

PARLIAMENT OF THE REPUBLIC OF FIJI



PARLIAMENTARY DEBATES

DAILY HANSARD

WEDNESDAY, 26TH MAY, 2021

[CORRECTED COPY]

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WEDNESDAY, 26TH MAY, 2021

The Parliament met at 9.39 a.m. pursuant to adjournment.

HONOURABLE SPEAKER took the Chair and read the Prayer.

PRESENT

All Honourable Members were present, except the Honourable Ratu T. Navurelevu.

MINUTES

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

That the Minutes of the sitting of Parliament held on Tuesday, 25th May, 2021, as previously circulated, be taken as read and be confirmed.

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

Question put

Motion agreed to.

COMMUNICATIONS FROM THE CHAIR

HON. SPEAKER.- I welcome all Honourable Members to today's sitting of Parliament, those present in-person and those joining us virtually from across Fiji.

I also welcome all those watching the live broadcast and the livestreaming of today's proceedings from the comfort of their home, offices and electronic devices – thank you for your continued interest in the workings of your Parliament.

Honourable Members, we will now proceed to the next item. I now call on the Chairperson of the Standing Committee on Justice, Law and Human Rights to table his Report.

PRESENTATION OF REPORTS OF COMMITTEES

Review Report of the 2018 General Election Joint Report -
Standing Committee on Justice, Law and Human Rights

HON. A.A. MAHARAJ.- Mr. Speaker, the Honourable Prime Minister, the Honourable Leader of the Opposition, Honourable Ministers and Honourable Members of Parliament; I would like to begin by commenting that an election is a way people can choose the candidates of their preference in a representative democracy.

For democracy to be upheld, every country should go through a free and fair election. There are different ways to organise elections in different countries; in certain places, voters vote for an individual and in others, they might vote for a political party. Elections contribute immensely to democratic governance, which is achieved through representatives, who are selected and held accountable by the people.

Voting is the responsibility of each and every citizen. The law does not require citizens to vote, but voting is a very important part of any democracy. Fiji has had its second election under the new election system in 2018, whereby all eligible Fijians were given an opportunity to practise their right to elect who they wanted to represent them in Government.

Mr. Speaker, at the conclusion of the 2018 General Election, the election management authorities in Fiji, which includes the Electoral Commission and the Supervisor of Elections through the Fijian Elections Office, compiled a joint report on the same, which was then tabled in Parliament.

The Standing Committee on Justice, Law and Human Rights was referred the 2018 General Election Joint Report by the Electoral Commission, the Supervisor of Elections and the Multinational Observer Group (MOG). The Committee was then mandated by Parliament to review this Report and table its findings back to Parliament.

The Committee was mindful about what was recommended in the 2014 Joint Report, that an extensive review of the electoral system needs to be carried out after completion of the 2018 General Election. The completion of the 2018 General Election has allowed a cycle to be completed and has given a better understanding to the Committee, as well as the Fijian Elections Office and the Electoral Commission.

The Committee also noted that there has been a lot of calls made in Parliament for a bipartisan approach to conduct a review, and through the Joint Report, the Committee left no stone unturned when deliberating on the Joint Report and furnish a consensus report.

The Committee reviewed and conducted deliberations on the Joint Report. This Committee Report provides the process which the Committee followed in reviewing the Joint Report.

Findings from the Committee's report, review and recommendations with respect to the issues identified in the findings - the Committee, through consensus, identified steps to follow for its review, which included:

- (1) Initial analysis whereby the Committee made its first reading of the Joint Report to note any issues that merit further deliberation.
- (2) Mode of public consultation, in which the Committee, following its initial reading, identified suitable modes for conducting public consultation for the review of the Joint Report and resolved to call for written submission and conduct face-to-face consultation.
- (3) The Committee conducted awareness on the Committee's public consultation via newspapers and televised advertisements, and also sent out letters to political parties and allowed political parties to appear before the Committee with their submissions.
- (4) The Committee then conducted public consultation and was mindful of Standing Order 111(1)(a), and ensured that meetings were open to the public. From the issues noted, the outcome of the public consultation can be found in a later part of the Report under the heading, "Deliberation and Findings by the Committee".
- (5) The Committee then reviewed and deliberated on the evidence received during the public consultation. In its deliberation, the Committee felt that certain issues identified needed technical clarification and consulted with the Electoral Commission and the Fijian Elections Office through the Supervisor of Elections which, indeed, assisted the Committee's deliberation process.

- (6) The Committee, on numerous occasions, contacted the Supervisor of Elections on each and every point that was raised, until the Committee was fully satisfied by the explanation provided by the electoral management body.

Mr. Speaker, these steps were taken to ensure that the Committee did follow all due process before making its final decision and coming to a consensus on the recommendations that are provided in this Report.

In conducting extensive public consultation on the Joint Report through written submissions and visiting key locations around Fiji to hear the views of the public, there were some pertinent matters that were identified. Some of the main matters highlighted from submissions by the public on the 2018 General Election Report are as follows:

- That Fiji's electoral management body to collaborate with civil society organisations when conducting voter awareness and education initiatives for the public.

Additionally, it was also suggested that Fiji's electoral management body allows for inter-agency sharing of information that is contained in the national register of voters.

- Moreover, it was suggested that Fiji's electoral management body considers allowing that more is to be done to assist with voters being able to identify candidates when in the polling booth.
- Additionally, that more awareness be conducted on elections by the electoral management bodies prior to the next general election.
- Detailed explanation on the above paragraphs are provided in the deliberations and key findings part of the Committee's Report.
- The Committee also interviewed and consulted the Electoral Commission and the Supervisor of Elections, and deliberated on the views of the two independent Offices.

At the end stage of the review, the Committee believed that it has fulfilled its mandate of reviewing the Joint Report and from this, the Committee had identified a few key findings which are as follows:

- The Electoral Commission and the Supervisor of Elections are in the process of revamping their awareness strategy to include closer collaboration with the grassroots Non-Governmental Organisations, such as community women's groups, youth groups, et cetera.
- The commendable work by the Fijian Elections Office and the Electoral Commission, being the only electoral management body in our region, to consider and accept the recommendations by a MOG for any general election.
- Out of the 21 recommendations put forward by the MOG after the 2018 General Elections, 14 recommendations have been accepted and implemented or will be implemented by the Electoral Commission and the Supervisor of Elections through the Fijian Elections Office, as these were directed towards the two statutory bodies.
- Also to note, that out of the 21 recommendations put forward by MOG after the 2018 General Elections, seven recommendations were not directed either towards the Electoral Commission or the Fijian Elections Office. Thus, both entities did not have

the jurisdiction to either accept or reject the seven recommendations, since these recommendations, for example, should have been directed towards the Judiciary, the Constitution of Fiji, the media, et cetera.

- Considering the above two bulletpoints, it can be stated that the Electoral Commission and the Supervisor of Elections through the Fijian Elections Office, adopted and implemented a hundred percent of the recommendations that were directed towards these two entities.

For the information of Honourable Members, a detailed explanation on each and every recommendation by MOG is provided in this Report.

Also to note that, at least, seven recommendations from the 2014 General Elections have been given due consideration, that were not considered initially, since at that point in time it was very early to determine if these changes were necessary.

These key findings from the review were discussed and addressed with the Electoral Commission and the Fijian Elections Office. The Committee also believed it is prudent to make recommendations for the consideration of the Electoral Commission and the Supervisor of Elections, and these are:

- (1) Having gone through two cycles of General Elections under the 2013 Constitution, a lot of progress has been made in trying to simplify the process of voting, thus the Committee recommends that continuous review of the system be conducted to continue to further streamline the election process.
- (2) The Committee also recommends that it should be mandatory for all candidates to a general election to take part in the electoral processes training conducted by the Electoral Commission and the Fijian Elections Office.
- (3) Furthermore, the Committee recommends that more roundtable discussions be conducted with the Electoral Commission, the Supervisor of Elections and all key stakeholders pertaining to the electoral system and all related issues, so that conflicting messages regarding the election processes are not spread to the general public by relevant key stakeholders, especially political parties and candidates.
- (4) Additionally, the Committee proposes that more civic education be conducted in schools and communities, which would ensure awareness for registered and potential voters who would be eligible to vote in future general elections.
- (5) The Committee recommends that MOGs that are invited to observe general elections in Fiji are advised that recommendations should be classified to indicate an appropriate agency responsible to take action.
- (6) Moreover, the Committee recommends that the boxes to be ticked in the ballot paper are slightly increased in size to best fit the ballot paper, and voters are encouraged to vote within those boxes.
- (7) Finally, the Committee recommends that the Electoral Commission and the Supervisor of Elections continue its collaboration with CSOs and to formulate a terms of reference for awareness and education programmes on elections.

The Committee notes and applauds the work of the Supervisor of Elections and the Electoral Commission in conducting a credible election in 2018, and also for bearing with the Committee for the past number of months, giving explanation to issues raised by the Committee.

The Committee believes that it is very important for anyone reading through this Report to understand the whole electoral process, therefore, it has provided the following information in this Report, the:

- History of elections in Fiji;
- Elections statistics in Fiji since 1992;
- Legal framework governing elections in Fiji;
- 50 day writ to writ plan;
- Election process and polling processes;
- Election officials and their responsibilities;
- Election materials;
- Election security;
- Key electoral events;
- Voter registration;
- Nomination process;
- After nomination process;
- Final candidate listing;
- Voting process, that is, voting by ballot, postal voting and pre-poll voting;
- Counting process;
- Declaration of results; and
- Allocation of seats in Parliament.

I urge Honourable Members to go through this Report, as it is a very detailed report with regards to general elections and also this Report will give a very good understanding to Members during the debate.

At this juncture, I would like to acknowledge the UNDP, through the UNDP Fiji Parliament Support Project, for its financial support which enabled the Committee to conduct extensive awareness and visit various communities around Fiji and effectively conduct public consultation on the Joint Report. Moreover, the Committee acknowledges and support from the Speaker of the Parliament of the Republic of Fiji and the Acting Secretary-General to Parliament for the logistics and support provided to the Committee in conducting extensive public consultation.

Sir, I would like to show my appreciation to the Honourable Members of the Standing Committee on Justice, Law and Human Rights: the Honourable Rohit Sharma (Deputy Chairperson); Honourable Ratu Suliano Matanitobua; Honourable Dr. Salik Govind; and Honourable Mosese Bulitavu for their deliberations and input, the voters, elected politicians, members of political parties and representatives of Fiji's electoral management body, who accepted the invitation of the Committee and provided their views on the Joint Report, and for taking an interest in the proceedings of the Committee and Parliament.

Mr. Speaker, on behalf of the Committee, I urge Parliament that this Report be debated in conjunction with the three Electoral Bills that would be tabled in Parliament, as most of the recommendations, especially from the MOG, is reflected in the amendments and it would make sense to debate on the Joint Report before debating on the three Electoral Bills.

Lastly, I would like to thank the Secretariat staff; Mr. Ira Komaisavai, Mr. Jackson Cakacaka and Ms. Vinisha Darolin for providing support in compiling this Report.

Mr. Speaker, I commend the 2018 Bipartisan General Election Joint Report by the Electoral Commission and the Supervisor of Elections to Parliament. Thank you, Mr. Speaker.

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

(Report handed to the Secretary-General)

HON. A.A. MAHARAJ.- Mr. Speaker, pursuant to Standing Order 121(5), I hereby move a motion without notice:

That a debate on the content of the Report is initiated at a future sitting.

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

Question put.

Motion agreed to.

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

On the next agenda item, I now call upon the Honourable Attorney-General and Minister for Economy, Civil Service and Communications to move his motion. You have the floor, Sir.

GOVERNMENT GUARANTEE – FIJI DEVELOPMENT BANK

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, for the purpose of Section 145(1) of the 2013 Fijian Constitution and pursuant to Standing Order 131, I move:

That Parliament approve -

- (a) a Government Guarantee for the 12 month period from 1st March, 2021, to 28th February, 2022, which is the guaranteed period for the Fiji Development Bank;
- (b) the Government Guarantee sum of \$170 million for the guaranteed period; and
- (c) that the Bank pay a guarantee fee of 0.075 percent on the cumulative utilised guarantee credit.

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

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

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir. This is an annual feature where we come to Parliament to seek Parliamentary approval for the guarantee of funds to the Fiji Development Bank (FDB) to be able to go out and raise these funds in the market and then on lend.

Just, again, by way of background information, the Bank was established under the provisions of the Fiji Development Bank Act 1966 and opened for businesses on 1st July, 1967. Its special

mission is to provide development finance for projects which contribute to the development of the Fijian economy and help improve the country's quality of lives for all Fijians.

Pursuant to section 5 of the Act, Mr. Speaker, Sir, the Bank's function is to, and I quote:

“Facilitate and stimulate the promotion development of natural resources, transportation and other industries and enterprises in Fiji and in the discharge of its functions, the Bank shall give special consideration and priority to the economic development of the rural and agriculture sectors of the economy of Fiji.”

In the discharge of its function, Mr. Speaker, Sir, the Bank, this function under section 16 of the Act, may raise funds to the issue of bonds, promissory notes, term loans and other interest-bearing instruments. The repayment of such borrowings may be guaranteed by the Government in accordance with section 16(3) of the Act itself.

Mr. Speaker, Sir, the 2021 Government Guarantee request from the Bank will:

- (1) enable continued facilitation and implementation of Government policy by lending to essential sectors of the economy, particularly resource-based sectors; including agriculture, mining and quarrying, manufacturing, transport, communications and storage, small and micro enterprises in wholesale, retail and hotels and professional business services which will assist Fijians to earn a decent livelihood and, of course, that is a challenge in respect of what is happening, given COVID-19.
- (2) ensure that the Bank lends to resource-based sectors to assist in the development of the agricultural sector and in the long run, assist in the development of the Fijian economy.
- (3) ensure that the Bank's borrowings are guaranteed by the Government, therefore, reducing the perceived risk associated with such borrowings. This will make the Bank's instruments more attractive to investors and should reduce the cost of interest for the Bank, and given that there is liquidity in the market we hope that they will also further reduce.
- (4) ensure that the Bank's proposed term deposit in the Reserve Bank of Fiji (RBF) facilities guaranteed by the Fijian Government will build investor confidence and thus, help the Bank to manage its liquidity position well.

As at 30th June, 2020, Mr. Speaker, Sir, the Bank had 4,825 loan accounts with accumulative loan portfolio of \$541.88 million. In line with the Fijian Government mandate, the number of loan accounts in the agriculture sector constitute 62.22 percent of the total loan accounts as at 30th June, 2020. In summary, the focussed sector represents 81.6 percent of the total number of loan accounts and 41.19 percent of the total value of the Bank portfolio, while the remaining total represents the non-focussed sector.

Mr. Speaker, Sir, regarding the financial position and financial covenant as at 30th June, 2020, the Bank recorded an operating profit after tax of \$1.14 million, which is a drop by \$2.92 million for the previous period.

In terms of the overall gearing, the total assets of the Bank stood at \$540.57 million, a drop by \$5.04 million or 0.9 percent while total liabilities accounted for \$367 million, a decline by \$6.33 million or 1.7 percent compared to the corresponding period in the previous year.

The current ratio declined to 0.83 percent in 2020, compared to 0.88 percent recorded in the same period last year, mainly due to decrease in total current assets. Similarly, a slight decline in debt to equity ratio.

Mr. Speaker, Sir, the Bank's borrowing requests average around \$160 million for the last three calendar years and if I could talk about the debt matrix of FDB, the ratio in 2018 was 0.67 percent, 2019 was 0.88 percent and 2020 was 0.83 percent. Debt to equity ratio was 1.87 percent in 2018, in 2019 was 2.07 percent and in 2020 was 2.01 percent.

The return on equity, Mr. Speaker, Sir, in 2018 was 4.68 percent, 2019 was 2.36 percent and in 2020 was 0.66 percent. Return on assets in 2018 was 1.58 percent, 2019 was 0.75 percent and in 2020 was 0.21 percent. Net Profit or Net Interest Income was 0.32 percent in 2018, 2019 was 0.17 percent and 2020 was 0.04 percent.

Mr. Speaker, Sir, the Bank's total forecast at inflow for 2020 was \$78.63 million and requires an additional \$170 million to finance the total outlay of \$248.63 million. The additional \$170 million will be raised through the issuance of bonds, promissory notes, short-term borrowings, term deposits and any RBF facilities available.

The provision of the Fijian Government guarantee over the years to the Bank has enabled flexibility to optimise its borrowing mix, which in turn has reduced the cost of borrowing, Mr. Speaker, Sir, and achieved an optimum maturity profile structure.

The Bank's outstanding debts guaranteed by the Fijian Government as at 20th February, 2021, amounts to \$320.1 million of which, Mr. Speaker, Sir, bonds were \$201.7 million or 63 percent, term deposits were \$67.3 million or 21 percent and RBF ISEFF of \$51.1 million or 16 percent.

Mr. Speaker, Sir, the Bank's current average lending rate and cost of borrowings as at 28th February, 2021, are 7.86 percent and 4.06 percent respectively. In other words, it borrows from the market itself, the cost of borrowing is 4.06 percent and on average, it lends out that 7.86 percent. Additionally, the Bank also accommodates and delivers a variety of the Fijian Government socio-economic and lending policies and, therefore, it requested that it continues to be assisted by the provision of a guarantee.

As at 31st January, 2021, Mr. Speaker, Sir, the overall Government Guarantee Debt stood at \$884.3 million or 8.9 percent of the GDP. In the event the Bank fully utilises the requested \$170 million Guarantee, the total Government Guarantee Debt is estimated to increase to \$1.05 billion or 10.6 percent of GDP.

