want to reiterate the fact that if you look at Agriculture as small businesses, the success rate is very small throughout the world. People start small businesses (a very small percentage), at the end of the day are successful, that is the statistics worldwide. It is not just here in Fiji. That is why I would endeavour to suggest to the Government, and the Honourable Attorney-General pointed out that the Government actually provided \$4.43 million in the budget for subsidy. I think that is a good thing and I would go further and suggest that we allocate more, and target that very specifically to subsidising Agriculture loan which is probably the case but we need to have more.

Apart from just providing loans, I think the FDB, I do not know what their research capacity is. I remember in the 1980s when I was there, the Research Department within the FDB was a very important and critical department and I remember being involved in a feasibility study to look at mushroom farming, this was in 1985. We were trying to understand the market, we were trying to understand what was involved and how profitable it was going to be. The Research Department provided a lot of intervention.

If FDB is concentrating, and if we concentrate on Agriculture loans and look at more business-like approach and the link that we can establish with the Ministry of Agriculture, and I was happy to hear from the Minister about the level of research capacity they have within the Ministry.

Perhaps FDB and the Ministry of Agriculture could work together to build even a much more capable research capacity, so that those who are supported by FDB, not just in the agriculture sector but all the other small businesses can get the benefit of being nurtured by FDB. So if you just concentrate on having loans officers who do feasibility studies, who make one or two trips in a month to go and actually have a cup of tea with the owners of the business and then do the report, change the arrears schedule and come back, is not going to help many of those who would struggle to actually make business profitable.

I think the FDB must not lose sight of the fact that their historical role was generally to concentrate on rural agriculture development. I have no issues with the other sectors, they are all important for development, I am not disputing that, but I think, if we want to bring the agricultural sector up to a certain level and increase its contribution to Agriculture in terms of food production in particular, because we can very easily link that with our tourism industry.

Linking the agriculture sector to the tourism industry is like linking it to export, you are actually exporting in a way. If farmers are all selling to our hotels, providing bulk of our hotels requirements, I know the former Minister gave some startling statistics in Parliament last year. In a way, he talked about this huge import bill for food, so we need to look at how we can use FDB as an agency, as a development institution, not only in terms of providing just loans and be done with it and basically worry about repayments and monitor the arrears, et cetera.

They need to play a much more important active role in nurturing, supporting and monitoring the agriculture sector. Otherwise, Honourable Speaker, the commercial banks, I mean that is why, as a percentage, FDB comes around, more than 50 percent because the volume of loan that the commercial banks and other lending institutions give to the agriculture sector is very, very small.

So I would urge Government to look at a total review of what FDB does, not only in terms of the statistics on loan portfolios, how much profit it makes, what is the interest rate deferential, to one which actively behaves like a development bank and concentrates on certain priority sectors like

agriculture and delivers the outcomes, not just the output in terms of the millions of dollars in loan that they give because the outcome would be the effectiveness of that loan that they give to the agriculture sector, to the rural sector and what comes out of it.

So once again, Honourable Speaker, as I said at the beginning, we are happy to support this motion for the Government guarantee of \$160 million for FDB and also the guarantee fee that is included which is a good thing and it makes sense to have that guarantee fee in the motion. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Member for his contribution to this motion. I give the floor to the Honourable Viliame Gavoka.

HON. V.R. GAVOKA.- Thank you, Honourable Speaker. This is one part of Parliament that I always enjoy and it has been so over the last four years where we debate items of economics, especially the FDB. I just want to say how grateful I am that we are a people who can do things this way, we have a Parliament where issues of importance are discussed in this very transparent manner and in a great degree of civility.

I am saying this, Honourable Speaker, I just want to compliment the way we have met this week. I must say that I served under the stewardship of Dr. Jiko Fatafehi Luveni over the last four years and I was highly anxious about her replacement, it is difficult for me but I must congratulate FijiFirst for making a great choice which is very rare and we look forward, Honourable Speaker, to your stewardship over the next four years going, going but the last four days, it has been a real pleasure sitting in again in this august House and deliberating with our colleagues.

I know that the input from this side is a little bit one-sided, it is far superior to what we get from the other side of the House but nevertheless, this is the Parliament, Honourable Speaker, and I just wish that we are granted a few things in the last four days, debating this with all the issues that are very important to us. I am just a little concern about the capacity of this Parliament to do what it needs to do.

I have to admit and disclose here, Honourable Speaker, that a great deal of us here are going to go back disappointed because we could not ask our questions. We had all the list of questions we wanted to ask but such is the structure of the way we do business today that all of us will have a difficult problem to our supporters why we need not do what we need to do. So it behoves us, Honourable Speaker, to perhaps relook at the way we do things in this House, and I believe the Standing Orders Committee, we have made some submissions and that we can do what we are assigned here to do. Right now, the way it is set up, we are missing out on a lot.

The Development Bank is part and parcel of all these, we need to do justice to it. We need to have the proper structure to enable us to have dialogue on these issues. When you look at things and we embrace, we take in some of the suggestions you make on the Standing Orders, Honourable Speaker.

On the matter of the Development Bank, I have been fortunate to be part of the Economic Affairs Committee and I have been part of it to scrutinise a number of your annual reports. All the questions we need to ask is whether the Development Bank is still needed in Fiji. In some countries now, similar to Fiji, they have disbanded the Development Bank, this is true. But for Fiji, I believe the need for it is still here, if we remain true to its intentions.

On this side of the House, we have had two bank officers. Today, we learnt it was Honourable Professor Biman Prasad and also Honourable Kuridrani, they had served in the Fiji Development Bank and they could show us a few things about FDB.

When you look at the Annual Report, there is a concern that a huge chunk of the loan has gone to people who do not fit the profile of who should be benefitting from development banking. There are 15 borrowers here who have borrowed about \$97 million. They are the non-focussed sector of FDB, they belong there. As my colleague, Honourable Professor Biman Prasad has said, Agriculture, it is \$86 million.

The understanding here from its inception was that, FDB was for Agriculture so we have lost away in the way we managed FDB, granted we have made some mistakes along the way. There was a huge hit to the bottom line about 2007 or so of about \$20 million, but that was accumulative losses over the years that had to be written off to clean up the books and it is part of a developing country.

I know some people are trying to take credit for it, but it is part of a developed economy, and something we needed to do, but today the balance sheet is very good but I continue to question whether we are lending too much into a sector that does not need it.

The commercial banks can very easily meet the needs of their people who are borrowing a lot from FDB. Of course, the bottom line is very important and the bottom line is very healthy, direct you to the revenue and the exposure but that should not always be the criteria on which we support the Development Bank.

One thing that I have noticed Honourable Speaker is that as my colleague, Honourable Dr. Biman Prasad has alluded to, we need a lot more handholding with our customers. One of the challenges that we meet in Fiji right now according to the Reserve Bank's books also is the financial understanding or the capacity of our people to understand finances and I know efforts have been made to train our people at the grassroots level to understand finances, but this is where the challenge is but when you lend, you just do not lend and go around and seeing them occasionally. You really have to hold their hand. This is where you may need to restructure the FDB to bring in more experts to provide after you have signed the deal, after you have the loan, you walk with them almost everyday, to ensure that they keep the discipline to make sure the business flourishes.

You may know and I do not know some may have heard this, in the early days when the Bank of Baroda came to Fiji, it actually kept the books of those people they lend their money to. They actually kept their books and this is the kind of handholding that we need today. We should learn from the model that Bank of Baroda introduced in the 1950s and 1960s.

That to me is where we need to refocus the work of FDB and really develop people from the grassroot up. The liability is not important and when you talk about assistance and the interest rates, the \$4 million as the Honourable Minister has indicated, that helps a lot.

Interest rate can kill a business, and I would like to support the call by our Leader that we look at re-introducing those subsidies and interest rates to other business, like shipping.

And for Provincial Councils, we have investments. I declare my interest, I am the Chairman of the Nadroga/Navosa Corporation, we used to borrow from FDB but we have to move to a commercial bank because the interest rate was too high. It was almost half when I moved it from FDB to a commercial bank.

We need to bring that back to help the development of those who need, like the provincial offices, who need to start their commercial companies.

That, Honourable Speaker, are some of my observations and I fully support the guarantee. I wish the Bank well and the way it is doing its business. The bank as you know is not under RBF, it is only supervised by RBF, it has its own Act going back to 1967.

It was the Minister Ratu Jone Kubuabola who was in RBF to provide some supervision to FDB back in those days. So, today, it is a supervisory responsibility but it is working well. I wish the Bank well and I support the motion. Thank you.

HON. SPEAKER.- Honourable Members, I thank the Honourable Member for his contribution to the motion. Honourable Mikaele Leawere, you have the floor.

HON. M.R. LEAWERE.- Mr. Speaker, Sir, I have a short contribution to make on the motion before the House. Let me take us back to history when the FDB started in 1967 and according to its latest Annual Report of 2017, it states that the Bank provides finance for projects that contribute to the development of Fiji's economy and that improve the quality of life for its people.

Loan funds, Mr. Speaker, Sir, are made available for agriculture, small and medium enterprises, as well as corporate loans and the Government uses FDB as a financial instrument in its own development projects and special assistance programmes that from time to time become so necessary.

That being so, Mr. Speaker, Sir, while we support this ongoing Government guarantee, let us remind ourselves of the core responsibility of FDB when it was first established as a financial institution, which was to make credit facilities available for our farmers and boost agricultural activities.

As a result of that, Mr. Speaker, Sir, key objectives realized by the successive Governments and those engaged in the agricultural sector then, have been able to purchase and develop the land, build houses, buy plants and add value to the land and they contribute positively towards the development of our agro-based economy.

That process, Mr. Speaker, Sir, of national development from 1967 to 2006, farmers were able to empower to empower their families and communities from the incomes they receive from their farms and leading to the development of praise and worship, schools, halls, recreational centres and have access to higher and overseas education and training for their children. They eventually become one of the most successful lots in the country for which we pay tribute to FDB.

However, Mr. Speaker, Sir, as our agricultural sector began to decline, the FDB being conscious of that fact remained viable as sought to expedite to lend small traders and even corporations. In that pursuit, the Bank itself, Mr. Speaker, Sir, was caught up in competition with other trading financial institutions in the country and this has led to the Bank taking steps which has seen more farmers now moving on to borrow from other sources than the FDB because the competition within the banking sector. So, the question, Mr. Speaker, Sir, is where are the founding values of FDB today?

Secondly, Mr. Speaker, Sir, the FDB has lost a lot of its farmer customers because the Bank, like several other financial institutions in Fiji has forgotten about its social obligations towards its core lot of customers, and that is the farming community.

It is quite evident, Mr. Speaker, Sir, when it scrutinised a 2017 Annual Report with only 19.7 percent in the agricultural sector, compared to wholesale, retail, hotels and restaurants which amount to about 22.2 percent.

The FDB, Mr. Speaker, Sir, could had used a part of its profit to assist the farming communities around Fiji and encourage more agricultural activities, thus attracting more customers to itself as a

farmers Bank. It was, therefore, a little wonder by the farmer unions and industrial associations who had always advocate for a farmers' bank.

The issue of banks, Mr. Speaker, Sir, or financial institutions, fulfilling the social obligation is raised and addressed in some detail in the Report of the Committee of Inquiry into the Financial Institutions of Fiji of 1998. It makes an interesting reading on the banking and finance sector in Fiji, Mr. Speaker, Sir and the expectations of the people of Fiji in relation to this.

Thirdly, Mr. Speaker, Sir, I would urge Honourable Members to revisit 50/50 by year 20/20, the Soqosoqo ni Duavata ni Lewenivanua (SDL) Report based on with the Affirmative Action Programmes were adopted by Parliament in December 2001.

It gave a basis for the establishment of the Small and Medium Enterprises (SMEs) Act and initiative which opened another doorway for FDB to begin to lend and trade with small and emerging traders. But, Mr. Speaker, Sir, the initiative was again excused by the policies and programmes undertaken by other lending institutions, that began to give a short terms small loans to traders. The failure on the part of the FDB to come up with the counter siege, failed the Bank to expand to its customer base.

Mr, Speaker, Sir, in supporting the motion before the House of the Government guarantee to FDB as an ongoing exercise, I wish to echo a statement as expressed by our Honourable Leader and other Members who have spoken before me, to examine the rule and governance of FDB as need be, revise and strengthen it to become a viable financial institution leading up to the interests and aspirations of the people of Fiji.

With those few words, Mr. Speaker, Sir, I support the motion before the House.

HON. SPEAKER.- Thank you, Honourable Member. Honourable Niko Nawaikula, you have the floor.