Mr. Speaker, Sir, it is worthy to note that the Bank has never had to call on the Fijian Government to honour its guarantee which indicates that it is being managed sustainably. In addition, the guarantee fee continues to be paid out in a timely manner upon the utilisation of the guarantees.

Mr. Speaker, Sir, also, the RBF, effective from 21st November, 2019, has undertaken full supervision of the Bank itself. Therefore, Parliament is invited to endorse:

- (1) the Government Guarantee for the 12 months period from 1st March, 2021 to 28th February, 2022 for the FDB;
- (2) the Government Guarantee for a sum of \$170 million for the guaranteed period; and
- (3) that the Bank pay a guarantee fee of 0.075 percent on the cumulative utilised guarantee credit.

Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Attorney-General and Minister for Economy, Civil Service and Communications for his motion.

Honourable Members, the floor is now open for debate on the motion. Honourable Members before we begin with the debate, I have nine speakers already on my list, so Honourable Aseri Radrodro, you have the floor.

HON. A.M. RADRODRO.- Thank you, Mr. Speaker, Sir. Before I make my contribution on the motion that is before the House, I would like to take this opportunity, on behalf of this side of the House, to thank Dr. Fong and his team and the frontline workers who have immensely contributed and dedicated their time, despite the many commentaries. They are managing to fight on to keep Fiji COVID-contained so thank you for that, Dr. Fong and your team and all the frontline workers.

Mr. Speaker, Sir, I rise to make my contribution on the motion before this House by the Honourable Minister for Economy for Parliament to approve a Government Guarantee for the 12 months period from 1st March, 2021 and 28th February, 2022 for the Fiji Development Bank (FDB) at a sum of \$170 million and with a fee of 0.075 percent.

Mr. Speaker, Sir, to begin my contribution this morning, I would like to raise a strong objection to the manner in which this Parliament was convened under a so-called emergency sitting. More so, Mr. Speaker, Sir, and the manner in which this motion was brought into the House with a last minute flying minute yesterday and it becomes the first motion to be discussed today, Mr. Speaker, Sir.

Mr. Speaker, Sir, whilst this emergency Parliament meeting was convened most of us were under the impression that there are urgent matters of relevance and national interest to be discussed pertaining to COVID-19. According to the Financial Management Act 2004, section 62 stipulates and I quote, "that the Government may guarantee the financial liability of an entity, but only if the guarantee is authorised by the House of Representatives. So, we now understand the reason for calling this emergency meeting Mr. Speaker, Sir.

Mr. Speaker, Sir, we are sad that we are in extraordinary times which requires crude decisions to be made. However, it is unacceptable to pass off the laxity of some officials who should have been doing their job well ahead of time, Mr. Speaker, Sir, and because of their failure to do that, they make an excuse to make an arrangement for this kind of Parliamentary sitting.

The Government Guarantee for the FDB had expired in February of this year, 2021. What is disappointing, Mr. Speaker, Sir, is that someone or some people from the FDB slept on the job and failed to note that there are certain requirements that need to be met which requires Parliamentary participation in order for FDB to continue another year of its operations.

Mr. Speaker, Sir, I understand that the Minister for Economy was on medical leave and it is not necessary for him to be providing oversight over such fiduciary functions. The containment lockdown did not start until late March of this year (2021) that has forced the early school break, cancelled the Coca-Cola Games, et cetera, Mr. Speaker, Sir. So FDB had ample time to bring notice to Government that this Guarantee needs to be reviewed, it is now three months late and we cannot allow this lateness to go scot-free Mr. Speaker, Sir.

In Public Accounts Committee meetings, we see too many retrospective approvals being made and under the Financial Management rules this always raises issues of possible corruption,

possible collusion and most importantly abuse of financial procedures because they are now acting beyond the legal framework particularly in regards to the sum of money that is being guaranteed.

Mr. Speaker, Sir, people who sit on the FEB Board have a fiduciary duty to ensure that the banks do not operate without a proper Government guarantee. So, Mr. Speaker, what do you do to people who sleep on the job? I will ask again. What do you do to people who sleep on the job? Mr. Speaker, Sir, the simple answer is to remove them from their positions because if they are appointed on merit or on their expertise, then this is definitely a sign of failure on their part which is an acceptable behaviour.

On that note, Mr. Speaker, Sir, the FDB, in my view, has lost its glory days where there are vibrant leaders and vibrant performers. The FDB is now another white elephant. As anticipated, the Honourable Minister of Economy had said that FDB has a good track record and there have never been Government guarantee fallouts and Government has never had to pay off the FDB loans.

Mr. Speaker, Sir, we note that there is an increase in Government Guarantee of \$170 million, compared to \$160 million last year. Does this reflect the increase in activities that the Bank will engage in? That is the question, Mr. Speaker, Sir, that the Honourable Minister probably needs to inform this House in his right of reply.

Mr. Speaker, Sir, I must say that I am baffled as to how this Bank ensures that the benefit of these guarantees trickle down to individual farmers, fishermen and businesses who help in the development of this beloved nation. Whilst Fiji is now under the COVID-19 pandemic, we would suggest to Government that the FDB initiates financial loan packages to assist those farmers, fishermen and business entrepreneurs in need of capital to grow their businesses.

Mr. Speaker, Sir, previous Governments have offered financial assistance of \$10,000 to \$20,000, even up to \$50,000 free of encumbrances to farmers in the past. So, with this guarantee, FDB can do something similar. In fact, Mr. Speaker, this is what the SODELPA Government will do when we come in to Government next year on measures of equality in policy implementation.

Mr. Speaker, post-TC Winston, the FijiFirst Government had taken bold steps to give \$10,000 to cane farmers to rehabilitate their farms. Even at that time, I had urged this august House to provide similar assistances to those in the dairy farming industry, beef cattle industry, hydroponic farming industry and other cash crops but sadly, Mr. Speaker, Sir, that has not been done.

Mr. Speaker, Sir, under the current Government COVID-19 Response Programme, the need to assist formal and informal sectors is already captured, so those recommendations made are in line with intentions of Government.

Lastly, Mr. Speaker, Sir, the Green Climate Funds (GCF) has approved FDB's US\$5 million project funding to develop and innovate solar agrophotovoltaic and battery storage system in Ovalau. The total project cost is \$10 million and is co-financed by GCF, FDB and KOICA. This is part of FDB making history in the development bank in the South Pacific to become an accredited direct National Access Entity by the Green Climate Funds.

It is now prudent, Mr. Speaker, Sir, that FDB gets in a good local people to oversee the functions of the Bank with its extended role and I trust that Government is now waking up to the fact that hiring of expatriates is a failure, with the exit of the Chief Executive Officers (CEOs) of Land Transport Authority (LTA) and Water Authority of Fiji (WAF).

Mr. Speaker, because FDB is a Fijian institution and has survived all these years, and as a true patriot, I along with the members on this side of the House, will support this motion before the House. Thank you, Mr. Speaker.

HON. SPEAKER.- I thank the Honourable Aseri Radrodro for his contribution to the debate. I now give the floor to the Honourable Gavoka. You have the floor, Sir.

HON. V.R. GAVOKA.- Thank you, Mr. Speaker, Sir. I rise to contribute to this debate to again provide a guarantee for a sum of \$170 million to the Fiji Development Bank (FDB), an annual event and one that is most suited to this time as we try to grapple with the economic repercussion of COVID-19.

Before I do that, Mr. Speaker, Sir, let me just echo what my colleague, the Honourable Aseri Radrodro, has said about the team fighting for us against COVID-19. I would like to particularly appeal to our people about the subject of immunisation. We need to get immunised. There are doubts being created within our community that is creating reluctance on our people to step forward and be immunised and I would urge everyone listening in today, please, take that jab, it is painless. I have done it and most of my colleagues on this side of the House have done it and we need to be collectively immunised so that our country can be free and safe from COVID-19.

If we do not, Mr. Speaker, Sir, our recovery from COVID-19 will take longer, more economic and social developments will also begin, so I would urge everyone, please, get immunised. I know that there are people who are questioning the processes that led up to the certification of this vaccine, let me assure you that most leaders in the country today have gone through the process and that it is safe.

I have spoken to a lot of doctors and, of course, the Government side of the House. This is an area we need to unite and convince our people to get immunised. I am afraid that there are certain people who are using the pulpit to create fear about this vaccine and I must say to you that I am also a born-again Christian. I am an Elder in the Church, I am a preacher and let me assure you that science is from God. Science is part of creation. Do not believe all the stories that this is not within the plans of the Almighty so, please, I would urge everyone to go out there and be immunised.

An example, Mr. Speaker, Sir, is that last week 600 workers from Samoa are going to Australia. They are going to Australia because they are free of COVID-19. So, Fiji, if we do not get immunised, we will not enjoy. We will not benefit from programmes like this. So, I am pleading to you my fellow countrymen, do not be afraid to be immunised, step forward and get the jab. Thank you.

Mr. Speaker, Sir, as we debate the FDB Guarantee today, I would like to pay particular attention to the debt situation in the country. According to our estimate, together with contingencies, we are now sitting at about \$15 billion. Actual loans plus contingencies and we take that in the context of our GDP of \$9 billion, our debt is now about 170 percent of our GDP.

Mr. Speaker, that is the reality of life today, not only in Fiji but everywhere but we need to get together and fully understand how to live in this day of big debts. I do not think there is any economy in the world today, whose borrowing is below its GDP. I think it is about everyone in the same boat as Fiji, but we need to come to terms with it and we need to grip it.

Mr. Speaker, Sir, we need to have an economic summit. We need everyone in this country to sit together and map out the way forward on how to address our debt issue. FijiFirst cannot do it

alone, it is too big for them and we have been offering the hand of assistance so that we can do it together.

My colleague, the Honourable Professor Prasad has, time and again, asked for bipartisanship in most of the issues. Today, Mr. Speaker, we are saying that, again, let us do it collectively - the Government and the Opposition. These times are unprecedented, borrowing the word that is popular with the Government. Let us do it together and bring everyone together.

Last week and the other week, we saw the Honourable Minister for Economy meeting with some people in the corporate sector. What about convening a total economic summit, Mr. Speaker, to address this. Can we just call everyone together and have an economic summit like we used to do before.

It used to happen before, Mr. Speaker, this situation is way beyond FijiFirst. The answer is right there, that we do it together as a people. Some urgent calls need to be made to free us out of this COVID-19 second wave. In actual fact, today, I am still trying to come to grips on how we got the second wave. We were breezing through quite comfortably and I was very proud of Fiji when I saw my friends in Melbourne. Melbourne was locked down for 111 days. Fiji was free but now, we need to do it together.

Mr. Speaker, in the matter of the FDB, there is still a concern with the cavalier manner that FijiFirst is providing stewardship to the Bank. Do you remember, Mr. Speaker, we protested last year when the biggest borrower from FDB became the Chairman of FDB. FDB lends some \$65 million to Fiji Airways and then the CEO of Fiji Airways became Chairman of the FDB Board.

Mr. Speaker, you need to show responsibility, you cannot be cavalier in the way you handle something that is sensitive. That is why most of the efforts by FijiFirst is very piecemeal, very haphazard, hence the call that borrow or work in partnership with us so that we can map something together in a reasonable way.

Mr. Speaker, if he talked about Air Pacific, let me be very clear Air Pacific is very important to Fiji. I am a tourism person and I know how Air Pacific is so important to us, the future of our industry rests on how well our airline performs and survives.

The word here, Mr. Speaker, survived during this difficult time and I would urge the Government to relook at its operation. Mr. Speaker, the organisation, the over capacity of Air Pacific, they have too many aircrafts at this time and I believe they are expecting three more Max-737s from Seattle at a time like this. So, my colleague, Honourable Tuisawau, had asked for an inquiry into Fiji Airways. These are things that we need to understand because if we are not careful, Fiji Airways can take us down with the kind of debt it is collecting.

Mr. Speaker, we all pray that tourism will come back but it will take some time, hence the need to relook at the way Fiji Airways is operating. It has this multiplicity of fleet. It has Boeing aircrafts, it has Air Bus aircrafts, it has ATR and it has Otters. Mr. Speaker, this will create cost and inefficiency. You end up holding too many spare parts. You have separate crews for pilots and cabin crew. If we had gone with Air Bus, there is something called Crew Commonality Qualification (CCQ) where Air Bus pilots on 350 can fly 330. These are the kinds of commonalities that we need but in this case, we have Air Bus and we have Boeing.

Mr. Speaker, if you run a fleet, you want to run a common fleet. You do not want to be running too many types of equipment right now. I know that in this House, I have often been

criticised for being a lobbyist for Australia and Qantas, but imagine if we had Qantas today to manage our operation.

(Honourable Member interjects)

HON. V.R. GAVOKA.- Not sitting there, not even occupying their seats in the Board. Mr. Speaker, they used to manage this airline. They would have made some sense in the way Fiji Airways is operating today. What we have today, Mr. Speaker, behind Fiji Airways is FNPF and the people of Fiji. The third one there could have been Qantas. If we had Qantas, FNPF and the people of Fiji, this airline could have been assured of survival.

Mr. Speaker, it is frightening the amount of debt they are collecting, guaranteed by the Fiji Government that can take this country down. If I can take you back into history, Mr. Speaker, remember Qantas came in because Air Pacific was in the hole, with a tune of \$30 million at that time.

(Honourable Members interject)

HON. V.R. GAVOKA.- Yes, \$30 million at that time, Mr. Speaker. And that amount could have sunk the Fijian economy back in those days. Right now, we are talking about billions of dollars to Fiji Airways and the way it is going, without any rationalisation and not making any sense, this Airline can take us down if we are not careful. So I would urge that we consider the motion by Honourable Ro Tuisawau, that there should be an inquiry into Fiji Airways.

Like I said, Mr. Speaker, we want it to survive. No other international airline will come to Fiji outside of the region. All we have is Qantas, Air New Zealand and Virgin Airways. Korean Air pulled out. I went to Korea, Mr. Speaker, to go and plead with the President of Korean Air to continue flying to Fiji and he did. But FijiFirst was in charge, I do not know why they let Korean Air go.

If you look at the map of the world, not many major airlines will fly to a small dot in the Pacific. It will have to be our own airline and our regional airlines which are Qantas, Air New Zealand, Air Caledonia and Virgin Airways. So we need Fiji Airways to survive but it must be rationalised, Mr. Speaker, and not to be carrying so much debt.

Mr. Speaker, Sir, speaking about Qantas, with the assistance from them to save our airline at that time. I just wonder, Mr. Speaker, here we have the COVID-19, we want Australia and New Zealand to open up, to come to Fiji. Have we linked up our effort to these two countries so we follow the same template so that we give them confidence that we are doing the right thing to enable them to come to Fiji?

We are working in isolation, Mr. Speaker. A phone call from the Prime Minister of Australia or New Zealand to help, to integrate our systems and our template which would help in a big way, Mr. Speaker, to bring that confidence for the Australians and New Zealanders to come to Fiji and this is the tragedy with us today. We appear to be so full of pride, we cannot ask for help from those who are willing to help us.

Mr. Speaker, for FDB as indicated by my colleague, Honourable Radrodoro, we want to help the small farmers at a time like this. What COVID-19 has done now is take people back to the land. In Nadroga today in the *tikina* of Sigatoka, we have about eight villages there. There are now two tractors working fulltime preparing the land for the whole *tikina*. These are privately owned tractors.

Imagine if we can go and help them and say, "Do you want diggers? This is a digger, a bulldozer to clear things up." If you can do that, Mr. Speaker, with the assistance from FDB,

agriculture will grow in a big way in this country and you can replicate it in other parts of Fiji. So let us help the small farmers with FDB loans.

Mr. Speaker, food processing is the way to go. Today, we hear about the cassava, the *tavioka* community, people who are combining their resources to grow and mill cassava flour. Where is it today, Mr. Speaker? I would like the Honourable Minister for Agriculture to say something about that. It is gaining attraction across the country, Mr. Speaker, and that is why you need to apply, you need to apply the kind of loans that FDB can provide for these people. How much does it cost to set up a mill in the provinces? As you know, Mr. Speaker, we are subsistence farmers and that model suits the cassava initiative, Mr. Speaker.

Mr. Speaker, those are some of the points I wanted to raise. We need FDB to survive. In actual fact, Mr. Speaker, as indicated by my colleague, Honourable Radrodro, we are very disappointed with the agenda this week. But this one here, we came here today to debate this, knowing that it is important to us, important to equip the FDB to do what is needful at a time like this. Otherwise, Mr. Speaker, all the other items in the agenda this week are really not relevant to the time we live in and we would wish that we review the Order Paper. We bring everyone, you know take everything back to the Business Committee and come back with something more relevant.

Last night, Mr. Speaker, you should have seen the social media. Social media was saying, “What are you guys doing there?” I am talking about things that are not relevant. The voice of the people is that, Mr. Speaker, they are saying that legislators do something more relevant to today than revisiting reports in 2013, 2014 or 2015 that you have set up to do this week. So, Mr. Speaker, that would be the position of the party that we want to go back, relook at the agenda and come up with something more relevant for this sitting. Thank you, Mr. Speaker.

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

Honourable Members, time moves on. I just want to get things in perspective. There will not be any change in the orders that have already been decided by the Business Committee. We will have another Business Committee meeting on Thursday. As for the present, this is what was already decided by the Business Committee and that is complete. Make no doubt about that.