HON. N. NAWAIKULA.- Honourable Speaker, I wish to make a short contribution. At the outset, I wish to say that this side of the House supports the motion but we wish to say a few cautionary words to the other side and to FDB.

The motion is asking for Parliament to approve that Government provide a guarantee of \$160 million for the repayment of short and long term bonds, promissory notes, term deposits, other short term borrowings to the Bank as well as a guarantee fee.

Now, in my opinion, Honourable Speaker, we assess the situation on whether or not to agree to this, not so much on the basis of the profit and loss which is outlined in the Annual Report of the Bank. But the basis of our agreeing to this is to question whether the Bank is attending well to its social responsibility.

The Honourable Attorney-General has stated quite correctly of the non- profit. This is the reason why we set up the Bank and this is the reason also why this side of the House is asking that side of the House, why are you selling all these government owned companies because these government owned companies also have the same purpose, to have a social responsibility.

I can define that in another way, it is to ensure that we as legislators attend to the common good. It is to ensure that the marginalised, the poor and those who would not have been entitled to these benefits, do get their benefits in accordance to their human right. We all have a right to good reading, we also have a right to do this and that and the Bank as well as these good companies guarantee that.



Today, we ask the other side of the partnership between the Government and private hospitals, for the same reason because we are concerned that once it becomes privatised, money becomes priority and that has happened exactly to the Bank. I look at the Bank and I compare it to a stray dog. This Bank is like a stray dog.

We nurtured it, we looked after it to look at a specific function, which is the social responsibility. But it has strayed away from that. Very specific!

If you look at how it was started, the functions of the Bank in 1966 were very very clear - to facilitate and stimulate the promotion of development of natural resources, transportation and other industries and enterprises” and listen to this. It says, “The Bank will still give special consideration, and priority given to the rural agricultural sector.” So those are what I am calling here, the social responsibility. That is what common good, to ensure that these people have the right to have access to money. I am saying today that the Bank has straightaway totally condemned.

Honourable Gavoka has pointed out about 15 customers for loan a total of \$97 million. It says there that these are the retailers, hoteliers and the few others. And only today, I pointed out how one such company, Vatulele Island Resort, managed to borrow \$10 million.

It is now being refinanced by Home Finance but still our local Bank. The money of \$10 million that would have otherwise been assigned or been used for, for its purpose, its social responsibility. Not only that, some of these are investors who are coming from outside and they are using our native land for security.

That is the reason why I am saying that this Bank has failed away from its original function, and that is the gist of what we should be asking ourselves before we agree to this. Are we agreeing to this because the Bank will only serve these 15 individuals? The answer clearly is ‘no.’ We will be failing in our responsibility as legislators, as guarantee of the social responsibility of the common good of every individual who should be entitled to the basics of life, the basic understanding of this.

I am sure, if you now go to the rural areas, most of the people there are not getting money from the Bank because it is too cumbersome. They prefer Bank of Baroda, CCSLA, and the figures will show that, because the very institution that we created to look after these people is not doing its job. The fear that I am saying now is that, we are approving this to benefit only a few, because the Bank has strayed away from its usual original function. It has become privatised. Its priority is money and it has forgotten all those people whom the Bank was entitled to or was created for, and that is very important. You look at the SME, why do you have SME when you have a bank? That is an indication from the other side they do not even trust what the Fiji Development Bank does.

They are giving out this money when all those should have been administered by this, not giving out. So what they are doing now is giving out handouts, handouts here, handouts here and handouts here, that is not the way. The concern and the caution that I wish to tell this House is, “look, we agree to this but please go back to the Bank and tell them they are doing their job, they have strayed away from their responsibility, please come back.”

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

HON. LT. COL. I.B. SERUIRATU.- Thank you Mr. Speaker, Sir. I wish to contribute to the motion and state my strong support for the motion before the House. I was not intending to make a contribution but because of my friend’s recent statement, I just want to make a few.

He is talking about the Bank deviating from its social responsibility, I am talking about SMEs. One of the biggest beneficiaries out of Fiji Development Bank's SMEs and social responsibility is Vanua Levu.

HON. OPPOSITION MEMBER.- So?

HON. LT. COL. I.B. SERUIRATU.- I do not know when was the last time he went to Vanua Levu.

(Honourable Member interjects)

HON. LT. COL. I.B. SERUIRATU.- Honourable Speaker, Sir, under this Government, FDB has a facility in Taveuni which was never in existence before.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. LT. COL. I.B. SERUIRATU.- Honourable Speaker, Sir, we also have an FDB Branch in Nabouwalu now under this Government.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. LT. COL. I.B. SERUIRATU.- And yet he is asking this honourable House if FDB is still focused on its initial purposes and not stray away from the very intension in which it was target for. As I have stated, Honourable Speaker, Sir, Government in 2008 introduced the Northern Development Programme.

When we talk about equities, Government provided the equities for the subsistence, the rural dwellers and even those that wanted to setup their SMEs, and then the bank. FDB was the only bank that was willing to partner with Government for the implementation of the Northern Development Programme.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. LT. COL. I.B. SERUIRATU.- If you go to Tukavesi, you will see fishing boats. If you go to Udu, Namuka, Bua, Taveuni in wVanua Levu, the farmers are one of the biggest beneficiaries of this project and of course the assistance provided by the Fiji Development Bank.

And I talk about the iTaukei cane farmers as well, Honourable Speaker, Sir. If you are a new cane farmer, you do not qualify for loans from the Growers Fund, but it is through the Fiji Development Bank that most iTaukei farmers, almost all iTaukei farmers, if they want capital to help them in the establishment of their farm, they can only get that financial assistance through the Fiji Development Bank.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. LT. COL. I.B. SERUIRATU.- Honourable Speaker, Sir, it would be interesting if we go back and see what the loan portfolios were like prior to 2006 and 2007.

When you are talking about the allocation and the sectors, very, very interesting, Honourable Speaker, Sir. But you would note that over the years because of the restructure and the reforms, the Fiji Development Bank, and again I do agree with the Honourable Leader of the Opposition, congratulations and we need to acknowledge the Board and the Management for turning the institute around; definitely we need the Fiji Development Bank.

In agriculture, the linkage between the Ministry of Agriculture and the Fiji Development Bank is very clear. Government has pumped more money now into the Ministry of Agriculture. I have stated it in Parliament on a few occasions previously, Honourable Speaker, Sir. In 2013 probably, the agriculture budget was just around \$40 million. This current financial year, we are hitting \$100 million plus. That includes the contribution from our partners as well. So what is the linkage between agriculture and FDB?

The Ministry of Agriculture helps our farmers to graduate from subsistence into the semi-commercial level. That is when FDB picks up these farmers so that they can then graduate into fully commercial or even at the semi-commercial level.

Honourable Speaker, Sir, that is why you will see slowly, once agriculture has established the processes and systems, market-driven, research-driven, there will continue to be more allocation in the agriculture sector because of the current arrangement and the improvements as well that has been done in the Ministry of Agriculture which has been stated by the Honourable Minister.

Definitely, we need the FDB but I must also say, Honourable Speaker, Sir, that FDB has not deviated from its original purpose but of course, that social responsibility element, at the end of the day, we must also understand the fact that the FDB has to survive, the FDB has to make money as well. Therefore, it is not only about social responsibility, of course. Government has that social responsibility but at the same time, they have to ensure that it is run properly so that it can serve the purpose that it was established for but at the same time, be able to run their own activities with the funding that they receive.

I strongly support the motion because most of our rural dwellers, particularly those in the rural areas benefit a lot from this and of course, we are seeing slowly the significant improvement, particularly in the agriculture and fisheries sectors because of the FDB. Thank you, Honourable Speaker, Sir.

HON. SPEAKER.- Thank you, Honourable Minister. I will now give the floor to the Honourable Ro Filipe Tuisawau. You have the floor, Sir.

HON. RO F. TUISAWAU.- Thank you, Honourable Speaker. Just a few comments and observations regarding the current motion and I thank the House that we are given 20 minutes. It is a good opportunity because since we started, I have noticed time limitations on a lot of things in the Standing Orders. I think we should make use of it.

Just to start off, I noticed in the Annual Report, there are two Chief Executive Officers, not only there but in other organisations like Housing Authority as well. So I was wondering what Government is doing about that; this practice of multiple CEOs in one organisation through a period of time. For FDB, there were two local Chief Executive Officers but now there is an expatriate officer. So there is a proliferation of expatriate Chief Executive Officers in the country.

The question is, we seem to be moving away from our strategy after Independence to develop local management in terms of expertise, knowledge and experience. So, it seems to be a reversal of what we were aiming to do from Independence in 1970 and it is no different with FDB. We have had two CEOs and now we have an expatriate officer so that is our concern, not only there but also in general, nationally.

The second element of my contribution, Honourable Speaker, FDB as we understand, needs to focus, as emphasised by Honourable Minister Seruiratu, on the SMEs but it seems that we are saying that, but on the other hand, we are creating regulations which hinder that. For example, last year this

was issued by Minister for Local Government, the Declaration of Rural Areas for Designated Municipal Councils and I see this as a hindrance to the support for SMEs and also in terms of SMEs ability to use the organisation such as FDB.

In this Gazette, there is a requirement here for building permits to be passed for those who are developing businesses, for example, in rural areas before they could pass those building plans for example in Vunisea, Kadavu. But in this Gazette, they are required to bring that to Suva. So if you are wanting to start an SME, a small tourism accommodation or backpacker, they have to bring that plan to Suva to be stamped and approved rather than in Vunisea. So this, Mr. Speaker, I consider hindrance and not only that, they have to pay high fees. So I am requesting the Minister if they could look at this particular Gazette under the Local Government Act, No. 71 of 1<sup>st</sup> August, 2018 which I consider a hindrance to SME development and also when that requirement is there, it hinders their ability to access FDB funds.

The third one I had was the total portfolio. When you look at the Annual Report it is \$438 million for both the focal and non-focal sectors. The question is; how much of that is lent to foreigners who come into Fiji as investors? I notice that some of them come in as foreign investors but in the process after one or two years, they become Fiji citizens. I have actually looked at one or two. And in that process they use FDB funds. The Honourable Minister of Trade and Commerce, that is something you might need to look at in terms of foreign investment coming in, but they are not bringing in any money or maybe just a little bit and then utilising this guarantee which we are trying to approve today.

(Chorus of interjections)

HON. SPEAKER.- Order, order!

HON. RO F. TUISAWAU.- The other one I had was a concern regarding, I am just looking at the FBC Annual Report, page 45, Related Party Disclosure Fiji Development Bank, amounts payable 2017 - \$30 million, 2016 - \$15 million, 2017 - \$30,000 from FDB. So, are we guaranteeing funds to FDB to be loaned by another entity which is funded by Government? It is confusing to me, how the movement of funds happens in terms of government guarantees, funding a government entity and then loaning from public funds. Just an observation, I am not saying it is bad thing, it could be good or bad.

The last part, I know FDB is not doing it now, but I consider that as an exploitation of FDB in terms of the \$1,000 grants to SMEs. When that was being processed, they had nearly a million applications which was piling up in their office.

(Chorus of interjections)

HON. RO F. TUISAWAU.- Not \$1 million, maybe \$0.5 million.

(Laughter)

HON. SPEAKER.- Order, order!

HON. RO F. TUISAWAU.- So, please do not stress them with that kind of work.

And the last one, Honourable Speaker, the Global Climate Fund. The Minister had mentioned that FDB is accredited which was on the 12th October, 2017, I just checked the website, so 12th October, 2017 up to now, it is more than one year and the question I had was, what project has that funded, because in the Annual Report there is none there. That is something we would like to query too

because that particular funds with FDB is an accredited Green Climate Fund institution which needs a lot of capacity within to do or to carry out that function.

The question is, does that entail more funding, a lot more staff, et cetera? But at the moment, there is no new project which is initiated under them probably into the future. So that is the last part of my observation and even though it seems that I am criticising the motion, I support my leader in supporting this motion. Thank you.

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

HON. DR. M. REDDY.- Honourable Speaker, this is a simple motion. The motion is about giving a guarantee to Fiji Development Bank to raise funds. The bank needs funds to lend money on one hand, the Honourable Members are talking about lending money to various initiatives, for example, small holder SMEs, et cetera.

Honourable Speaker, where will the bank get the money from? They cannot pinch money, they have to borrow money. Honourable Speaker to borrow money, lending institutions should ask the bank who would cover in case there is a liability, there is a failure to pay out. So, what the bank is asking is obviously it is our bank, for us to give a guarantee that in case they are not able to pay up, Government will.