Honourable Members, we will now take a break for morning tea. We will resume in half-an-hour. Thank you.

The Parliament adjourned at 10.40 a.m.

The Parliament resumed at 11.12 a.m.

HON. SPEAKER.- Honourable Members, we will continue with the debate and I give the floor to the Honourable Minister for Agriculture, Waterways and Environment. You have the floor.

HON. DR. M. REDDY.- Mr. Speaker, Sir. If one browses through the Ministry of Agriculture's Strategic Plan, you will note that one of our objective is to expand commercial agriculture. Any developing country's transition to commercial, industrial service economy, has been firmly pegged on the success of the agriculture sector. Fiji's success in moving into tourism has also been contributed partially by the robust commercial agriculture sector and the sugarcane farming is a commercial sector. The sugar industry has contributed substantially to the growth and development of contemporary Fiji.

Mr. Speaker, Sir, we are now working very hard in terms of transiting small holders into medium and large commercial ventures, and these large commercial ventures cannot be dependent on the government financing only, it is not sustainable. Any business model or any business you look at, they depend on the external finance, the finance which they value and which they have to repay. It is on this basis, that Fiji Development Bank (FDB) was established because the existing commercial banks were reluctant to lend to the agriculture sector. There are several reasons and one of the reasons was that, Fiji's land tenure system did not provide that level of confidence to the banking sector that they will be able to recover the lending, should there be a case of default.

Mr. Speaker, Sir, there are other reasons why they saw that the agriculture sector was quite risky to lend to, the nature of produce perishable and the size of the market, all these contributed to commercial banks not willing to lend to the agriculture sector. The RBF requires, through moral support, the commercial banks to at least lend or have two percent of the portfolio towards the agriculture sector. Uptil now, if you look at the commercial banks leading portfolio, none of the commercial banks have met two percent of that total portfolio.

Mr. Speaker, Sir, the FDB is the only hope for the agriculture sector for those engaged to acquire finance to expand and develop commercial ventures, the agricultural entrepreneurs. When we are doing roadshows and agricultural field days, we have now made it pretty much compulsory for the Fiji National Provident Fund and the FDB to participate in those forums. We give them slots to speak and we allow people to come, interact with them and get details of their product. We have also got our staff to get farmers become members of the FNPF so that those farmers are also able to get retirement benefits post-55 years when they will be eligible to get pension from the social security institution.

Mr. Speaker, Sir, it is very important that Government provides the required guarantee so that the FDB continues to support those smallholding farmers, who are willing to move towards expanding their agricultural activity as a business. No business entrepreneur, medium and large, can survive without external financing. Very, very small number of entrepreneurs are able to save small amounts of money and over time, build their required cash but when they want to make major investments, for example, establishing farmhouses, buying large machinery, constructing processing sheds or purchasing farm vehicles, it is very difficult for them to accumulate that amount of cash in a very short period of time. If the farmer only relies on their annual savings, then transition from smaller holdings to medium or large will take a long period of time.

Mr. Speaker, Sir, we have strategic advantage in advancing the agriculture sector so that we can take advantage of the market that we have in Australia, New Zealand and the United States where we export a lot of our produce. In a very short period of time, if you are able to provide that leverage to the farmers to acquire finance at a reasonable cost, commercial banks' lending rates are very high,

vis-à-vis what FDB is charging. The RBF is also providing them interest subsidy for their land at reasonable rates.

Mr. Speaker, Sir, it is important that they do pay interest rates that they can value the money that they borrow. It is in this regard that we must do everything possible to support our growing and expanding agriculture sector. I think on Thursday, there will be a motion on the agriculture sector and I will be presenting to this House and updating you on what we have done to really leapfrog in terms of expanding commercial agriculture, and we do not want to lose that momentum.

It is very important that we have FDB supporting the agriculture sector to help us realise our strategic objective in our plan and, that is, to expand commercial agriculture in the national interest and when the national economy grows with a substantial contribution from the agriculture sector, then that benefit will trickle down to all those who are engaged in the agriculture sector, be it the landowners, the financial sector, the workers, the farm householders or the input suppliers.

Mr. Speaker, Sir, I do support the motion, thank you.

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

HON. S.V. RADRODRO.- Thank you, Mr. Speaker, for the opportunity to contribute to this motion on the debate for the Government Guarantee loan to the Fiji Development Bank (FDB). We must note that the period stated in the motion is from 1st March, 2021 to 28th February, 2022, which means this is retrospect, like Honourable Aseri Radrodro had mentioned, that someone had been sleeping on the job and that is why this motion is coming in late to the House.

Also, Mr. Speaker, Sir, we must note that Government Guarantee loans had already been given to FDB and to other Government-owned entities like Fiji Airways, Fiji Sugar Corporation, the Housing Authority, Energy Fiji Limited (EFL), Fiji Broadcasting Commission, Pacific Fishing Company and Fiji Hardwood. These are some entities that Government had guaranteed their loan and right now we are looking at over \$1 billion that involves all those entities that I had mentioned. Also, Mr. Speaker, Sir, in addition to that, the Government had already guaranteed what the members had taken out from FNPF which is about \$6 billion. So all in all, the guarantee is about \$7 billion now, Mr. Speaker, Sir, and that is apart from the other debts that the Government of the day has incurred and had the responsibility to service and clear those debts and also this guarantee.

Mr. Speaker, Sir, I had mentioned yesterday and I had highlighted that particularly so in my shadow portfolio as under the Ministry of Women, Children and Poverty Alleviation and right now, as I had mentioned yesterday, the priority is with our people. What is our people's priority right now? We are bringing in these loans for the Government to guarantee, so for those people that maybe listening in, this means that if the organisations or if the entities that I had mentioned before and in this case, FDB right now, are in a position of being unable to service the loan, then the Government has that responsibility to pay up. The question we ask is whether the Government has that ability to pay up.

Again, I will highlight the importance of the people in all that we are talking about - what is the priority of the people? A good leadership in any government would bring in the priorities of the people as the priority of the government, Mr. Speaker, in the development scope. The priority of the people must be the priority of the government and that signifies good leadership. Good leadership will make the priorities of the people the priority of their government, and right now, Mr. Speaker, Sir, the priority of the people is having to put on the table as we are faced with COVID-19 as I had mentioned yesterday and again, I am highlighting now.

Mr. Speaker, Sir, all these organisations, including FDB, that are applying for these loans will depend on the customers, will depend on the people to be able to create the business to be able to pay for the loan. So if we are not going to look after our people now even just to feed them to keep them alive, then how on earth will the Government service this loan because at the end of the day, healthy people would mean a healthy nation which means a productive nation?

Also, Mr. Speaker, Sir, on this loan to FDB which has taken over the priority of COVID-19 has come into the House now. We heard the Honourable Minister for Agriculture saying that this money will help small time farmers. Honourable Minister, I really hope that this would help the farmers, particularly the small farmers. I say that, Mr. Speaker, because just last year, we approved that guaranteed loan to FDB and then what happened? Fiji Airways then took a loan from FDB, so that nullifies what the Honourable Minister had just highlighted.

HON. A. SAYED-KHAIYUM.- Nonsense!

HON. S.V. RADRODRO.- It did not help those small time farmers. If, indeed, the Government implements and achieves the agricultural revolution that has been mentioned by the other side of the House continuously, then this kind of money should go to the small time farmers and the small, medium business owners.

Mr. Speaker, to add to that explanation, yesterday there was a question asked about the Northern Development Programme. I wanted to ask a supplementary question but there was no time. I will mention here the backlog of applications that are under the Northern Development Programme because one of the applicants for this Programme was sharing that there is a big backlog list. Also under the current financial year which ends this June, July and August period, only one application was processed and approved in January.

Even though the Honourable Minister highlighted yesterday the number of applications that had been approved, I believe he said 2007 and 2009 period but he did not mention the number of applications that are pending to be approved right now. Because of that, the number of backlogs signify whether there is cash availability in the budget or otherwise.

Also I would like to urge the Honourable Minister when he responds to his motion that he tell us what is the backlog of applications from farmers in FDB and how much of this loan will directly go to farmers? Also, I am not sure whether I heard it in his presentation where FDB is loaning from.

HON. GOVERNMENT MEMBER.- Just tell us what loan you are talking about?

HON. S.V. RADRODRO.- Yes, we are borrowing.

(Hon. A. Sayed-Khaiyum interjects)

HON. S.V. RADRODRO.- I know, Honourable Attorney-General, I will get back to my point because those belong to some people. If the Government does not look after its people now and empower them but first have to feed them and not just to give a \$90 worth of rations to people and expect them to survive on that allocation. If this what has been brought into the House today that the Government guarantees this loan, then we first of all have to look after our own people to be able to be good customers to those organisations.

Another point that shows that there is more political interference in what is happening right now in regards to the Government strategies and approaches to addressing the COVID-19 and I will

give this simple example of the Honourable Minister for Agriculture. He goes around giving those packet of seeds.

HON. DR. M. REDDY.- I do not go around!

HON. S.V. RADRODRO.- We saw it. That is a waste of taxpayers' money and waste of time.

(Honourable Members interject)

HON. S.V. RADRODRO.- If it was a well-coordinated approach, all those seeds would have gone into the groceries bags. No need for the Honourable Minister to be going around just distributing those small packets of seeds.

Mr. Speaker, Sir, imagine a Minister at that level, going around house to house just giving those packets of seeds. That is waste of time and money. The people are paying for him, that is why it is a waste of taxpayers' money.

Mr. Speaker, Sir, I will bring us back to my point which is the priority of the people versus the priority of the Government. Rather than bringing this here, it would have been much beneficial to the people if they bring in a COVID-19 response plan, as I had mentioned yesterday.

Just this morning, during morning tea time, I had shared with one Honourable Member from the other side of the House that there are families in Vuci Road that are contacting me and asking as to when the Government ration is going to reach them. Mr. Speaker, Sir, that shows that it is not a well-coordinated approach and these are the people that are the customers of FDB. This is a small business owner in that areas and if we do not look after the wellbeing, the ration tantamounts to the wellbeing of the people. If we do not look after our people, then they will not be able to engage or to return to their businesses.

Mr. Speaker, Sir, if they do not do that, then how on earth will people (customers of FDB) service their loan? That is why the Government really needs to relook at its priority and any good government, any good leadership in any government will always make the priorities of the people be the priorities of their development. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I give the floor to the Honourable Professor Prasad. You have the floor.

HON. PROFESSOR B.C. PRASAD.- Thank you, Mr. Speaker, Sir, for the opportunity to speak on the motion.

Mr. Speaker, Sir, it is not very hard to ask Parliament to authorise a government guarantee and simply, it is the people's money we are putting at risk if we guarantee any loan or at who are we authorise a guarantee and in the process we as Members of Parliament, as legislators, we need to be provided with the full and correct information.

Mr. Speaker, Sir, I have taken some advice on the motion itself, actually from two very senior teachers in the country and in their view, it is a very poorly or should I say, incompetently draft motion or resolution and I think they have a point. We know the example from what the Honourable Attorney-General said in his presentation of the motion, evolving from the RBF and of course, that information really should be in the motion or in the resolution. We know that the FDB is going to borrow \$170 million but the question is whether the guarantee that we are providing only lays to the principal of the loan or principal plus interest and other costs.

I know that the Honourable Minister for Agriculture quite correctly provided a very good rationale on the role of the FDB and we understand that. We have always talked about the role that FDB can play in terms of providing that support to the agriculture sector, especially those micro-business enterprises within the agricultural sector and we heard from the Honourable Attorney-General that 62 percent of the loan portfolio actually goes to the agriculture sector. But I think the question I would also want to raise and perhaps, the Ministry of Agriculture in consultation with the FDB, I know many years ago, the bank used to do some analysis of the impact.

It is all right to look at how much has been loaned out to the people, even in the agriculture sector. I know the Ministry of Commerce which administers the small medium enterprise loan, have done some analysis and the impact, I think the analysis of the impact that FDB is having on the agriculture sector.

The details on the rate of interest on which the money will be borrowed by FDB was not very clear. We are not told at what interest we are borrowing and what interest rate FDB is going to lend to the people. I know the Honourable Minister for Agriculture did say that the interest rate is lower than the interest rate charged by the commercial bank.

The fourth thing that I think the resolution does not do, for example, is ask for a guarantee for a two-month period from 1st March, 2021 to 28th February, 2022. I do not know how meaningful that term is. Does the Government mean that it is released from the guarantee after 28th February, 2022? If so, we should say so, or does it mean that the Government will only guarantee money borrowed by FDB before February 2022 and what happens to any interest, that would be accrued after 28th February, 2022?

Finally, I am not sure if the motion really needs to include the guarantee fee because as I understand, it is a matter between the Ministry of Economy and FDB. So, I think we need to be very clear what we are presenting in the motion for loan guarantee and I think we need full information.

The second part of my contribution on this motion, Mr. Speaker, rests on the issue that we all need to be talking about. I think the Honourable Minister for Agriculture did talk about the agriculture sector but I think he stops short of saying what is needed now, what we are planning through the FDB to help thousands of people who are struggling to make ends meet out there in the community. So this motion really, in some way, is not helping anyway for our people to understand what the Government is trying to achieve, what is the FDB going to achieve in the current situation we have a crisis but by not giving all those details.

By now, we should have a plan for FDB, what is this \$170 million borrowing that they are going to undertake? We need a proper plan and we have already raised the expectations of the people on what we can do as a Parliament and essentially, I think we are barring these expectations as a result of not providing this. This would have been one opportunity if we are granting a loan to FDB, we could have had a very clear plan from the FDB in consultation with the Government and the lender (RBF) which could have said, "How do we want to help the people?" We are kind of giving a kick to the guts of several thousand people who are struggling, who are wanting to know what the Government is trying to do.

Mr. Speaker, we know that everything that we do now in terms of Government policy, as I have said before, "when you have a crisis, there are three areas that Government ought to concentrate on. One, of course is to look at the health - we are addressing the COVID issue and the Ministry of Health is leading that. But we also need to look at other requirements of the health of our people. We need to ensure that there is enough medicine, there are other facilities so we cannot ignore that.

Secondly, Mr. Speaker, we need to understand where our education system is. We know the Ministry of Education has already put out a plan when the school is going to open. We have heard about some of the support that they are giving to the students but we need more support and very clear indication.

The third which is the most important one is to support our people; their income, their food requirements if they do not have income because by putting money into these three sectors of the economy, we are actually helping the economy. We are actually creating demand in the economy and I thought that this guarantee that we are giving to FDB, this would have been an opportune time to steer the lending out of this \$170 million borrowing to specifically help the people who are out there. We know that almost 50 percent of the people are now below the poverty line, given the poverty rate and the 20 percent who are on the margins of poverty. Essentially we estimating poverty rate of about 50 percent.

Mr. Speaker, this \$170 million that we are being asked to approve, of course, it is going to be disbursed through FDB, like the bank was writing cheques. I remember cheques being handed by the Prime Minister and the Ministers in 2018 under the SMEs and we had various care initiatives after *TCs Keni* and *Josie*.

I also noticed, Mr. Speaker that the final quarter appropriation statements on the Ministry of Economy presented to this Parliament some time ago, shows that from 1st May to 31st July, 2018, a sum of \$110 million was redeployed from the heads of the budget, which in my view are contrary to the Financial Management Act practices for so-called disaster rehabilitation. I do not hesitate to say this that the need probably now for some kind of redeployment of funds is bigger than what, in my view, it was in 2018 which was essentially an elections year. Many people believe that it was electioneering being done by this Government in 2018.

But 2021 is very crucial for our people and I think it is crucial for this Government because the people are watching this Government. If the Government has any political sense, they would be heeding the calls from the people and those on the ground. So, apart from saying that this made to going to go to the agriculture sector, there is no clarity and I want to reemphasise that we need clarity at this crucial time.

This is a crisis. We need a clear indication as to what FDB is going to do with this money. If it is just for regular lending then we are assuming that bank will lend \$170 million in a year. There are still suspicions about what is going to happen with the \$170 million. Some people are saying some of the \$170 million is going to be used for Fiji Airways because that would be the perception in the absence of the details.

Mr. Speaker, exactly a year ago, on 25th May, 2020, you will recall that the Parliament approved a three-year guarantee worth \$455 million for Fiji Airways. The Guarantee stipulated that the Airline borrowed, amongst others, from the FDB a sum of \$75 million, funds which were lent by the RBF to FDB. I want the Honourable Attorney-General and Minister for Economy in his response to the motion to clarify:

- (1) whether or not Fiji Airways actually applied for an additional \$25 million loan on two to \$75 million guaranteed by Parliament to be borrowed from FDB;
- (2) whether or not Fiji Airways actually wrote to the RBF seeking approval and ways on how to borrow the additional sum outside of the guarantee; and
- (3) whether or not the advice from the RBF was to borrow the amount under disaster rehabilitation or contingency.

Mr. Speaker, in view of what I have just said, and it will be interesting to hear the response from the Honourable Attorney-General, I am kind of deeply suspicious of what such a large sum is for. One must not forget that we were told Fiji Airways needed \$38 million a month to serve its debt and lease commitments for its planes and the guarantee was for three years from 30th May, 2020. Therefore a sum of \$456 million would have been needed until 30th May, 2021 and May would be ending this week. What about the rest of the two years?

I know Honourable Gavoka talked about the Chairman of FDB being the CEO of Fiji Airways. I mean it is a point that needs to be made. We want to know if there is a conflict of interest, if there is absolute transparency and accountability in the lending by the FDB to Fiji Airways. Mr. Speaker, if all this is theoretical and the intention is to not help our people then as I said you know we are deeply suspicious. What I would urge the Government to do, in fact, if we continue with the COVID-19 crisis, we know that the cases are still rising and I am sure we will hear from our experts sooner than later as to what they feel about how COVID-19 is being contained or arrested or how we are going to deal with it.

The other issues surrounding the health measures that the Ministry of Health will put out and it appears, Mr. Speaker, that we are not going to get away from this any time soon, so the collateral with any kind of health measures, like longer lockdowns, would require a very well-coordinated, well-planned response from all different arms of the Government and what is the best thing to do in a situation like this - when you have a very severe economic crisis where demand is very low, where people have no income and no spending power.

Basic economics, Mr. Speaker, Sir, will tell us that if you look at what countries do in very serious economic crisis like this, and some people compare the economic crisis to the depression in 1930s and 1940s and some are going to the credit-crunch in 2008, 2009 and 2010. The global economic crisis and the response from the government at that time was to create demand. I know in Australia in anticipation of the global economic crisis, they actually sent cheques to individuals and families because they wanted people to spend money and when they spend money, it creates demand and it creates a multiplier effect. So I think what the Government ought to look at now, whether it be through the grant or whether it is through guaranteeing a loan to FDB or whether it be an instrument to do that with some other Ministries, but we need to fundamentally understand that we need to put money into the pockets of those who are going to spend all of them for the consumption right now because we have a crisis.

I would say to the Government, this is one time, I mean we were very critical of the thousand dollar cash grant and other support that was being given to the farmers and to all those in the Western Division after *TC Keni* and *Josie*, but the crisis faced by the people now is not comparable at all, it is beyond the seriousness of what the crisis was at that time, because there are thousands and thousands of people who are unemployed and families and farmers are losing income.

What we need to do, if we are going to look at a time period, is to think about something, an injection of cash into the pockets of those people who are going to spend almost all of it out there in the economy, it will help the Government, it will help the economy, it will create demand and it will ensure that we are able to do both - address the health issues and the needs of our people. I do not know if the Government, Mr. Speaker, Sir, is thinking along that line; the validity of that economic strategy. I am not saying that we do not do other things or other functions of the Government should stop. What I am essentially saying is that we need a very clear plan, a very clear focus and how we are going to create the demand in the economy by helping those who are in need.

I think Government should, right now, look at how we can save every single cent. I know that my colleagues, the Honourable Assistant Minister will not like this, but I said, why we need so

many Assistant Ministers right now? Why can we not save every single cent where we can reduce the size of the Government to actually put out that money into the pockets of those who need it?

We can survive on \$40,000 as Members of Parliament. Let us say, we are looking for these kind of savings. These are the kind of things that I would suggest to the Government. We have said this before that there are lot of people out there who have a lot of ideas about how we can help the people and the Government. But fundamentally, if you are looking at it from a macro point of view, it is about helping the people.

I do not criticise the Honourable Minister for Agriculture for actually going out and helping the farmers. In fact, providing seedlings to the farmers immediately after the COVID-19 last year, created some activity, people were able to plant things and a packet of bean seeds may allow them to grow enough beans for their consumption. But those are like very specific and small interventions which are very good, but I think we need a totally macro picture that will help the Ministry of Education, that will help the children, that will help the parents and that will help those who are not affected by COVID-19 bluntly but who are poor, who have medical facilities or need for better medicines, all these things could be put into that macro-economic package.

We are not looking at this as a continuous strategy, it could be a one-off strategy for the next six months or for the next one year, to ensure that we deal with the massive economic fallout that we have. I know, we keep saying that the whole world is suffering; yes, the whole world is suffering but we must also look at what other countries are trying to do. Can we learn from them? Can we seek help from them?

I said in an article I wrote, Mr. Speaker, very early last year about the role of Australia and New Zealand in providing some kind of economic recovery package as they did in their own countries, to Pacific Island countries, including Fiji. We are calling on the Government again to look at that macro picture. There is a way to handle the plight of the people now and Government can do that, if we think carefully, if we plan carefully and take ideas. Thank you, Mr. Speaker.

HON. SPEAKER.- I thank the Honourable Professor Prasad. Honourable Qionibaravi, you have the floor.

HON. ADI L. QIONIBARAVI.- Mr. Speaker, Sir, thank you for the opportunity to address the House this morning on this very critical subject. We hear this morning that the loan guarantee is being requested and retrospective to February 2021.

We hear that the fault lies with the Officials of the Fiji Development Bank (FDB). I would like to say, Mr. Speaker, Sir, that the fault equally lies with the Ministry of Economy. The guarantee of the sum of \$170 million lies squarely with the Ministry of Economy Officials for failing to advise the Honourable Minister and to alert the FDB on the need to renew the guarantee on the \$170 million loan that was guaranteed by Government.

Having said that, Mr. Speaker, Sir, in May 2020, this august House had considered a motion to guarantee a sum of \$455 million for the Fiji Airways company. Our economy has suffered on the hands of COVID-19 and not only that, the recession had begun well before COVID-19. Sir, 750 employees had been laid off from Fiji Airways and it is unable to make its loan repayments. In fact, we are not informed on how the company is able to make its own monthly repayment.

Is it able to make its loan repayment, Mr. Speaker, Sir, or is it borrowing to enable it to make the loan repayments that is a part of the loan agreement that it had entered into for having to buy various airplanes which are now lying at the Nadi Hangar without being used.

My main issue, Mr. Speaker, Sir, concerns Section 145(2) of the Constitution that states the necessary information that can be required by Parliament seven days after the loan is agreed. That information is critical now. If I was the Minister for Economy, I would inform Parliament on the requirements of Section 145(2), even though it says that we can ask for it seven days later. But the people of Fiji and this Parliament need to know how the loans that have been guaranteed by Government are being serviced by those that have been given the guarantees.

This is critical, Mr. Speaker, Sir, because the loans of the Fiji Government is already reaching \$8 billion and with the loans that are being guaranteed by Government, it will take the \$8 billion loan status to much higher than that sum, \$15 billion, we are being told. The issue is, can the Fiji Government repay the loans, in particular, if those that have been given loan guarantees are unable to service these loans?

Our people are hungry, the basic needs are not being given to them. We feel for them just as you feel for the people of this nation, Mr. Speaker, Sir. How are we going to meet the basic needs of our people, if all these loans get hold up and Government is unable to meet the loan repayments, we are heading for bankruptcy, Mr. Speaker, Sir? What is the plan? That is our basic question. What is the basic plan of Government to address the problems that are facing the nation? It is not only your problem, it is our problem and it is the people of Fiji's problem. A solution needs to be found, Mr. Speaker, Sir.

Now, just a little bit more on the Fiji Airways' \$450 million loan guarantee, Mr. Speaker, Sir. I will just like to compare Fiji Airways with Qantas. Qantas owns 46 percent of Fiji Airways but Qantas is a fully privatised company in Australia, however, it provides industrial information, Mr. Speaker, performance of the company to the public. It is information that is consumed and assessed by the public of Australia. Now it is a fully-fledged privatised company in Australia but for Fiji Airways, the Fiji Government owns 51 percent in the company, Mr. Speaker, Sir. Why we are not being given the Fiji Airways' Annual Report, just as the other companies in which Government holds shares in or the public listed companies? Why are we not being given information to assess how they are performing, Mr. Speaker, Sir? That is the question that needs to be considered.

If Qantas is able to give out information to Australians to assess how the company is performing, we really do not see why the Fiji Government is unable to provide information on the performance of Fiji Airways to the Parliament of Fiji. That is something that should be considered by Government to enable the people to assess how their Fiji Airways Company is performing in the market and more so, how it is able to repay the \$450 million loan that has been guaranteed by the Fiji Government, Mr. Speaker, Sir.

On the \$170 million guarantee that is before the House today, Mr. Speaker, Sir, we do hope that the law will be given to the farmers. I noted last week that there were some advertisements in the dailies - a tender, for the sale of a number of farm lands belonging to the Fiji Sugar Corporation is being sold at the price much less than the market value of those land. We are hoping that these loans will not be used for the loans that could be submitted to the Bank to enable them to purchase the farm land that has been put up in the market by the poration, Mr. Speaker, Sir.

Our main contention really is the plan that the Fiji Government has. We need to know the plans, we need to support the plans so that we can all survive. The status of the Fiji economy right now with the increasing loan, \$15 billion that is a lot of money, including the loans - the amount of money that the Fiji Government has guaranteed in loans, Honourable Attorney-General.

(Hon. A. Sayed-Khaiyum interjects)

HON. ADIL QIONIBARAVI.- I am addressing the House, we are not having a conversation here.

Mr. Speaker, Sir, I would like to just follow-up again on what I have just said. It is important that we have a plan, it is not their plan, it is not our plan, it is our joint plan for the people of this nation. The people need to know how they are going to survive, how the companies are going to survive, what is going to happen to our country if you are unable to repay all those debts. Having said that I will have to agree to support the motion before the House. It is going to be used for our farmers to improve their crops and to improve the export that we need for this country.

I thank you, Sir, for the opportunity to address the House of this motion.

HON. SPEAKER.- I thank the Honourable Qionibaravi. Honourable Minister for Commerce, Trade, Tourism and Transport, you have the floor.

HON. F.S. KOYA.- Thank you, Mr. Speaker, Sir. I would like to contribute in support of the motion that is before the House.

Mr. Speaker, Sir, quickly I would like to address some misinformation that actually been passed on by the Opposition Members. Firstly, let me remind the Honourable Gavoka that our national airline is called Fiji Airways and not Air Pacific.

Secondly, Sir, in terms of the issue that was raised by him in respect to Korean Airline, that was the decision that was made by the Korean Airline. It has no caring on the Fijian Government nor does it ever care on the Fiji Airways. So, this kind of misinformation that passed on is not actually good for us. He keeps on harping about Qantas and now he is telling us that we need to use the second template as Australia and New Zealand.

Let me remind him, Sir, that the country went 365 days free of COVID-19 on a perfectly good campaign and we are working on what we can do for the Fijian people to the best of our ability to get us back to where we were, Sir. I think you need to appreciate that because that was a combine effort by the whole of this Government and all our forces involved perfectly to everyone.

Let me also remind him, Sir, that our Honourable Prime Minister is not sitting idle. He had conversation on a daily basis with many people around the world with respect to what can be done and what cannot be done. He is not sitting there doing nothing because he does not know what the Honourable Prime Minister does or how does he know who is he, Sir.

Again, there was a misinformation brought up by the Honourable Salote Radrodoro regarding the National Development Plan (NDP) which I spoke about yesterday and she said that there are huge backlogs of applications and one applicant told her that there was a huge backlog. It would have been good for her to maybe pick up the phone and either speak to me or the Ministry Sir, to find out the actual, factual details.

Now, just to allay any fears with the NDP, for applications in the 2020-2021 financial year there were 100 applications received, 10 applicants have actually received their grant, 50 applications have been processed of which 30 applications have been approved and another 20 applications are going through additional information and document processes. There will be some of course that will be rejected and there is a committee made up of the private sector that are processing and approving these applications. So this misinformation is passed on Sir, I wish to actually come to this honourable House and make sure that they get their facts correct.

Mr. Speaker, Sir, with respect to the motion the Fiji Development Bank as we all know have been around for more than 50 years and have since been providing the financial support to Fijian micro and small enterprises. The Fiji Development Bank also supports those that are in the primary resources based sectors.

The Bank, Mr. Speaker, Sir, continues to fill the gaps of financial support to resource-based businesses and accounting for new risks such as the unpredictable weather condition and all our socio-economic changes. I can actually confidently vouch for the critical and important role that FDB plays in the development of our Fijian economy Sir.

Our Ministry has partnered with the FDB on numerous occasions in implementing a number of livelihood assistance programmes. One of which I spoke about on Tuesday just yesterday Sir, and this is the Northern Development Programme and through this particular programme Sir, the Ministry actually provides applicants with equity, in the form of a grant to qualify for a loan from the FDB for their businesses.

Mr. Speaker, Sir, this has been quite a successful partnership and it has inculcated the entrepreneurial culture in the people of the Northern Division Sir. The FDB has also assisted the Ministry in the implementation of our micro-small business grant given FDB's expansive reach throughout Fiji in playing an instrumental role and distributing much needed funds for the many Fijians to generally to start their business.

It cannot be emphasised enough Sir, in terms of how crucial the FDB's presence in the Fijian economy is. The FDB has strived to uphold its mandate of focusing on inclusive and I repeat inclusive and sustainable growth for all Fijians. This Guarantee is extremely important Sir and it continues to forge public and private partnerships to promote the growth of our MSMEs and the development of the rural agro sectors and the growth industrial and commercial sectors. This is evident Mr. Speaker, Sir, in FDB's 2019 Annual Report where the FDB lent more than \$150 million to MSMEs and a number of different sectors such as transport and communication, storage and wholesale and retail and actually hotels and restaurants.

Mr. Speaker, Sir, I must remind members of this august House that through this guarantee facility they are not giving FDB a loan, we are actually guaranteeing, therefore we need to support this particular Guarantee facility. This support can result in the institution of earning a lower cost of finance, meaning a cheaper cost of doing business. This is important at this particular time, Sir, so without the FDB, there will be no financial geared towards providing support to our rural and agricultural sector growth which has such an important part and a role to play in our economy because of the situation that we are in, Sir.

We talked about diversification and that is one area that this government is actually looking at in terms of diversification and this is where FDB comes in Sir. The other financial institution such as the Westpacs and the ANZs of this world were all geared towards the commercial and the corporate sectors Sir. This Guarantee Mr. Speaker, Sir, will strengthen FDB's ability to venture in a greater way in supporting Fiji's rural and agriculture sector.

Now, this is a common thread amongst both sides of the House in trying to support our rural agriculture sector. This is the way FDB comes in Sir. With this guarantee approved, it will actually give the confidence to support FDB and allow FDB to continue with their good work in supporting critical sector. So, the FDB has been around for many years, Sir, and not a single person on the other side of the House has actually commended anything that they have done, it is quite shame, Sir. But any way, Sir, I support the motion before the House. Thank you very much.

HON. SPEAKER.- I thank the Honourable Minister. I give the floor to the Honourable Waqaniika. You have the floor, Madam.

HON. T. WAQANIKA.- Thank you, Mr. Speaker, Sir, for giving this opportunity to speak on this motion. I just want to convey my sincere gratitude to the Permanent Secretary of Health and all his front liners, I am aware that today they are out in full force again to give out the first dose of vaccination to our people and it is important that all our people get vaccinated. The soon we all get vaccinated our economy will be back on track.

Now, just to address this issue about the motion; we are not here to condemn FDB. What we are concerned about is the Government guarantees. You cannot give what you do not own, the amount of guarantees that this Government is giving out is a concern to us; that is a concern. You do not have to be a financial person to know that you cannot be giving out money that you do not even have it and the Government guarantee that is coming from the Government that is from our taxpayers' funds; that is FNPF.

We have heard Honourable Gavoka talk about the virus and the impact on the global community, everyone knew that. In December, 2019 the world got to hear that Wuhan had the virus and there was a pandemic, 70 to 80 days later in March, 2020 it hit our shores. Common sense tells me or tells anyone especially in the Government side that they should have strategized so that when that virus hit our shores our tourism economy would have been impacted. I am sure you would have had strategies in place, measures in place to counter that. Whatever you did - it failed and the reason is this. I am not in Government but I know through common sense that food security would have been impacted as part of the ripple effect.

In your 2019 to 2020 Budget, your budget for that financial year alone was \$78.7 million and this financial year after knowing fully well the impact of COVID your budget was reduced to \$65.3 million - a reduction of \$1.7 million. Here you are asking us to support this motion, and we will. We will because it is to support our people and like all Honourable Members in the Opposition have said, we pray that it trickles right down to our people, rest assured we will know that it does not trickle down. Social media is very powerful tool, nothing will be hidden.

The fisheries financial budget for 2019 to 2020 was \$17.2 million. In this financial year it was down to \$50.5 million, a reduction of \$1.7 million. So when Honourable Reddy talks about Government being here to support or grow and expand commercial agriculture but your financial budget this year does not reflect that. Who are we kidding? We have businesses that have closed down, and everyone could see in Fiji that this virus was going to affect everyone including all of us here in Parliament.

Some of us have land and we are farming. Some people have lost their jobs, utility bills have not been paid and were outstanding - you should have seen all this coming and now you are coming at the 11th hour to ask us for our consent. You already have the majority and by convention we will agree to support your motion. But if you had prepared well, if you had planned well, this guarantee that you are seeking from us would not have come to us.

Food security is very important to our people, a hungry and desperate man is a very dangerous man. We have people calling us, reaching out to us asking us to provide them food. India alone sent seven tonnes of seedlings to our nation, I believe round about April. All the support that we are giving to our people is coming from outside donors. With all the guarantees that you have given, for example, to FBC, there is going to be an impact of that because the advertisers are not advertising now. All sports programmes have ceased.

We have the Housing Authority which this Government has also guaranteed. People will be struggling to pay their mortgages and loans. We need to know how you will pay for all those. And for the Honourable Attorney-General to say, "FDB has now called upon that guarantee", please, you are the appointing Minister for that Board. There is still an Acting CEO. You have stood in as the guarantor for Fiji Airways and then you have let in their CEO, who should be focussing solely on saving Fiji Airways, but you have brought him in again to sit on the Board of FDB.