Honourable Speaker, this is not a new thing, we give guarantee to FEA to borrow or a number of other institutions, EFL, et cetera. Honourable Speaker, we give them a guarantee so that they can go and use that saying that “Look, we will pay, we want to borrow, we will pay in case this Government ....”

That is all we are asking. I do not know why they are making all kinds of “song and dance” here talking about other things, get the real things. I support the motion, Honourable Speaker.

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

HON. M.D. BULITAVU.- Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- Order!

HON. M.D. BULITAVU.- My contribution to support the motion which is before the House as moved by the Honourable Attorney-General and Minister for Economy and I also thank him on the \$4.4 million subsidy. I think that was part of our last debate when we had debated on the same guarantee so that has somehow lessen the burden of the various key sectors of the economy that has been directed to.

But again some of the suggestions would be that the bank lists down the various key sectors which this subsidy goes into and I agree with the Honourable Leader of the National Federation Party on how FDB will actually make in those particular areas, make them aware of the subsidy that is there on the awareness programmes, going into the various communities.

I agree with the Honourable Minister for Defence that during previous the Government in the Northern Division there were FDB offices in Labsa, Savusavu and in Seaqaqa. FijiFirst Government will soon open up in Nabouwalu and in Tavenuni, so it goes on as the economic activity expands in those areas and the economic spin get established in that area, the bank will actually setup there for the benefit of those customers that are there.

There are some issues in terms of services of the bank to the people in terms of making those risk management programmes to teach rural communities on financial literacy on how to become successful entrepreneurs, to come from subsistence to semi commercial into major commercial, right to investor level. This is an area where I call upon the Government for various activities and programmes to help our people access the bank and these programmes could be springboards to help them reach the bank and the requirements of the bank.

Sometimes the requirements of the bank are very high even for NDP when it came up, most of the rural people could not access that in the Northern Division because it required a lease, and in the requirement of the lease, they have to pay for the offer letter and offer fees with iTLTB which is about \$4,000 and say, \$6,000 for other costs, for them to reach those particular costs, to pay those costs in order to secure the requirements that are needed by the bank. That is another barrier, and I call upon the Government to open up those barriers and to allow our people to access into the various programmes that the bank offers.

The other thing, Mr. Speaker, Sir, also I call upon the Prime Minister and Minister for iTaukei Affairs to relook at the commercial loan schemes that was initially for the iTaukei Affairs or Fijian Affairs.

In terms of landowners' partnership with iTLTB to own real estate properties in urban areas and towns, that is how the following Houses were established:

1. Ro Lalabalavu House;
2. Suvavou House;
3. Macuata House;
4. Labasa House;
5. Kadavu House, and
6. in the Western Division.

That is how we the iTaukei people were accelerated into the commercial sector because there were policies in place. In terms of this commercial loan scheme that was there which was created by FDB before and I plead to the Honourable iTaukei Affairs' Minister to look into areas where landowners' resources can be utilised commercially, not only into trying to get their lease monies as a deposit for them to secure an investment but also look into other areas where they become key stakeholders in the areas. For example the Forestry Industry, we have heard a lot from the Minister of Forests but we cannot see how the indigenous people can really participate in the industry.

In terms of buying trucks, bulldozers, big machines, we intenders in those areas become the contractors in the area. I have talked to many who are currently contractors in some of Fiji Pine cutting in Vanua Levu, in Macuata and Bua, but the problem they face with the bank is the contract they go into; the payments are inconsistent and it affects their loan repayments. Those are some of the things that have come up and some have closed down and wind up because they were put into an environment or atmosphere where they were not incubated financially and for the bank to monitor their performance, for them to grow to another level as commercial participants.

Another thing, Mr. Speaker Sir, in terms of landowners, indigenous iTaukei people in getting Water Authority contracts in terms of vehicle and other machines' hiring in order to secure those, sometimes most of the iTaukei operators or other operators who managed to get one or two twin cabs into that kind of system, in a week they can only run once or twice if the LPO is out.

(Honourable Member interjects)

HON. M.D. BULITAVU.- Sometimes they do not get enough profits and they cannot pay up their loan repayment on time and sometimes the bank can be very harsh on them and they run after them for slow repayment and late repayment. Those are some of the things that probably the Honourable Minister for iTaukei Affairs can look into its research and development unit on how to develop, not only that, Sir, let me also look into how the bank can also assist the iTaukei, especially as VKB members under the NLTB, given that the Honourable Minister for iTaukei Affairs and also the Honourable Minister for Economy, they are our reps for VKB members at the Fijian Holdings Limited.

Also the dividend that falls from Fijian Holdings Limited to iTLTB and also the iTaukei Affairs Board, how those dividend can actually benefit and how it trickles down to the real VKB members, and how we can collate that and set up businesses because our strength is in our communalism or *solesolevaki*.

(Honourable Government Member interjects)

HON. M.D. BULITAVU.- You do not know, you do not have it, and that is the system that only iTaukei will be able to move forward and benefit from this, and we have not heard from the Honourable Prime Minister and Minister for iTaukei Affairs on how our dividends from Fijian Holdings Limited has benefited us as a VKB member or probably it must have gone somewhere to the board and the board has used it for other investments but again how iTaukei Affairs can partner with the *yavusa* and *mataqali* and the various *yasana* and *tikina* to build up things that will broadly benefit everyone, their own commercial schemes in the villages, how they can set up their shops, ice-plants and everything that will help.

(Laughter)

HON. M.D. BULITAVU.- The ice-plant that has been brought by the Honourable Minister for Fisheries, sometimes is not in operation, Sir. It does not meet the commercial standard, sometimes the engine is off or there is no fuel, we need consistency.

The other thing, Sir, is that, if I can refer to the Honourable Minister for Defence. One of the biggest problem is the market. They have been harping about the market in the last four years from the villages in Nayarabale, go up to Cakaudrove, they are grog farmers. Once he had talked about clusters, you have been talking about clusters, how to cluster these farmers to benefit all the *yaqona* grant and all those *dalo* grant but again if they are form clusters because Agro Marketing Authority (AMA) has failed. They come with a low price and sometimes they do not come regularly as they promised and the *dalo* sometimes rot there and sometimes the other crops too rot there, Sir.

For *dalo*, now middlemen are buying *dalo* for say, \$0.80 per kg, so they are losing a lot and their supply chain. From the farm gate, right to the export market. That chain this Government has not established and the various programmes that were targeted to connect all these chains to make things available for them at what place they will actually fall into the basket where the Honourable Minister has said.