Who in their right mind when you give out a loan to a person, would tell them to come back and look after your finances or a commercial entity that comes under Government; it does not make sense. What we need to see is, if and when all these Government guarantees are called up, how will you service it? Because right now we cannot see that. There is a way. You can slash all your Assistant Minister's salary or even remove them. Everyone becomes MPs this side then you have all your Ministers. Some of these expat CEOs, you invoke that COVID provision, slash their salaries or let them go. We have not seen the worst of it yet. We have been going out to help our people. You have been going out using your Government funds, we have been going out using our funds and the support of others. This is our concern. How are your financing this? You cannot give what you do not have and you are giving way beyond.

Mr. Speaker, Sir, right now in everyone's minds it is food security. Whilst I commend the acts of Honourable Reddy going out to settlements to give seeds, that was not done last year when the seeds were given out to the people. The Ministry of Agriculture opened up their doors and everyone went. Then I saw with all due respect, Honourable Bala going to the bus stand in Suva giving out masks. When I see two Honourable Ministers going to that level to assist the people, I question the strategic direction of this Government because that is not where you are supposed to be, you are supposed to be doing policy changes, making sure that help goes out to our people.

Some of us here have businesses that have been closed down now for five to six weeks but our situation is nothing compared to masses out there. More businesses will be closed permanently so I really do not know how our Government will finance this guarantee. Taxes have reduced and that is your main source of income. You have come to us at the eleventh hour, but you need to come to us with a breakdown or a more detailed analysis or even a report on how you are going to service this, and also tell us how the other Government entities are performing.

Mr. Speaker, Sir, we have yet to see a realistic solution by this Government to assist our people because the only solution that I see and this is my conclusion is the Government guarantees, Government loans and Government telling our Members to go and get their own funds to assist themselves. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Waqanika and I give the floor to the Honourable Ro Tuisawau. You have the floor.

HON. RO F. TUISAWAU.- Thank you, Sir. I would like to start off in relation to the motion at hand, I would like to register my disappointment on the way this Parliament session was convened with virtually no notice. We need to manage the Parliamentary affairs with a sense of professionalism and how we convene meetings and that means that we need to have sufficient notice with regards to meetings, at least one day or two days because this was convened with just less than 24-hour notice.

To make it worse, we started off with the normal agenda when we should have approved the agenda next week on COVID-19 to this week and brought that forward. I would like to also respond to Honourable Minister for Commerce, Trade, Tourism and Transport that no one from Opposition has commended FDB. In fact, we have staff on this side of the House, who have worked for FDB,

professional staff of FDB and we know very well the role of FDB in terms of our economic development.

Under the FDB Guarantee, Sir, I believe that this boils down to the ability of the bank to efficiently and effectively manage its functions. To do this, you need an appropriately qualified and experienced workforce, especially the CEO who will be leading the team. If you do not have a suitably qualified and experienced CEO then there will be problems in terms of delivery and strategic direction and that brings me to the ongoing issue about the position of CEO at FDB.

If we go back to November 2017, the FDB had announced the appointment of a new CEO, Mr. Mike Clough, effective from 20th November, 2017. The then Chairman said that the appointment was most timely for the Bank. They had given us a rundown of his background and that he will be setting a new direction, driven by its three-year strategic plan that commences in that financial year.

It made history, as I had mentioned, as the first development bank in the South Pacific to get government accredited and the direct access activity to the climate change fund and this was announced in October 2017. Just recently, the GCF, the US\$5 million FDB project to fund an innovative solar agro photovoltaic system in Ovalau. That was the announcement made by the Ministry of Economy and which is an ongoing project.

The reason I would like to highlight this is the process in getting accredited which is not an easy process, and it came through a very long process of two years. The accreditation strengthens Fiji's capacity to take ownership to climate finance needs and responding to the impacts of climate change. It is a significant lead in strengthening for the Bank in understanding the climate change framework.

As explained by the FDB, the extensive process of accreditation assess whether FDB is capable of strong financial management, ability to manage GCF's financial resources in line with reducing the risk standards and type of scale and type of funding source, as well as the ability to manage environmental and source of the risk that may arise. It went through a detailed assessment of all the capabilities within the FDB in terms of processes, systems and practices, which is why we are able to be accredited and even obtain the climate change funding.

The other issue that I would like to emphasize is not only that, the FDB is a development financing institution, as opposed to commercial banks. They are often established and owned by governments and non-profitable organisations to finance projects that would otherwise, not be able to get financing from commercial lenders. Therefore, the focus is not to duplicate commercial banks, but to take on the high risk in a dependable sector such as agriculture.

If you look at the Fiji Development Bank Act, which has been mentioned by the Honourable Minister for Economy, that is clear to facilitate and stipulate the promotion and development of natural resources, transportation and other industries and enterprises in Fiji. Each of these could see the relation and priority to the economic development of the rural and agricultural sector.

The reason that I am highlighting all those is, the appointment of the CEO. The question I would like to ask is: Why is he delaying it? We need to get moving with the appointment of the CEO, and given what I have mentioned in terms of development in agriculture, et cetera, given the effects of COVID-19 now in terms of our population with regards to self-sufficiency. We need a CEO who will be able to handle that and work closely with farmers and landowners in value adding activities, be innovative in assisting the landowners and ensure there is a proper coordination with stakeholders, particularly with the Ministry for Agriculture.

He has mentioned that we take FDB staff in all our roadshows etcetera, but I am asking; what about at the strategic level? Are they coordinating in terms of products or value adding? That is what I am referring to and also someone who is able to fully utilise and maximise the climate fund financing. Yes, that is a big step for the overall project, but we need to further utilise this accreditation that we have and stick to the original purpose of the activity and ensure that the CEO has the appropriate skills to carry that out.

My view is that, we should have a person with a development banking professional background, not an accountant or investment expert. This issue has also been raised by Honourable Professor Prasad on how does FDB adopt to this environment? How will it help the people? My view is that, the FDB is paralysed with the lack of CEO and a compromised Board.

Honourable Gavoka had mentioned and not only him but also other Members, about the appointment of the Board Chairman. I am not sure why the Board Chairman was changed but the Honourable Minister for Economy might need to answer that. We raise questions because the Board Chairman is also the CEO of Fiji Airways and as stated, Fiji Airways had borrowed \$75 million from FDB as part of the Government guaranteed loan of \$455 million. My contention is that, this is a conflict of interest and unethical as the borrower is also the Chairman of FDB who is the lender. So we question whether the Board has been compromised by such a situation.

(Technical glitch)

HON. SPEAKER.- Honourable Members, we will take our lunch break now and meet at the usual time when summoned by the bell. Honourable Member, you will continue from there but have three minutes.

Thank you, we adjourn.

The Parliament adjourned at 12.36 p.m.

The Parliament resumed at 2.30 p.m.

HON. SPEAKER.- Honourable Members, we will continue with our agenda. Honourable Tuisawau, you have the floor.

HON. RO F. TUISAWAU.- Thank you, Mr. Speaker, Sir. I will continue with the debate on the FDB Guarantee. As I was saying in terms of the delays in the appointment of the CEO which has been going on now for 12 months or more, and the need to relook at that with the CEO with background, for example, on agriculture, development banking and COVID-19 recovery, the need to have local knowledge of the agriculture sector and the ability to liaise with stakeholders to move forward, is what FDB needs now. That is an area which I believe that, that talent is within FDB. To conclude, the question I would like to ask the Honourable Minister for Economy, not only with the Chairman of FDB, why can you not appoint a local there and also, given the conflict of interest?

The second issue is on the CEO, what is the problem with the local expertise? Why re-advertise this position three or four times when the local expertise is there? What are the local staff within FDB who are adequately qualified and experienced in the qualifications and experience areas that I had mentioned, not considered? This has been ongoing.

Not only that, that also brings to mind the issue about the appointment of expatriates. We see that so many of them have come and gone, including the FDB CEO. So, that is why I am asking the Honourable Minister for Economy; what is your problem with local appointees in this executive position which needs to be seriously looked into, especially for FDB and the important role it plays in our economic recovery from COVID-19?

Before I finish, I would like to raise the immediate concerns being highlighted by the people with regards to the issue I had raised on roadside vendors. Can the Government just leave them alone and let the roadside vendors operate, for those who are doing so now under the COVID-19 situation we are facing, the need for them to engage in income-generation.

Mr. Speaker, Sir, the Nausori Town Council is now coming in and is trying to remove them. Just leave them alone until we sort out those issues, until there is a COVID-19 recovery. Let them earn a living, because everyone is suffering right now.

Just recently regarding the food distribution, there was a video from Nadali regarding rotten rice being distributed. So I would request, please, look into that regarding the quality of the food being distributed. Maybe, it was just a portion of it but, please, inspect rations carefully before they are distributed, if that is verified. This has been highlighted because quite a lot of money has been spent on purchasing those.

Those are my contributions on the FDB Guarantee, Mr. Speaker, Sir. Thank you.

HON. SPEAKER.- I thank the Honourable Tuisawau. I give the floor to the Honourable Nawaikula. You have the floor.

HON. N. NAWAIKULA.- Thank you, Mr. Speaker, for the opportunity. Firstly, I am very concerned as I feel that the House apparently does not appreciate the serious risk of the pandemic and the great effort that Dr. Fong is continually putting into it by coming to these meetings and addressing ordinary things without the least acknowledgement of what they are doing. We must understand, Mr. Speaker, the risk of that if it gets out of hand, we do not have capacity, we do not have the equipment, we do not have the manpower. I know probably the mindset of the Government is that the donation will come because we are now in the dependency mode and that is wrong.

Yesterday, I told the House that the virus has gone into the FMF at 4-Miles and now we hear in the news it has gone to USP - they have locked down part of the quarters there. That is the risk and we should not play around with the risk because we do not have the capacity and the least we understand that the better for us and at least we can acknowledge what they are doing - everyday we have a Ministerial Statement, just to update the public - to make them feel safe, feel comfortable and, there is nothing there. We do not need to change the Order Papers for the Meeting because the prerogative is there for the Government to do that.

If the Honourable Minister cannot do that, please, come and read out what Dr. Fong has said, just to give some assurance, some comfort to the many people who are watching this. Why are we taking these sittings allowed to the public – it is because they are watching us and they have that on their minds so we should include them within what we are doing now by addressing those issues because those are uppermost in their minds.

Let me go to the motion at hand and let me refer to some of the statements made by previous speakers. I feel the Honourable Attorney-General may have misinformed the House and he should, I feel, address this when he makes his right of reply.

Mr. Speaker, he stated that there has never been a time when the Government has been asked and called upon to make good a guarantee of any of the loans that it had made. I think that is wrong because only last year, the FSC could not pay its loan to FNPF that was guaranteed by the Government and Government was called upon to answer to that, sure enough, but because of the political connection that the Government has or the Honourable Minister has with FNPF, Government did not pay and he was free to go in and make an arrangement so can he clarify that when he gives his right of reply.

The other point that he made that we must question is that this guarantee is needed to allow FDB to operate, to assist Fiji's economy. In my view, that is wrong, Mr. Speaker, and there is a need now to relook at the role of FDB, understanding, of course, that FDB was established to assist the farmers. It was primarily and originally an agricultural bank but if you look at where it is now, it has gone far far away from that. Remember last year it gave \$75 million to Fiji Airways, another \$30 million, and last year. Let me tell you this, Mr. Speaker, I was party to a transaction in one of the resorts where that resort that is supposedly an investor to Fiji had obtained from FDB - \$14 million. That is the money that should have gone to local agriculture.

I can tell you now that that resort has since transferred that liability to HFC, but my point is this, if you look at the portfolios of the loans that FDB is giving out, you will see that it is mostly assisting overseas investors who were supposed to come to Fiji and bring their money, and who should at least go to the banks, not FDB.

The Honourable Minister for Economy said that 62 percent portfolio loans is given out to agriculture, but we do not see that. If that is so, then why is it that the contribution of agriculture to the GDP continues to go down and down and down, so there is no link there. The review of the role of FDB has been overdue for a long long time, and I am sure if you look at it now, it is financing more and more businesses, including investors, because it is easy, as opposed to what it should be addressing which is the development of agriculture and the farmers in this nation. If we are really serious we should ask ourselves, why should we be agreeing to give it this guarantee of \$75 million or whatever the amount is?

If we are serious about FDB's contribution to the development of agriculture in this nation, we should have simply said, "Okay, \$120 million in cash grants from Australia and New Zealand, we will take half of that and give it to FDB specifically to assist the farmers." We have to caution ourselves, that is my view in relation to that and I am very very serious about that in saying that it has gone out of hand, it is wrong to say when we give this to FDB, we are helping FDB address economic development in this

country because it has gone out of the drawer, it is now funding mainly investors so we really need to really look at that 62 percent portfolio that the Honourable Minister for Economy had stated to us so I challenge him to address that in his right of reply.

Now, Mr. Speaker, let me now go to my notes in relation to this topic. I wish to use his own quotation that “the reality of the matter is that we simply cannot afford to be granting any more guarantees, not to FDB and not anyone.” Let me illustrate this and let me just put a caveat here because I will be using some of the figures and facts from Mr. Savenaca Narube, former Governor-General because he has more clout than me when talking about the economy, facts and figures. And it will be also give an opportunity to the Minister for Economy to address that because that would be on the same economic level.

If you look at the total debt we have \$8 billion that is not just a debt but we have to add on our debt liability which means that you add to that \$8 billion the total guarantees that Government has been giving to Ministries, institutions and even to FNPF and remember that. From our budget last year, we approved \$2 billion debt. Since when have we done that? Since last year by this government alone - \$2 billion which is unprecedented. If we look at our GDP is \$9 million. The debt liability and by that I mean all these guarantees is taken together you will see that our debt liability goes in excess of \$15 billion. That will put our GDP debt ratio at well over 170 percent so we cannot afford to be guaranteeing anything, not FDB and not anyone. Let me just tell you how that debt liability is made up.

To Fiji Airways we are guaranteeing \$440 million; To FDB this one the very same one that is coming to beg us now here today already \$302 million; FSC \$218 million; Housing Authority \$90.2 million; Energy Fiji Limited \$51.1 million; Fiji Broadcasting Corporation \$8.8 million; PAFCO \$1.8 million and Fiji Hardwood Corporation \$1.7 million. I am reading this out so we can all hear it and see that we are in a precarious situation in terms of our finance and we cannot even afford to be doing anything other than trying to save.

Mr. Speaker, let me tell you the reason why we are in this economic mess. It is because of the Minister for Economy who is the architect of his government economic policies and management, or the proper word for that is mismanagement.

And not only that, COVID-19 only came last year and the results of his mismanagement had appeared earlier in 2019 when suddenly government revenue fell by \$1 million and we have to readjust. Remember that we had to cut our budget around that time to survive in 2019. The reason for that, Mr. Speaker, is the Minister for Economy has had very bad economic management of this country.

One of the reasons we have highlighted is reckless spending. Let me not go into detail because we know that that is happening. Only yesterday, Mr. Speaker, I was surprised to hear that MSME is a handout. That is not government investment - it is just handing money out - calling 1,000 people to Savusavu, calling 1,000 people to Labasa – that is electioneering, political support giving handouts and handouts and that is because of his type of management. So, Mr. Speaker, Sir, that is all because of him and it is good. I have been saying that to them and I am glad that I am not the only one.

Mr. Narube agrees with me and Mr. Narube is also a very experienced Economist. I wish to end my contribution by telling the House some of the things that he agreed with me in terms of mismanagement by our Minister for Economy.

So, last year alone when the Government came to us for the Fiji Airways Guarantee, the Honourable Minister for Economy claimed that it was the first time that ADB was lending money to an airline. This is Mr. Narube's reply to that and I quote, "The claim was misleading, ADB was not satisfied with the ability of the Fiji Airways to repay the loan. ADB insisted Government guarantee the loan, ADB would not have lent the money without government guarantee."

On the Honourable Minister for Economy's interference with FNPF, Mr. Narube had this to say and I quote, "The Minister for Economy has permitted FNPF to lend to Fiji Airways, allowed members to withdraw because of the crisis and reduce contribution from both employers and employees".

On FNPF and RBF, Mr. Narube had this to say, "What worries me is the political interference of the Fund, the lack of independence of some members of the board and the apparent omission to apply 'fit and proper' standards to some board members by the regulator which is the Reserve Bank."

On Fiji Airways and the Minister for Economy's assurance that other countries had bailed out their airlines in the same way? Mr. Narube had this to say and I quote, "Yes, but there are two very important conditions in those countries which we do not have, which we do not enjoy. First, their government airlines are transparent and proactive, unlike ours, and we are told that our financing lease agreement is like a noose around our necks."

Still on the mess Fiji Airways is now finding itself in, Mr. Narube had this to say: "The shareholder Minister in my view not only built a time bomb at our national airline but also lit the fuse and stood his ground, and refused to allow a parliamentary committee to find a solution on the airline" and he added, "... possibly to find the truth" and we are now waiting for that time bomb to explode."

Mr. Speaker, Sir, on the economic mess, we are now in, Mr. Narube had this to say, "In my assessment we are in this big financial mess because of the Minister's poor economic and financial management."

Mr. Speaker, Sir, on the Fiji Airways mess that we are in again, Mr. Narube had the following to say, and I quote:

"The people must be concerned because the cash flow crisis at Fiji Airways will let the entire country down with it."

On FDB nepotism and conflict of interest, he had this to say, and I quote:

"We all know that the elder brother of the line Minister is the CEO of FBC. Family units at a very dangerous dimension to financial decisions. There will always be strong deception of the absence of objectivity when family members negotiate across the breakfast table."