(Honourable Government Member interjects)

HON. M.D. BULITAVU.- But again that is not the issue. That is the problem with the Government too, Sir, on the types of financial literacy, one time the Honourable Minister for iTaukei Affairs had spoken in the House and talked about that iTLTB has now opened up a programme on financial literacy.

Again, we do not see any of those coming to our villages. We cannot blame our people to be 'vucesa' or they just do not know commercial things. They need to be equipped and the Governments needs to ...

(Chorus of interjections)

HON. SPEAKER.- Order, order!

HON. M.D. BULITAVU.- And the Government needs to bring all these programmes to equip us on how we can be financially powerful and equipped in moving into the commercial environment and to accelerate into that.

I think most of the things I am saying, the Government will consider and whether the Bank will actually pick up them and where the Governments needs to prepare them to reach that point, it is where I am speaking from, Sir.

It is very, very important for our people out there who are listening because most of the time when we moved around to our constituencies, these are the very issues that they bring up. How can we get loan in this? How do we secure this?

Even if you go around in Vanua Levu at the Provincial Office or go to the District Office (DO) or Provincial Administrator's Office, they do not even have the budget estimates, the book. When we go around the villages they asked, is Government providing this? It has been already announced in the Budget but they do not know. How will they know? It is only when the information is disseminated to them.

I think there is a major role to be played by our civil servants in our various Divisions but again, the onus in on the Ministers to give those directions to them and only they will be able to see where money has been put by the Government and what are the requirements that they will need to meet those requirements to gain access to those particular tasks. Those are few things, Sir.

Mr. Speaker, Sir, I would like you to know, in support of this motion and also the Honourable Minister for Trade is laughing away, again, SMEs, she is just three or four months into the new portfolio but again, we look forward to the day where she will bring to the House the review of those SMEs on how they are actually surviving. How many have gone up to semi-commercial? How much have gone up to commercial? And sometimes the success rate, whether they have done a review on that. The failure rate too. A few months ago, I came to Bua and Macuata, some of their officers coming around there were looking for people that they gave the grant to whether they used it for the right reason or not, and the Police CID are also following them. That shows that they were not incubated, they were not trained before they were actually brought into the system.

Sir, I support the motion before the House and also ask the Honourable Prime Minister to reconsider plenty things that used to be, that came from the nine-point plan of the SVT Government and also from the 50/50 by 2020 Affirmative Action Plan by the SDL Government which still issues and could be the solution to accelerate indigenous Fijian into the commercial sector. *Vinaka vakalevu.*

HON. SPEAKER.- Thank you, Honourable Member. Honourable Kuridrani you have the floor.

HON. I. KURIDRANI.- Honourable Speaker, in support of the motion, I want to thank the Government for this continued initiative in helping the FDB. As a former FDB officer, I acknowledge this move and I am proud to note that two of my work colleagues have reached the Chief Executive Officer level according to the Annual Report of the FDB; Mr. Nafitalai Cakacaka and Mr. Saiyad



Hussain. Thank you so much and thank the FDB staff for the hard work to achieve this achievement shown in this Annual Report which is a healthy loan portfolio.

But my concern is this, if the Government when giving this guarantee facility to the FDB, if they can consider making a condition with the guarantee that this guarantee is only covered by the local investors. Of course, I have noticed that most of the overseas investors that come into Fiji, they also took loan from FDB are covered in this guarantee. My concern is, if Government can consider putting a statement or a condition with the guarantee to be only covered by local investors. Thank you.

HON. SPEAKER.- I thank the Honourable Member. Honourable Aseri Radrodro, you have the floor.

HON. A.M. RADRODRO.- Thank you, Honourable Speaker. I rise to speak in support of the motion. My contribution will be a short one. I know Honourable Members on the other side of the House are agitated and wanting to rush home, but my contribution will not keep you here for more than 24 hours, just like the Level 9 Meeting. Speaking on the low-hanging fruits, my contribution, Mr. Speaker, Sir, will be just probably requesting the Honourable Attorney-General on the compliance issues regarding the motion that is before the House today.

Last year, when we talked about the motion in one of the annual discussions on the motions of the FDB guarantee, the period of the guarantee was from January 2018 to December 2018. The motion that is before the House now is from 1st March, 2019 to February 2020. As the Honourable Attorney-General being the mover of this motion, he knew very well about the expiry date of the current Government guarantee and he did not have the guts to inform the House. Why did he bring this motion at this time, when the existing guarantee expired in December 2018?

I know he might have said about the utilisation of the guarantee, but do we still need \$160 million, if the utilisation rate of the Government guarantee is still less?

That is one aspect of the contribution that I would like to make this evening, Mr. Speaker, Sir. I would like to remind the Honourable Attorney-General, when he spoke on the similar issue last year, as the 50th Anniversary for the FDB, he also mentioned that the Bank would give out \$5,000 fee free to all those who are interested within the first six months, as mentioned by the Honourable Prime Minister. We would like to request the Honourable Attorney-General to advise the success rate for those who have applied and utilise that \$5,000.

Similarly, Mr. Speaker, Sir, the Honourable Attorney-General also mentioned that the new CEO will be appointed after the existing CEO at the time, as stated in the report, retired in March 2017. But in this report or probably the Honourable Attorney-General can correct me, it is still showing that there are two CEOs, showing that they are both acting as Chief Executive Officers. That is contradicting what he had informed the House the last time the Government guarantee of FDB was brought into the House. Thank you very much Mr. Speaker, Sir.

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

There being no further Members wishing to participate in the motion, we will move on to the next stage of this motion and I give the floor to the Honourable Attorney-General for his right of reply. You have the floor, Sir.

HON. A. SAYED-KHAIYUM.- Thank you Mr. Speaker, Sir. What turned out to be what was actually a very simple motion in respect to something that do in a yearly basis turned out to be quite a

fanfare. And, of course, I call in particular the Honourable Nawaikula and Honourable Bulitavu, the paragons of meandering. In such meandering, they lose track of what they are saying themselves.

Mr. Speaker, I would like to very quickly in respect of what the last speaker, Honourable Radrodro, of course, I do not have the figures here with me about what he is asking about success rates, which was given out last year, we can provide that at a later date. Of course, whether the success rate can be measured within six months of the money being given, of course, it will be silly of us to try and measure the success rate then.

There is quite a lot of things that had been said, I would like to start off, of course, with the Honourable Leader of Opposition, who in fact was rather succinct compared to the rest of the Honourable Members and perhaps they should follow suit. Nonetheless, he talked about why was the profit margins low in 2007-2008. There are two issues, one of them, of course, a lot of legacy issues in respect of cleaning up the books of FDB. There were number of bad loans that were made.

One, of them, of course, was going on about foreign borrowers, and Momi is a classic example. They actually lend to a company and a person who actually headed Momi project, who is currently in a New Zealand prison and he was a foreigner. And if you look at the books, FDB, sought his equity contribution and guess what, Mr. Speaker, Sir, they took his so-called intellectual property as his equity contribution and lend money, together with FNPF. And here they are standing up talking about foreigners when willy-nilly, he was giving money to people who actually did not deserve it. Absolutely none!

The second issue, of course, Mr. Speaker, Sir, are things like Equity Investment Management Company Limited (EIMCOL), as the Honourable Leader of the Opposition is aware of during his time of Prime Ministership post-1997, a lot of funds were given to people, who actually did not deserve it.

In fact, what Honourable Bulitavu was going on about which is ethnic profiling, the danger of ethnic profiling, Mr. Speaker, Sir, is when you start lending people based on ethnicity and not on need, guess what happens?

A number of today Class A shareholders in Fijian Holdings, private individuals got loans from FDB which was then written off or paid off but they did not pay a single cent and today, they are reaping the benefits of that. Many of them. This is precisely the reason of ethnic profiling, not on needs, not on which person who needs it because they have a low income level, it was based on that.

Now, Mr. Speaker, Sir, another point that the Honourable Leader of Opposition should also note, apart from the bad debt situation and the unfortunate lending that took place, in 2007-2008, we were affected by the Global Financial Crisis (GFC). And because of GFC, the interest rates, of course, throughout the world, the ability of the liquidity being sucked out from the system, GFC then caused the interest rates to go up. So obviously when the FDB went out to borrow from the market, the interest rates were very high and, therefore, the margins they had in respect of when they all lend the money, it was very, very low and therefore it affected the margins.

Now, Mr. Speaker, Sir, in respect of the FDB philosophically, what Honourable Nawaikula read out is exactly what I had read out, in respect of the focus on the Agricultural Sector. But, what Honourable Gavoka had mentioned about the development banks in other parts of the world closing down, yes, it is true. But also that is a recognition of the fact that the demands in the market for a development bank will change over a period of time.

In 30 years' time, if the FDB is not lending in new areas, it will be problematic because society changes, demographic changes, your economic sectors which actually needs to gain prominence

actually changes, so the development bank needs to be focused on the development needs. Of course, at that point in time, agriculture was the focus and until today, agriculture is a focus because we have not actually made much room in that space. We have not actually forged ahead in that space.

They talked about the debt portfolio and, 'yes', it is true but if you look at the percentage of the number of loans, it is actually quite high -the accounts, but the value of the loan is obviously low. Now, they talked about, why we are lending to other individuals or companies?

Mr. Speaker, Sir, anyone that understands a little bit of banking would know that you need to be able to, in particular with the bank like FDB, you need to be able to lend to certain customers where you can charge interest rates up to 12 percent to 13 percent, 8 percent to 9 percent. And then when we get that margin from there, then you can lend to someone at 3 percent. That is what you call cross subsidisation.

What Honourable Nawaikula and Honourable Bulitavu were talking about was basically handouts. He cloaked it, he have his façade a social responsibility. They come to this Parliament on numerous occasions for the past four, five years saying that debt is too much, cut down the, '*dinau*'. They go around campaigning and say; "Cut down the debt." What is he talking about, where will he get the money from?

HON. OPPOSITION MEMBER.- Handouts.

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, the whole thing about managing your books, managing your budget is a balancing act. You need to balance it. For example, a person today who goes to get a birth certificate extract pays only \$2.25. That does not cover even the cost of the paper, the printing, the ink and the personnel cost but we do, do that because we can make money in other areas and we cross subsidise. That is how the bank operates.

There are certain customers of yours, where you can charge higher rates and FDB in fact, has been in the process and has actually done this, where they provide what you call "mezzanine funding". I think someone provided some information on the other side saying, "there was one particular customer, they lent to them and now they are with HFC." That is precisely what FDB does.

They take a higher risk, they whack on the interest rate, when the business then takes off, then the commercial banks are interested in taking off that particular business. That is what happens. That is what you call, that is the entire purpose or the role of the Fiji Development Bank, to develop that particular company, develop that particular sector, when it is up and running, they go to the commercial banks. We then bring in someone else who cannot be developed and then we provide them with the funding. That is how the system works. It is very simple. I cannot understand this kind of conundrum that they are trying to create.

Mr. Speaker, Sir, they are saying, I think I have highlighted, "only lend to Fijians, do not lend to foreigners". If you look at the percentage of foreigners who have actually benefitted from this, it is very, very low. The reality is, they said, "let us not lend to them" – Sheraton, Westin, they are all foreigners. FDB, I do not think lent to them but they came, they set it up, they put in their money, guess who owns it today? Fiji National Provident Fund.

All of you who are members of FNPF are actually shareholders in that. We are shareholders in Intercontinental, so sometimes foreign capital, foreign expertise and foreign input is actually good for us because it provides us with that impetus. It also creates jobs. So, do not be so xenophobic. You are so xenophobic about things. They do not have an open mind. We live in a globalised world. One person becomes a CEO of FDB, who is an Australian, it is as if the whole House is crumbling down.

Mr. Speaker, Sir, again, I want to highlight again the issue about the agriculture sector as I have highlighted that about the portfolio. We have new areas now that FDB is funding, one is renewable energy. We have been talking about renewable energy. There are a number of companies that have set up in Fiji. If you go to, for example, to Port Denarau. The entire Port Denarau facility, in one of the buildings, is covered now with solar panels. A number of hotels are actually getting to that space. There is a company called Sunergise that is actually helping us with the new hybrid system providing electricity. We looked at another 10 to 12 other villages in rural areas that cannot be connected to the grid because they are too far away from grid or they are on islands. So obviously, we have provided funding for that particular purpose.

They talked about hand-holding. The application that the Minister for Industry and Trade, with the Micro-Finance Grants that we do give, the reason why it is channelled through FDB is precisely for that reason. The Ministry assesses the applications. Then we tie it up with FDB so if I go along and I have three pigs, I want another two pigs and a pigsty and I get up to about thousand dollars, now if I am getting to be a bigger pig farmer, then obviously FDB will come along and fund me and say, "This guy has done well." That is the whole purpose of it.