On nepotism at FDB with Fiji Airways, Mr. Narube had the following to say, and I quote:

"Through the directive from the shareholder Minister, FDB lent over \$70 million to Fiji Airways with a Government guarantee. That Minister then appointed a CEO of Fiji Airways to chair the Board of FDB. The Government is caught in its own dangerous web that as majority shareholder of both entities: a financier to one and guarantor to the other. This insensuous relationship heavily compromise the Government integrity of FDB and Fiji Airways."

HON. SPEAKER.- I thank the Honourable Nawaikula. I give the Honourable Kuridrani. You have the floor, Sir.

HON. I. KURIDRANI.- Thank you, Mr. Speaker, Sir. I will be just short. I believe that all my colleagues from the Opposition have covered the issue very well in all its aspects and I thank them for their effort. Therefore it is not logical for me, I believe, to repeat some of the issues that I am going to speak on as they are covered. However, my response would be just directed to the proposer of the motion, the Honourable Minister for Economy.

Based on my understanding, for the three years that I have been in Parliament, I believe that he is the cause of the problem as mentioned by Honourable Nawaikula. He is the catalyst of the socio and economic crisis. I question his integrity and competency because I mentioned earlier in November that he has some cases where he needs to be investigated and I wonder why is he still walking around and entering Parliament because of the cases that need to be investigated. The Veronica Malani case, the Rewa Dairy issue and the recent \$30 million payment for a relative.

On top of that, Mr. Speaker, Sir, he has been deceiving this nation for the past 14 years with a false economic boom. My perception is that, this motion will not really go down to the people who are intended to benefit from because from his experience that I have noted so far. Therefore, Mr. Speaker, Sir, I question his integrity and competency and I doubt that this motion will actually benefit the people. I still maintain my stand that the Honourable Member should stand down, step aside and step out to be investigated.

HON. SPEAKER.- I thank the Honourable Kuridrani. Honourable Members, I now call on the Honourable Attorney-General and Minister for Economy, Civil Service and Communications to speak in reply. You have the floor, Sir.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir. There is a whole lot of matters that I do need to respond to because Honourable Members of the Opposition have raised a number of supposedly issues on their part but, of course, a lot of misinformation had gone along with it, in fact, probably 99 percent.

It is very interesting, Mr. Speaker, Sir, that Honourable Members have neglected to acknowledge the fact that every year since FDB has been created, all Governments have been approving the guarantee for the FDB to be able to go out into the market and actually borrow money. Honourable Professor Prasad should know this and he wanted to know what interest rates they would get in terms of the bond issue or the promissory notes. Obviously, that is determined by the market, any basic economist would be able to tell you that. He talked about the interest rates. Again, it depends on how much you borrow the money for.

But I did indicate in my introduction of the motion that generally, the market rate recently has been slightly above 4 percent at which they borrow and they lend on an average of round about 7 percent. And Honourable Members of the Opposition fail to also acknowledge the fact and understand that when you have a divergent or when you have a mixture of your lending portfolio to different sectors in the economy, you are able to get different interest rates. For example, many of the food production companies in Fiji, the one down in Lami which, I think, is called Pacific Foods - George Patel and them, the original funding of that factory came through FDB.

When they lend to commercial entities and this was during the Qarase time and various other people when they were CEOs, even Hari Punja who borrowed from FDB and various other institutions, they set up those companies and the interest rates that were charged by FDB was higher than what they would charge a farmer and that is what you call 'cross subsidisation', and that is how

FDB has worked. In fact, you will find in the previous Budgets also that the Government has, at times, subsidised interest rates for people in the primary sector. So, if FDB was going to lend at 4 percent, for example, to a farmer, Government may step in and say, "Look, lend to them at 3 percent, we will subsidise the 1 percent interest rate that you are foregoing." That is how the system works.

Now, I also wanted to highlight the issue about Honourable Radrodro, who made a bit of a song and dance about someone sleeping on the job in FDB, et cetera, that normally when we give the guarantee, we are able to then give the management of FDB the ability to go out and borrow into the market. They do not automatically issue bonds to the full amount of the guaranteed amount. So, if these people want to come and talk about FDB, they need to understand it. Honourable Tuisawau who claimed to be some sort of an expert, should know this and I have got the figures here.

In 2018, this Parliament had approved \$160 million worth of guarantees, utilisation of that was \$143 million. In 2019, again, \$160 million and utilisation was \$138 million. In 2020, a \$160 million guarantee and utilisation of \$145 million. So, in the same way, to say that the guarantees ended in February and, therefore, FDB did not have any funds, is incorrect. For anyone who knows how the FDB works would know that the management always in anticipation of the lapse sometimes in the Parliamentary sitting, et cetera, would have enough funds raised through the market to be able to continue their funding. So, again, it is incorrect to say that.

Honourable Aseri Radrodro, firstly, talked about this motion and not being informed, but he should have talked to his Whip. When we had the Business Committee Meeting on Monday, we actually made it known that there will be various guarantee motions brought about, including the FDB. Honourable Qionibaravi was there too. Maybe, you need to communicate a bit more.

The other issue, Mr. Speaker, Sir, Honourable Aseri Radrodro talked about the glory days of FDB. What glory days? The ample glory days post-1987? Where are those supermarkets today? The Class A shares funded through FDB to only privileged-*iTaukei* people in Fiji was funded through them and I only say *iTaukei* because the shares in Fijian Holdings can only be bought by *iTaukei* people. Where is that money? How was that approved? Who benefitted from it? Who were part of the management then? Those are the glory days.

This is the glory day, Mr. Speaker, Sir. When the Honourable Prime Minister was Minister for Finance prior to 2014 and even after that, hundreds of loans had to be written off the books because the balance sheet of FDB did not look good at all. There were so many bad debts on the books. This is the glory day that you are talking about, Honourable Tuisawau! You see, this is the problem. People come to this Chamber without clean hands and they pontificate here about it.

Mr. Speaker, Sir, let me just deal with this. The CEO of Fiji Airways is actually a financial expert. The loan given to Fiji Airways was prior to his appointment as the Chairperson. Where is the conflict? He did not sit on the Board to approve the loan. Again, there has been so much made on how FDB has lent to Fiji Airways.

The reliance of the Fijian economy on the tourism sector is about 40 percent, the reliance of tens of thousands of Fijians on the tourism sector is there, and the reliance of the tourism sector on a national carrier is critical. So is it not worth our while to protect the Fijian carrier?

The New Zealand Government gave \$900 million to Air New Zealand from direct budget support, from the taxpayers' funds allocated through the budget. We have not done that because we have taken another path, we have given a guarantee. In other words, there is no immediate call on the finances. In the event, should there be a default, then the guarantee kicks in.

I would like to clarify, Honourable Nawaikula, when I said there has been no call on the guarantee that it was in relation to FDB. He should listen a lot more clearly. In my introduction of the motion, I said, "Never has there been a call on the guarantee in respect of FDB." And, again, there has been this call about expatriates - this obsession with expatriates.

I remember a few years ago when we had the Permanent Secretaries and they objected to some of the Permanent Secretaries being expatriates. We said that we will peter out. We need to appoint the right people to get the ball rolling and build the capacity, but they have not thought of anything about it.

Today, Mr. Speaker, Sir, out of the 19-odd Permanent Secretaries, only one is a foreign national and two of them hold dual citizenship, including Fijian citizenship, the others are all Fijians. But they have no problem when Ben Ryan was appointed as a Sevens Coach; John McKee was appointed as the Fiji Rugby Fifteen Team's Coach; Jennifer Brazel was appointed as the Netball Coach; Flemming Serritslev was appointed Football Coach - no problem with that because they are the best people to get our people coached. You go out and get the best people. Why should the same standards not be applied for our bureaucracies, if it can be applied for sports, Mr. Speaker, Sir?

(Honourable Member interjects)

HON. A. SAYED-KHAIYUM.- There is some noise coming which is obviously irrelevant.

Mr. Speaker, Sir, the point is, and I would like to commend Honourable Professor Prasad, for the first time, he said something appropriate yesterday. He talked about that, that when you appoint people on merit, that you end up getting what we call, 'inclusivity'?

Honourable Tuisawau wants to quote New Zealand and what has been the indigenous experience in New Zealand. The Maoris only own 5.4 percent and 5.6 percent of the land in New Zealand. In Fiji, it is 91 percent. Why did they have a *Waitangi Treaty*? Because there was a war, they did not want the *Pakeha* to come to New Zealand so they fought them. Fiji's experience is completely different, so put it into context.

(Honourable Opposition Member interjects)

HON. A. SAYED-KHAIYUM.- What you are saying is irrelevant.

HON. SPEAKER.- Order!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, I have addressed those issues. I want to now get onto the issue about the glory days.

Just one more point I want to make and that is, under the SDL Government, when the Momi project was started, FDB lent to the Momi project as well as FNPF - a project handled by a gentleman from New Zealand who is in prison, who was subsequently incarcerated by the New Zealand Government because he was essentially a conman. Guess what, Mr. Speaker, Sir?

Even though the loan component of the loan to Momi (Honourable Jale would know this, I think he was the Chairman then), FNPF had a higher amount lent to this particular project. The FDB had a lower amount lent, nonetheless, it was a significant amount. But guess who was managing the loan? FDB was the manager of those funds.

Guess what, Mr. Speaker, Sir? There were people within the FDB management who got landscaping contracts whilst working at FDB and FDB had lent them the money, and I see the conflict there. Mr. Speaker, Sir, the reality of the matter is that, we were able to salvage the situation through a law that was passed and today, Momi is now a success - the Marriott as we know it.

The issue about Fiji Airways has been brought up and I need to address that because there is actually a motion tomorrow too regarding that.

Just one other point, as I had mentioned in the introduction, the agriculture portfolio of FDB constitutes 81.6 percent of the total number of loan accounts and 41.19 percent of the total value of bank portfolio. So, whilst 81 percent of the loan accounts are agriculture, it holds a total value of about 41.19 percent, so no doubt it needs to increase.

However, as the Honourable Minister for Agriculture pointed out and also Honourable Gavoka talked about that, that in Fiji, we all are now into subsistence farming. Countries that have done really well in agriculture have actually gone into large scale commercial farming. One of the ironies in Fiji has been, for decades since the colonial times is that, for agricultural leases, you would only get a 30 year lease. I can go and lease iTaukei land, Crown land or State land as we call it now, for tourism, residential, industrial and commercial for 99 years. But the moment it came to Agriculture, 30 years. So, no bank used the lease on agriculture land as collateral. This is why farming in Fiji has always been held back because the level of capitalisation has been minimised. It is a fact. That is why the level of mechanisation is limited and that is a fact because farmers do not have the ability to be able to borrow cheaper funds. We only had simply crop lien. National Bank of Fiji used to have crop lien and then Colonial had crop lien.

So, Mr. Speaker, Sir, there is a historical context to that and we need to be able to understand that. Honourable Nawaikula cannot talk about agriculture investment when he opposes or would oppose or may have opposed previously about granting long term leases. In fact, he was quite instrumental in ensuring that a lot of leases were not renewed, quite instrumental in that! He went to Vanua Levu with people like Qarikau. It is a fact and we all know that.

Mr. Speaker, Sir, the other matter that I would like to highlight is the issue about FDB. The FDB has actually been given concessional finance from the Reserve Bank of Fiji (RBF). The RBF has lent to FDB at 1 percent. The reason why RBF has lent at 1 percent to FDB so that FDB can then use those funds, adding their own overhead costs, and lend to the agriculture sector also. The RBF has played a pivotal role.

Mr. Speaker, Sir, with RBF, there were some issues (I cannot remember who it was that raised that) saying Fiji Airways got clearance from RBF, et cetera, the loan was approved by the FDB Board.

Mr. Speaker, Sir, again, I like the fact that Honourable Professor Prasad said that the granting of the \$1,000 grant was a good thing. I remember the time when we were actually giving the grants for micro enterprises, they were all opposing it and saying, "These are all hand-outs". Now they are saying, "It's a good thing". Now, there is a caveat, they are saying, "For the time being."

Mr. Speaker, Sir, the other point that I also want to highlight is, I wanted to clarify the issue in respect of the total debt exposure for Fiji. They are now quoting Mr. Savenaca Narube, who is a politician who lost miserably at the polls, twice now. Honourable Tabuya should know that there are lawyers and there are lawyers and that there are economists and there are economists. We know that, Mr. Speaker, Sir.

Mr. Speaker, Sir, the reality is, the current nominal value of the Fijian Government debt is \$7.2 billion and there is also what we call, “the guarantee liabilities”, which is about \$1.05 billion. Then there is what we call “Explicit Callable Debt” and no one ever quotes this, and they have not even quoted this. Because we are members of the International Bank for Reconstruction and Development (IBRD) which is to do with the World Bank, and Asian Development Bank, we have an exposure of \$489 million, never been called upon, but it is there. All countries that are part of it are there. None of the previous Governments whichever Government you name in Fiji, have ever looked at this as part of the debt portfolio.

Now, Mr. Speaker, Sir, we have what we call “Implicit Contingent Liabilities” where we have not signed, we have not come to Parliament, there has been no formal Government Guarantee sought but we would be morally perhaps, obliged. Provincial Councils go out and take loans. If the Provincial Councils default on their loan, we will be morally obliged to go and rescue them. Municipal Councils take out loans. They may actually give us some of their property as mortgage. We will be morally obliged to go and salvage that because it is in the public interest.

Mr. Speaker, Sir, we also have the Fiji Revenue and Customs Service (FRCS). If, for example, there are certain VAT outstanding, we will be morally obliged to pay that. But they have never come to that, Mr. Speaker, Sir. The National Bank of Fiji - remember the bank that failed, there are still debts outstanding. We have a moral obligation of about \$390,000 to the NBF Asset Management Company, and that is the type of contingency we are looking at.

Honourable Nawaikula misquoted facts and let me say what are the guaranteed amounts. As far as 30th April, 2021, and this is from our Debt Manager, Mr. Nemias Dawai, if you want to know his name, Honourable Nawaikula. I am not pulling figures from anywhere. Fiji Airways - \$391.91 million; Fiji Development Bank - \$329.5 million; Fiji Hardwood Corporation - \$1.165 million; Fiji Sugar Corporation - \$199.57 million; Housing Authority of Fiji - \$102.16 million; FBC - \$6.9 million; PAFCO - \$943,000; those are what we call the “Direct Guarantee Loans”.

Mr. Speaker, Sir, as I have highlighted, the other loans regarding World Bank are not loans but in terms of what we call, “Contingent Liabilities”. The second two that I have quoted which is the implicit and the other contingent liabilities - the World Bank and ADB are not really called upon. They have now come up with this figure of \$15 billion, adding FNPF to it. No other government, no other Opposition has ever said that the FNPF exposure should be added to the Government loan portfolio. They have never done that but now, they want to come up because Mr. Savenaca Narube wants to be the main boy. He wants to say, “This is the exposure”, and they are all lapping it up. No principle approach!

Mr. Speaker, Sir, I urge that I be given time to complete my response as the Honourable Prasad was actually given time. I would like to thank Honourable Gavoka for saying that everyone should get vaccinated and I really hope that he has a chat with Honourable Bulanauca, who thinks we are still going to put some kind of device through the vaccine. But, Mr. Speaker, Sir, it is quite shameful that here, we have an Opposition who has now come to Parliament and suddenly, they are all talking about vaccination and careFIJI App.

Honourable Qereqeretabua said that the low rate of downloading of the careFIJI App is an act of rebellion, and that was what she said. She is quoted as saying that. We had the lawyers, Mr. Speaker, Sir.

HON. L.S. QEREQERETABUA.- Mr. Speaker, a point of order. I think I need to clarify the insinuation that the Honourable Attorney-General is making. I think he is misleading Parliament.

My point about rebellion is the communication way or the way that they communicated, because in a pandemic there are ways to communicate and not by commanding, not by forcing and not by testing our patriotism. We need to communicate in a way that is compassionate and is open. Thank you, Mr. Speaker.

HON. J. USAMATE.- What is the point of order?

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, the *Daily Hansard* will show otherwise and I still say this, they actively encouraged people and made statements on the floor of this Chamber not to have the careFIJI App on, actively. The law firm that used to represent NFP, one of their partners wrote an article in the *Fiji Times* questioning the careFIJI App, questioning the ability that we are going to step in to their privacy. So many in the Opposition did not actually take the careFIJI App on so many of them. Now, they have the audacity to come and talk about this but I am glad Honourable Gavoka has talked about the vaccination.

Mr. Speaker, Sir, the other point that I wanted to highlight also is that they talked a lot about Fiji Airways. It really irks me that here we have, Mr. Speaker, Sir, the national carrier and we are trying to protect our national carrier because we want our national carrier to survive through this pandemic. Airlines have shut down throughout the world, large airlines; Emirates, Singapore Airlines, Qantas and others have grounded planes, staff have been laid off, they are saying air travel industry will change completely and here we are in Fiji, the only Pacific Island country that has got the most modern fleet and we are trying to make sure that it stays that way.

Honourable Gavoka said, “Oh, we are buying three new planes”. He knows very well that those orders were placed long time ago, we are only receiving them now, he knows that. But why do they stand up in Parliament and misrepresent it that way as if that we are being somehow or the other reckless. Mr. Speaker, Sir, when you have already placed the order and you paid for it, you are going to get delivery; it make sense.

Mr. Speaker, Sir, I know he has a particular proclivity to Boeing. When we are buying the Airbus A330, he said, “We should all have one fleet”. Maybe he thinks now we should have both. But today he said “oh, it is expensive”. If you look at all professionally-run airlines in the world, they have the mixture of both. And Boeing, Mr. Speaker, Sir, has what we call a deferred prosecution agreement in place with the American Government.

Mr. Speaker, Sir, let me just quote because of the MAXs. It says, Mr. Speaker, Sir, that the deferred prosecution agreement is now public knowledge. It says and I quote:

“The Boeing admits that it knowingly as wilfully with intent to defraud, conspired and agreed together with others to defraud the United States by impairing, obstructing, defeating and interfering with by dishonest beings the lawful function of the Federal Aviation Authority (FAA).”

There is, Mr. Speaker, Sir, DPA requires Boeing to pay \$2.5 billion in compensation. These are facts, Mr. Speaker, Sir. So, I cannot understand, we have this whole monolog about Boeing, Airbus, et cetera. These are the hard core realities that we are dealing with.

Mr. Speaker, Sir, the other issue that I also wanted to highlight, he said that he supports Honourable Tuisawau’s call for an inquiry”. Honourable Tuisawau talked about the Russian Mafia when he talked about the *waqavuka*. This is the level of imbecilic contributions we are getting, Mr. Speaker, Sir. ADB has lent to FJ.

HON. L.D. TABUYA.- Mr. Speaker, Point of Order!

Can I please ask the Honourable Attorney-General to refrain from using unparliamentary terms like “imbecilic” and calling Honourable Members “imbecile”. He needs to withdraw those comments. Thank you, Mr. Speaker.

HON. SPEAKER.- That is not it.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir. Mr. Speaker, Sir, Honourable Nawaikula quoted Savenaca Narube. The ADB has lent to Fiji Airways and it is the first airline it has lent to, at least, in this part of the world.

Mr. Speaker, Sir, they used BNP Paribas. Anyone that knows about the aviation industry, it is a French-based company that does assessments of airlines and Fiji Airways had to jump through the loops and all sorts of things to be able to meet the threshold in terms of cash flow projections, in terms of previous management and they have received those funds, Mr. Speaker, Sir. The reality of the matter is that ADB is not going to lend money willy-nilly to some dodgy company. Please do not make out Fiji Airways to be some dodgy company; it is not. It is our national carrier. It carries our name, it has got our unique logo on the livery of the planes.

Mr. Speaker, Sir, the other point that I also wanted to make, they talked about the Fiji Airways debt. Let me give you a breakdown of the debt:

- FNPF has 30 percent of the debt;
- FDB has 10 percent of the debt;
- German banks have 30 percent of the debt;
- ADB has 18 percent of the debt; and
- Aircraft lessors have 12 percent.

In nominal terms, let me give you the nominal figures;

- FNPF - \$229 million;
- FDB - \$75 million;
- German banks - \$277 million;
- ADB - \$134 million; and
- Aircraft lessors - \$47 million.

These are in Fijian dollars. That is the debt portfolio of Fiji Airways. There is nothing hidden about it.

Mr. Speaker, Sir, the other point that I also wanted to make was, a lot of this hullabaloo about where we have or someone mentioned about the rotten rice, Honourable Tuisawau, I think. Honourable Tuisawau, if the person is genuine and if you know of the person, please tell us.

HON. SPEAKER.- Who is asking the Point of Order?

HON. RO F. TUISAWAU.- Tuisawau.

HON. SPEAKER.- You have the floor.

HON. RO. F. TUISAWAU.- Mr. Speaker, Sir, I am referring to the use of unparliamentary language, calling Members imbeciles. I recall in the last Parliament someone called a Member “idiot” and was taken out of Parliament for one year. Imbecile is the same as “idiot”.

The Honourable Member is misleading Parliament too by saying that I am referring to the Russian Mafia. That was a general analysis of the Irish Black Economy and that was from the US State Department Report which states that the Russian Mafia operates in the same black economy as *waqavuka* which you, the Honourable Minister for Economy is moving Fiji into.

HON. SPEAKER.- Honourable Member, imbecile is not an unparliamentary term.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir.

Mr. Speaker, Sir, the other point I wanted to make was about the rotten rice. This video is being circulated, the person who is circulating this video does not give his or her name, they do not say where they are from and they do not even show their face. If the person is genuine and has received rice that is not good or rotten, please tell us, we will replace it. But to have this circulating and saying that the rice is bad but you do not want to come forward then obviously it would mean the person is perhaps being disingenuous.

We have had people, Mr. Speaker, Sir, for example, who have said to us in the past, “oh, you have missed our home, we need it.” They give us their names, their telephone number and we go. In the same way if this person feels aggrieved that the rice is bad, please, tell us, as opposed to circulating it and those of you and others lapping it up.

Mr. Speaker, Sir, I just wanted to very quickly highlight because there are a lot of comments being made about COVID-19, lack of spending, et cetera. Mr. Speaker, Sir, we have directly spent \$300 million on COVID-19 related matters, directly. A \$160 million so far has been paid out in unemployment benefits through Phase II Phase III.

Mr. Speaker, Sir, \$30 million in the concessional loans for MSMEs, \$10 million to the M-PAiSA grant of \$90 and within a few days, I think literally (I have got the figures here somewhere) the number of households assisted - 37,206 in Nadi-Lautoka area and 81,430 in Suva- Nausori-Lami. Total funds disbursed in a matter of three or four days was \$10.6 million.

Then, of course, Mr. Speaker, Sir, \$100 million for Health and Medical Services, Fiji Police Force, RFMF and other people at the frontline. Sir, \$150 million has been released by FNPF on its own. Continuation of the same salary rates for civil servants, the infrastructure development, education, access to justice, social protection, welfare payments have not been stopped. Legal aid has not been stopped and Agriculture is doing its work. Mr. Speaker, Sir, the point is that, the machinery of Government is working and this is direct spend of \$300 million as a response to COVID-19.

Mr. Speaker, Sir, finally I would like to say and a lot of has been made about this, I would like to just echo the sentiments of what the Honourable Minister for Commerce, Trade, Tourism and Transport said. Honourable Nawaikula said that he holds the Prime Minister responsible for this latest outbreak. What nonsense!

(Honourable Member interjects)

HON. A. SAYED-KHAIYUM.- When there is an outbreak in Melbourne, does the Opposition go around and say, “We hold Scott Morrison responsible”.

(Honourable Member interjects)

HON. A. SAYED-KHAIYUM.- This is the problem, Mr. Speaker, Sir. In one breath, they make all sorts of spurious comments, imbecilic comments and make comments backed, not by facts, Mr. Speaker, Sir, they talk about bipartisanship.

I just want to give a few examples in respect of how we cannot work with them. We are diametrically opposed philosophically to them. I highlighted some of these. Honourable Tuisawau was talking about the New Zealand experience but not actually comparing it, the systemic marginalisation of people in non-exclusivity, quoting figures that are completely incorrect, \$15 billion debt, FNPF - their analysis was incorrect, careFiji App - do not use that, opposed to outsourcing - Honourable Tabuya, she has family companies that get benefit from outsourcing of Government work, construction companies. These are all outsourcing work, Mr. Speaker, Sir, they oppose that, they want big government.

Here, we are told, in order to run efficient and effective governments, we need to have small governments, we need to outsource because when you outsource, you create a lot more jobs when you outsource, a lot more people get money in the pocket. If a person works in the construction, for example, department in the old infrastructure Ministry of Public Works Department, that person has got limited capacity. If we have 100 people putting up a building, that is all they will do. But if you outsource it, you can do lot more buildings, a lot more construction, you spread the wealth, scholarships - they wanted it on ethnicity, we want it on merit.

(Honourable Member interjects)

HON. SPEAKER.- Order!

HON. A. SAYED-KHAIYUM.- They said about the facts not right regarding FSC; incorrect facts again, Mr. Speaker, Sir. We have then Honourable Tabuya saying, "We are having series of meetings with different facets within our economy." Next week, we intend to meet (as we have discussed with MCTTT) the garment industry, meet various other industries in Fiji, we meet them in small groups, we met with one group last week - Fiji Employers Federation, Fiji Chamber of Commerce and the Governor of the Reserve Bank came in, the Suva Retailers rang us up saying we want to meet up with you, so we called them all in one group.

Honourable Tabuya says, "Shame though that this is how our Government chooses to dialogue for development. Where are the iTaukei, Chinese, Rotuman, *Kailoma* and other ethnicities who have called Fiji home and contributing equally? Where are more women, we can do better? We must do better." This is just one group. If tomorrow, the ACS Old Girls have their meeting, if I look at the photos, I may say, "Hey where is the diversity?" But we know the historical basis of ACS. If tomorrow we say, "Let us call all the hardware companies, the three largest companies are *Gujrat* companies, they will be there. We will say, "Where is the diversity?" That is the historical basis, and that is the contextual basis.

The point that needs to be made, Mr. Speaker, Sir, is when you call for meetings, when you appoint people on merit, are you deliberately stopping people from coming to those meetings? The answer is, no! If tomorrow we have a meeting with the RFMF, who will be there? Do we then write and say, "Oh, where is the diversity!" No, that is the historical basis. We know that is the historical basis, there is nothing wrong. The RFMF does not stop any ethnic group from joining RFMF. The Fiji Employees Federation does not stop any group from joining them. The Fiji Chamber of Commerce does not stop anyone from joining them. That is the historical basis of the contextual environment in which these organisations operate, pure and simple.

To them, Mr. Speaker, Sir, to make a song and dance of it, to put an ethnic tinge to it is why we are diametrically opposed to them. So how can they talk about bipartisanship when there is such huge philosophical differences? Huge philosophical differences and they cannot talk about bipartisanship, Mr. Speaker, Sir because everything for them boils down to that. Everything boils down to grandstanding. Everything boils down to “let us get the votes now”. We will give you this - you want to sell your vegetable in the middle of the road we will give it to you. You want to build your home there on land that is not yours go for it as long as you vote for me. That, Mr. Speaker, Sir, is what they are doing and let us not kid ourselves. There needs to be a philosophical meeting of minds.

Honourable Nawaikula and Honourable Kuridrani are all personalising matters and we are used to it. Honourable Tabuya in the SODELPA email group is saying that I brought Coronavirus to Fiji. Your people leaked the email to us. You need to sort that out. This is what is happening, so how can we progress in terms of bipartisanship, Mr. Speaker, Sir?

Mr. Speaker, Sir, the reality of the matter is getting back to the actual motion itself, the approval by Parliament of this guarantee to FDB is nothing extraordinary. It is the norm and it will allow FDB to go out and lend more in the market. I think some of the Honourable Members of the Opposition have said and others from our side have said also, that it gives FDB the capacity to go out and raise funds in the market and to also lend, and we do agree. We need to spur on investment, we need to spur on consumption and we need to ensure that the small businesses actually stay alive and they have been affected. There is no doubt about that.

If you look at every single country in the world, no developing country in the world has successfully done massive lockdowns - none, because the economic realities of those countries are extremely different to the first world countries, completely different. So, we have to be able to learn to work within this particular specific period. We cannot have, as we said in the Business Committee meeting, the politicisation of the pandemic. It is not helpful. We need to build confidence in our people and the only way we do that is targeted assistance, at the same time managing our health concerns, the protocols and a new way of looking at things.

Mr. Speaker, Sir, I would urge all Members of Parliament to unanimously vote for this particular guarantee, thank you.

HON. SPEAKER.- Honourable Members, I thank the Honourable Attorney-General and Minister for Economy, Civil Service and Communications for his reply. Parliament will now vote.

Question put.

Motion agreed to.

HON. SPEAKER.- Honourable Members, I call on the Chairperson of the Standing Committee on Public Accounts to move his motion. You have the floor, Sir.

AUDIT REVIEW REPORT - PROCUREMENT OF BIOMEDICAL EQUIPMENT AND RURAL POSTAL OFFICES QUARTERLY RETURNS

HON. A.A. MAHARAJ.- Mr. speaker Sir, I move:

That Parliament debates the Review of the Audit Report on the Procurement of Biomedical Equipment – Ministry of Health & Medical Services and the Audit Report of Rural Postal Offices Quarterly Returns which was tabled on 16th May, 2019.

HON. J. NAND.- Mr. Speaker, Sir, I beg to second the motion.

HON. SPEAKER.- Honourable Members, I now invite the Chairperson of the Standing Committee on Public Accounts to speak on his motion. You have the floor, Sir.

HON. A.A. MAHARAJ.- Mr. Speaker, Sir, as Chairperson of the Public Accounts Committee, I take this opportunity to speak on the motion, the Review of the Audit Report on the Procurement of Biomedical Equipment for Ministry of Health & Medical Services and the Audit of Rural Postal Offices Quarterly Returns.

Mr. Speaker, Sir, the main objective of this Committee Report was to collate information from the Ministry of Health and Medical Services and Post Fiji Limited on their responses to the audit findings identified during the audit.

The content of the Audit Report was thoroughly examined by the Committee prior to the consultation conducted with the two institutions. On Wednesday, 10th April, 2019, the Ministry of Health and Medical Services appeared before the Public Accounts Committee and presented their responses with regards to the questions that were raised by our Members.

The Committee also met with the officials of Post Fiji Limited and the Ministry of Economy on 12th April, 2019. The responses received were exceptionally positive. However, the Committee has proposed a few recommendations for these two agencies in addressing the audit findings highlighted by the Auditor-General.

The audit examined whether the Ministry complied with all materials with respect to the Fiji Procurement Regulations 2010, Procurement (Amendment) Regulations 2012 and related policies and guidelines. In areas where the Procurement Regulations is limited, specifically for contract management, Procurement Guidelines for Public Enterprises, published as a good practice guide by the Controller and the Auditor-General of New Zealand, has been referred to in this Report as accepted best practices. In that context, the audit addresses the following:

- Did the Ministry of Health and Medical Services comply with the Procurement Regulations 2010, related policy guidelines and accepted best practice guidelines in planning procurements for biomedical equipment?
- Did the Ministry comply with related policy guidelines and accepted best practice guidelines in sourcing procurements for biomedical equipment?
- Did the Ministry comply with the Procurement Regulations 2010, related policy guidelines and accepted best practice guidelines in managing contracts for biomedical equipment?

Post Fiji Limited operates as a commercial entity with a view of providing returns on investments to its shareholders. Although Post Fiji Limited has not made profits through the provision of rural postal services, the Ministry of Economy had agreed that Post Fiji Limited continue to provide such postal services, particularly to those in the rural areas. Pursuant to section 84(c) of the Post and Telecommunications Act 1989, the Ministry has agreed to clear the losses incurred by Post Fiji in respect to such postal services.

Under the agreement dated 21st May, 2013, Post Fiji shall calculate the net loss for providing rural postal office at every quarter for a given year by providing the Ministry of Economy the details of the net loss it had incurred in providing the rural postal services in accordance with the reporting and timely requirement under the Sale Agreement.

The Ministry of Economy shall pay Post Fiji in the last quarter of a year the amount equal to the net loss provided and audit of the Post Fiji Annual Account is done prior to the payment. The Ministry of Economy may also request the Office of the Auditor-General as appointed auditors for a special audit to validate the rural postal services, net loss figures provided by Post Fiji Limited.

When the audit issued identified by the Auditor-General and after Committee's review of the procurement of biomedical equipment, the Public Accounts Committee endorses the Auditor-General's recommendation and looks forward to seeing improvement through a follow-up audit report by the Office of the Auditor-General.

Mr. Speaker, Sir, I believe a lot of consideration has been given to the recommendation from the Office of the Auditor-General and the Standing Committee on Public Accounts by the two agencies and a lot has been done towards implementation.

Mr. Speaker, a lot of reforms has been done at two agencies and the issues have been addressed. We need to consider that providing postal services in maritime and rural areas is not cheap. Post Fiji Limited is doing a wonderful service and is socially responsible for providing these services through 35 rural postal offices. Post Fiji is doing its best to improve on its profitability through self-reliance so as to minimise its request for Government grants. The CEO is carrying out relevant reforms at Post Fiji Limited and turning the company around.

Mr. Speaker. Sir, biomedical equipment procurement and maintenance is very technical in nature. I believe there has been a lot of changes at the Fiji Procurement and Biomedical Services (FPBS) and they know best on how to manage its equipment and procurement. I believe that the line Minister can also highlight the action his Ministry has taken.

Finally, from the Committee's recommendation mentioned earlier, the Ministry of Health and Medical Services and Post Fiji Limited would respect to planning sources and contract management to verifying and validating the 19 Quarterly Returns by Post Fiji and Quarter 1 2013 to Quarter 3 2017 under the Rural Postal Services Agreement, attention must be drawn to the Committee's report by respective Heads of each agencies and improve on its compliance, record management and post contractual reviews.

Mr. Speaker, Sir, with those few words, as a Member moving the motion on the Public Accounts Committee Report, I thank you for this opportunity.

HON. SPEAKER.- I thank the Chairperson. Honourable Members, the floor is now open for debate on the motion and I call on the Honourable Vosanibola. You have the floor, Sir.

HON. P.W. VOSANIBOLA.- Thank you, Mr. Speaker, Sir. I rise to make a brief contribution on the motion before the House and I would specifically like to discuss the Review of Audit Report on the procurement of biomedical equipment by the Ministry of Health and Medical Services.

May I preface my remarks by commending the Permanent Secretary for Health and Medical Services - Dr. James Fong, the medical and public health staff and all other frontline workers for their continuing efforts to contain and eradicate the COVID-19 pandemic from within our shores.