So I have become a customer for FDB through Micro-finance Grant but if you look at our Manifesto and if you hear the announcements that we made in the Budget also, which we hinted at, we are also currently with the RBF exploring the setting up of a Micro-finance Bank which will actually do well because if you look at most of the commercial banks, they are not in the space of microfinance. And obviously it is not sustainable for Government for the next few decades to keep forking out a thousand dollars. But we have now made a start and it is actually working well. The success rate is very high compared to international benchmarks, so that will again provide impetus, they can then graduate from Micro-finance Bank to the FDB.

Mr. Speaker, Sir, the other issue that I wanted to highlight is, again I wanted to talk about the social responsibility aspect of it. We have, Mr. Speaker, a Bank that has a very healthy balance sheet now. They had been able to clean it out, it is not peculiar, for example, for the FDB to lend to Government-related entities. They have lent to Fiji Hardwood Corporation Limited years ago, from Mr. George Speight years' time. The FNPF lent to them too. There are many other organisations that are State-related that FDB has lent money to. He picks out only on FBC.

Mr. Speaker, Sir, the reality is that, when Government provides a guarantee, FDB is actually dealt as a separate entity because they have a separate balance sheet, they have a separate board, they have a separate rules regarding governance. That is precisely what we need to do; build not only Chinese walls, but actually perfect walls, demarcating the different entities that we do have.

Mr. Speaker, Sir, the former Minister for Agriculture, who is now Minister for Foreign Affairs and Defence has also highlighted that places like Waimiçia in Ra, we had companies that went and set-up there to buy *dalo*, buy cassava. They have actually shut down and gone away because no one can supply that. Places, for example, in Savusavu, not enough supply of *dalo*. Now in Bua, again not enough supply of root crops. So Government is actually going out with AMA saying, "Look, give us the supply." FDB is setting up office, saying, "will give you the money."

Mr. Speaker, the reality is that, as stakeholders, all of us actually need to have an input into it too. You cannot have handouts, you must actually work for it, and FDB cannot simply become a piggy bank without any financial backing. We need to have certain levels of financial discipline and, Mr. Speaker, Sir, therefore notwithstanding the fact that FDB is now on a good footing and the fact that it is running at a more commercially sound basis, it has not forgotten its mandate which is created by the statute and therefore FDB will continue to actually finance these areas.

Mr. Speaker, Sir, they are going on about the 2017 Report. I ask them to please turn to Page 24. If you look at Page 24, you will see a comparison of FDB with commercial banks;

- a) Sugar Cane Growing  
FDB - \$18.22 million  
Commercial Banks - \$0.10 million
- b) Forestry and Logging  
FDB - \$4.67 million  
Commercial Banks - \$32.7 million  
(Obviously bigger companies have got more capital, that is why the commercial banks actually lend)
- c) Fisheries  
FDB - \$3.57 million; and  
Commercial Banks - \$12.80 million  
(You would have your bigger fishing companies there)
- d) Other Sectors in the Agriculture Sector  
FDB - \$50.30 million  
Commercial Banks - \$23.60 million

You need to be able to look at where the commercial banks are taking the risk. Where is the risk taken by FDB? The reality is that we need to grow it and I would urge everyone, please, when we have these motions brought about, the reality is that, if we as Members of Parliament are here trying to upbeat an organisation, the Leader of the Opposition is upbeating the organisation but the rest of his Members are beating it down, but in the end they stand and say that they support the motion.

(Chorus of interjections)

HON. A. SAYED-KHAIYUM.- Beating it down and the reality is, what message are they sending? What message are they sending to the people who are going to buy these bonds? What message are they sending to them?

They will go, "Oh my god, this is a high-risk organisation."

My point is, Mr. Speaker, and I want to actually just read out the people who have actually invested in this organisation, and I have got it here:

1. Bank of Baroda at the moment has an exposure to FDB of \$149 million (These people have bought FDB loans and promissory notes);
2. HFC Bank has exposure of \$34.5 million; and
3. FNPF has an exposure of \$66.5 million.

Then you have term deposit by BSP Life Limited, Unit Trust of Fiji, Fijian Holdings Trustees, FBC, iTaukei Land Trust Board, iTaukei Trust Fund Board, Fiji Public Trustee (that actually has bonds), Merchant Finance, private individuals and private companies.

These people are seeing confidence in the Bank so they say, "let us put our money there"; then FDB uses that money and by the way it is Government guaranteed. "Let us buy their bonds because we are helping FDB but we make money in the process." So it is very important, Mr. Speaker, Sir, to give that level of confidence to these investors.

FDB is a very critical organisation, FDB has gone through many throes. It was managed well, was not managed well, the loan portfolio was not good, the debt system was not good, now the balance sheet has been cleaned up. We are very fortunate to have a gentleman like Bob Lyon as a Chairman of FDB who is now by the way a Fijian. He has come to us from ANZ with enormous experience, not just managing the Fijian operations but the entire Southern Pacific region. So we have people like him who are now actually bringing FDB into the 21st Century and we must support this organisation, we must try and ensure that the focus, of course, continues in agriculture but other growing sectors of our economy.

So with those few words, Mr. Speaker, Sir I would like to recommend that we unanimously actually support this guarantee notwithstanding the shenanigans that went on earlier on.

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

Honourable Members, the Parliament will now vote.

Question put.

The Question is:

For the purposes of Section 145 (1) of the Constitution of the Republic of Fiji and pursuant to Standing Order 131 (1) that Parliament approves that –

1. Government provide a guarantee of \$160 million for the repayment of the short and long-term bonds, promissory notes, term deposits and other short-term borrowings of the Fiji Development Bank for the 12-month period from 1st March, 2019 to 29th February, 2020; and
2. The Fiji Development Bank pay a guarantee fee of 0.075 percent on the utilised credit.

Does any Member oppose the motion?

(Chorus of 'Noes')

HON. SPEAKER.- As no Member opposes the motion, the motion is agreed to unanimously.

Motion agreed to.

Now there is a deathly harsh waiting for the Speaker to give another agenda item.

(Laughter)

HON. SPEAKER.- There is no other agenda item.

Honourable Members, we have completed our session for today. All that is left for me to do is to adjourn today's meeting to tomorrow morning when we will meet again at 9.30. The session is adjourned.

The Parliament adjourned at 7.23 p.m.