Mr. Speaker, Sir, I also echo the sentiments of this side of the House, given the public health emergency we are facing, which has devastated the livelihoods of thousands of workers and their families, that the COVID-19 is a clear and present danger to our nation. It is the most important issue right now for the majority of the people of Fiji who are in poverty or living on the margins and facing daily hardship in putting food on their families table or to put the roof over their heads and it is

therefore the most important issue that this Parliament which is the Peoples House must consider and discuss solutions too. Sir, I would like to thank the Chairman and Members of the Public Accounts Committee for the clear and precise Report submitted in this House.

Mr. Speaker, Sir, at the outset, biomedical services is the branch of medicine that deals with the application of the biological sciences, especially biochemistry, molecular biology, genetics treatment and the prevention of diseases. Biomedical technology is a broad term that combines engineering and technology to solve biological or medical problems involving humans, especially the design and use of medical equipment used to diagnose and treat various diseases.

The Biomedical Department is an integral part of quality service delivery for the Ministry of Health and Medical Services. They are indispensable members of our healthcare team and the role of the Department is to maintain all the medical equipment used by the medical personnel, such as doctors and nurses. The equipment can be mechanical, electronic or even digital.

Biomedical equipment are of wide variety from simple items, such as vital science, monitor, thermometer, hospital bed, wheelchairs to a much more complex and specialised equipment, such as ventilator, x-ray equipment and others. Overall, biomedical equipment complements the work of doctors and nurses from the nursing stations right up to the main divisional hospitals and biomedical services provide medical equipment maintenance and repair services to surgery centres and other healthcare providers and it also provides support for all biomedical equipment and repair.

Also, service contract negotiation and management. Now and again, we continue to hear and experience the shortages in equipment, not the right equipment even faulty equipment and non-functional equipment. Our COVID-19 crisis has made some of our problems with our biomedical equipment even worse that will affect the Ministry of Health and Medical Services quality service delivery.

On the Report, Sir, the main objective of the audit by the OAG was to obtain sufficient and appropriate audit evidence to form a conclusion on whether the procurement by the Fiji Pharmaceutical and Biomedical Service Centre complied with the Fiji Procurement Regulation 2010, Procurement Amendment Regulation 2012 and its policy guidelines whether the Fiji Procurement Regulations is limited specifically for contract management, the procurement guideline for public entities published as a good practice, guided by the controller and Auditor-General of New Zealand has been referred to in this Report as accepted best practices.

Sir, in the context of the audit by the OAG, it addresses the following:

- (1) Did the Ministry of Health and Medical Services through the Fiji Pharmaceutical and Biomedical Service Centre comply with the Procurement Regulations 2010 in relation to policy guidelines and accepted best practices guides in planning procurements for biomedical equipment?
- (2) Did the Ministry of Health and Medical Services comply with the Procurement Regulations 2010 in relation to policy guidelines and accepted best practices and guide in sourcing from procurements of biomedical equipment?
- (3) Did the Ministry of Health and Medical Services comply with the Procurement Regulations 2010 in relation to guidelines and accepted best practices in managing contracts for biomedical equipment?

Mr. Speaker, Sir, the audit process by the Office of the Auditor-General covered three stages

of the procurement lifecycle, which are; planning, sourcing and managing contracts.

Mr. Speaker, Sir, six tenders were examined for which 26 contracts were valued at a total \$20.7 million. Due to the incomplete records contained in the six procurement files reviewed, only 15 of the 26 contracts valued at \$18.3 million were considered for detailed audit testing.

Mr. Speaker, Sir, may I outline some of the findings by the Office of the Auditor-General which was scrutinised by the Committee which are as follows:

- (1) Risks associated with the procurement were not identified and considered in the procurement plans.
- (2) Scoping of specifications were inadequate and not properly managed to ensure that biomedical equipment supplied worked to the expectations of the clinicians.
- (3) Procurement of biomedical equipment was not properly justified through proper strategic procurement planning and development of business cases to ensure that the procurement needs are properly assessed and prioritised.
- (4) Delaying in awarding of contracts due to considerable amount of time taken to evaluate tenders.
- (5) Tender evaluations were not performed according to the requirements and appropriate documentary evidences were not maintained to substantiate decisions made.
- (6) The importance of contract management was not given due to the consideration, resulting in suppliers not fully complying with contract requirements, suppliers' performance was not monitored and assessed and the post-procurement reviews were not carried out.
- (7) Processes and systems of record keeping were considered to be inadequate to fully capture information that would aid decision making for effective planning, monitoring and reporting and also to allow for proper review of the procurements.

Mr. Speaker, Sir, the two common factors, running through the issues that have been identified and crucial to improving the Ministry of Health's procurement practice, are the establishment of proper governance structures and provision of appropriately skilled and experienced resources to manage the procurement of biomedical equipment process.

The recommendations by the Standing Committee on Public Accounts pertaining to the Auditor General's Report are as follows:

- (1) The governance structures need to be improved by the Ministry of Health and Medical Services, including managing contracts. Therefore, it is ideal to have necessary human resources and technically qualified personnel to fully implement the requirements of the National Biomedical Services policy of 2017.
- (2) The Fiji Procurement Biomedical Services to ensure that the specifications developed for tender are clearly defined. It should be mandated that all purchases are done as per specifications. A fair assessment should be in place for all products being binded within the justification along with proper pre-qualification process for all suppliers.
- (3) The Ministry of Health and Medical Services should strengthened FPBS to have sufficient skilled, experienced and resourceful personnel, such as a Biomedical Engineer to manage contracts.
- (4) The Ministry should consider putting in place Service Agreements to manage high value and high risk biomedical equipment to ensure continuous maintenance and equipment support and as a way of dealing with limited internal biomedical engineering resources.

- (5) The FPBS to establish a proper record management system to enable records and information pertaining to all activities are properly captured to ensure that the procurement decisions are based on complete and reliable information.
- (6) The FPBS must fully comply with the Procurement Regulations 2010 and related policy guidelines and accept best practices.

Mr. Speaker, Sir, to conclude and overall the results of the audit by the Office of the Auditor-General indicated that the procurement of Biomedical equipment during the period for all the three phases which include planning, sourcing and contract management in order to fully comply with the Procurement Regulation, 2010 and the related Policy Guidelines and Practices. Therefore, there is an urgent need for the Ministry of Health and Medical Services to improve compliance, records and management and post contract reviews.

Mr. Speaker, Sir, we fully support the six recommendation by the Public Accounts Committee and urge the Ministry of Health and Medical Services to take necessary steps that the recommendations adopted an action. More in particular that for the future Procurement of Biomedical Equipment that clinicians and specialists are effectively involved together with the Department right the initial stages until the purchasing stage.

Sir, on that note, I therefore request the Honourable Minister for Health and Medical Services to update the House on the actions taken by the Ministry in addressing the recommendation as stipulated on the report. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Vosanibola for his contribution to the debate. Honourable Members, there is a suspension motion that we have to deal with and for the purposes of complying with Standing Orders with respect to sitting times, I will allow this suspension motion to be moved.

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

SUSPENSION OF STANDING ORDERS

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

That under Standing Order 6, that so much of Standing Order 23(1) is suspended so as to allow the House to sit beyond 4.30 p.m. today to complete the remaining items as listed on today's Order Paper.

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

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

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Thank you, Mr. Speaker, Sir. Again, we have under Schedule 1 another item and, of course, the whole of Schedule 2, thus the request for us to sit beyond 4.30 p.m. today.

HON. SPEAKER.- Honourable Members, the floor is now open for debate on this motion. Anyone wishing to take the floor?

There being no one wishing to take the floor. Honourable Leader of the Government in Parliament, do you have any further points to make?

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- No, I have nothing further, Sir.

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

Question put.

Motion agreed to.

HON. SPEAKER.- On that note, Honourable Members, we will adjourn for afternoon tea. After afternoon tea, I have three speakers for this motion and in this order; Honourable Jale, Honourable Qereqeretaua and Honourable Rasova.

We adjourn for afternoon tea.

The Parliament adjourned at 4.06 p.m.

**AUDIT REVIEW REPORT - PROCUREMENT OF BIOMEDICAL EQUIPMENT
AND RURAL POSTAL OFFICES QUARTERLY RETURNS**

The Parliament resumed at 4.35 p.m.

HON. SPEAKER.- Honourable Members, we will continue with the debate on this Agenda item and I call on the next speaker, the Honourable Jale. You have the floor, Sir.

HON. A. JALE.- Thank you, Mr. Speaker, Sir. I will be commenting on the second part of the Report by the Committee and at this juncture, I would like to thank the Chairperson and the Honourable Members of the Committee for this Report. The second part of the Report concerns the Rural Postal Services and I will be focusing my address on two points that were raised in the Recommendations.

First, the Post Fiji Limited should ensure that the Standing Operating Procedures for Rural Postal Services is developed and implemented as soon as possible.

Secondly, a review of the operation of Rural Postal Services should be carried out on a regular basis to determine the efficiency and effectiveness of the services provided. Before I go into my address, Mr. Speaker, Sir, I would like to address an issue that was raised by the Honourable Attorney-General in his Right of Reply to the motion that he moved.

It has been a few times in the past, including today, where he had referred to me in my former capacity as the Chairman of the Fiji National Provident Fund. When the issue of Momi was raised, he insinuated and implied that my board had done some mismanagement in the operation and matters concerning Momi and I do not take that easily because I think it was an attack on me and my board. He had done it before in the past but I will not let this opportunity go.

My Board was removed after the *coup* in 2006. We were accused of mismanaging the Fiji National Provident Fund and secondly, we mismanaged the FNPF members' money. Those were the two things that we were told but nothing written was given to us. We were all removed from our positions as Board members of the Fiji National Provident Fund.

The Military Government at that time commissioned an audit of the FNPF affairs by an audit company in Australia. The audit report has already been given to the Government but until this time, Mr. Speaker, Sir, that Report has not been made public but what hurts me as Chairman of the FNPF then was because my reputation and my name, including the names of those who served in the FNPF Board, has been tarnished and damaged.

What we would expect the Government to have done was to release the Report so that the members of the Fiji National Provident Fund in Fiji and those abroad should have a read to know what really happened. If we have done something wrong, let us be taken to task for what we did. We do not want to be insinuated and referred to in the way the Honourable Attorney-General and the Minister for Economy has been doing.

I do not think he was the Minister of Finance at that time but that was exactly what happened. He had said many times but today, he said Momi can relate to some incidents that happened, I do not want to let that go, I would like to see that my name and the names of my Board members be cleared of that. They should release the Report so that the members of the Fiji National Provident Fund should have a read and understand what really happened.

Mr. Speaker, Sir, effective and efficient communication is critical for everyone in Fiji for people who live in rural and maritime provinces, mostly in maritime provinces. The service of the Rural Postal Service is so vital for the economic wellbeing and livelihood of our people in Fiji.

The people in the maritime provinces had been experiencing what we call “lockdown”. We are just being subjected to it now but the people in the maritime provinces have been subjected to this for so long. If they do not get the Postal Services in the maritime areas, what happens is, they do not collect their Telegram Money Orders (TMOs), no money comes through.

There are people who get their phone calls from postal agencies, that was the role of the Rural Postal Service. Before they used to provide banking services which was stopped some time ago and I plead with the Government to relook at that because we are talking about the livelihood of the people, the most poorest people in Fiji are the people that live in maritime provinces.

The people in the rural areas and in isolated areas are also facing the same problem. The lockdown is not something new to us, when boats do not come, we do not have supplies in the shops, and they are limited to those space that they have. They live in the island and they cannot move around to be able to secure the services that they need.

I have been to one of the islands some time back and I met and talked to a lot of people that come from maritime provinces. I know Lomaiviti, Kadavu also face difficulties and some of the people in maritime provinces.

The Rural Postal Service often run out of money. When people come to collect their TMO from the Post Office, they would be told that there was no money. They are waiting for the money to come from the Headquarters or the urban main centres so they have to wait for days and even weeks. I do not know whether the Government knows about these things because the expansion of the postal services is dependent on the Ministry of Economy, they decide on the expansion of the postal services.

I would like to thank the staff of the Post Fiji Limited for the great work they have been doing. They live in a lot of difficult areas. They are trying to do what they can do and I note that they are running the services on loss and the Government has to replenish that at the end of each year, and I would like to thank the people out there. Thank you for the service that you are doing for the people of Fiji, you are doing your best for them.

There used to be postal agencies, Mr. Speaker, Sir. The services in the postal agencies used to be located in some of the villages that are far away from the Rural Postal Services. The reason is that so that they are able to service the people there and then. They do not have to come to the main Postal Centre for service because it incurs a lot of funds to come through but these have been closed. Most of them have been closed because of the mismanagement by the agency itself. Why should the people suffer because of the action of only one person?

It is the responsibility of the Government to see and attend to the welfare of the people in rural areas and maritime provinces. You should not take away the service just because of the fault of only one person but that is exactly what happens. They would close the agencies and the people do not have the services of postal offices in the area. It is all being a cut off from the economic resources.

Money that would be sent in by their people, relatives in the urban area, sometimes they are not able to receive that. If they have to come to those postal post offices in the main centres of those islands, they have to hire a boat or a vehicle to come through which is very expensive and I urge the

Government to, please, relook at that because these are what the people are crying about. Do something about it, look after this.

The distribution of population in some of the islands have shifted and I cite one in Lau - Cicia: the rural postal service in Cicia or the post office is located in Tarukua but recently, the Government had built the Cicia High School in Mabula. This is a boarding school so there is a big shift of population to Mabula. There are more people living in that area that come to that area using that small postal agency in Mabula than the people going to Tarukua now. So that is the reason why I am supporting the recommendation in this Report. A review of the operations of rural post offices should be carried out on a regular basis to determine the efficiency and effectiveness of services provided. So, the Leader of the Government, the Ministry concerned and the Post Fiji Ltd need to look at that, relook at your plans and do what is good to service the people out there.

Another point, Mr. Speaker, Sir, the Government has in place wages for rural nursing, village nursing, *turaga-ni-koro*. This is a critical service for the rural areas, people that man postal agencies. You know what they are getting - about \$50 a month. No wonder they have disappeared with a lot of funds from postal agencies. This is a vital service for the people that live in remote areas in Fiji and also the people in maritime provinces.

I would like to plead to Post Fiji Ltd, please, do not act against the cooperative shops in the islands. We appreciate the work you do, providing books, providing other items but selling flour, sugar and other things that are the main source of income by cooperatives in the island, I think they should not be interfering or competing with those people.

Although we encourage competition, we, the Government are promoting cooperatives in the islands but Post Fiji Ltd is opposing them, and bringing in those items that the villages are selling to be able to operate the cooperatives, like what I have said, the basic commodities, they are revelling the cooperative movement in Fiji and I am asking the Government and Post Fiji Ltd, please, look into that. Thank you very much, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Jale. I give the floor to the Honourable Qereqeretabua. You have the floor.

HON. L.S. QEREQERETABUA.- Thank you very much, Mr. Speaker. There are two parts to this Report and I am going to be saying something on the first part because it affects the vast part of the majority of our population and is also relevant to what is happening now, and I will be brief.

Mr. Speaker, the NFP has been focused on the COVID-19 crisis and the suffering of our people, here and now and we should not be here this week talking about municipal accounts for 2013. We should not be here this week talking about the PSC Report for 2014.

Mr. Speaker, Sir, every speaker from this side of the House has yesterday and today voiced our disappointment that we are not asking questions around things like COVID-19 assistance this week. But, Mr. Speaker, you have given us your ruling that tomorrow's Business Committee will be meeting to discuss more urgent COVID-19 questions from the Opposition in advance of next week's sitting. We thank you.

But, Mr. Speaker, Sir, the question of procurement of medicine and diagnostic equipment is important because our health services are now facing the challenge of COVID-19. And while our doctors and nursing staff have to deal with COVID, Mr. Speaker, Sir, they must also have the resources to look after the health of thousands more vulnerable people who are already in poor health.

We know that the COVID-19 crisis has affected their treatment. Lautoka Hospital, as we all know, is unable to look after them. Other locations, such as the Kamikamica Health Centre in Lautoka, has already been forced to close at some point because the staff were dealing with COVID-19.

So, I commend the Chair and the Members of the Committee for their Report and I note, it fully agrees with the findings of the Office of the Auditor-General, but I am quite certain, Mr. Speaker, Sir, that none of the Committee's recommendations have been implemented even though it has been a few years since these were made and this is a tragedy. We moreso now than ever are in a war against a pandemic and needing to maintain other health and medical services priorities. We have a medical ship, a field hospital, and of course, hardworking doctors, nurses and frontline workers fighting 24/7 to win this war against the pandemic for the health and economic survival of our nation, which is really at a crossroad.

We may have the necessary equipment, funds, manpower and know-how to deal with the war, however, Mr. Speaker, Sir, the painful reality is we do not have, and I repeat, we do not have, decent diagnostic equipment and basic medication for the treatment, care and well-being of our COVID-free population suffering from normal illnesses, NCDs and other medical conditions. This is an indisputable fact. These matters have been well documented. They have been recorded in the proceedings in this House as recently as two months ago through an End of Week Statement.

Unfortunately, the Honourable Minister for Health at that time chose for reasons best known to him and the Government he serves, to rebuff any suggestions of medicine shortages. He even suggested that a well-known diabetes drug threatened the lives of cardiac patients and for that, Mr. Speaker, Sir, we know that the statement of his was shot down by virtually every medical professional not afraid to speak up against him.

Mr. Speaker, Sir, delays and shortages in the delivery of drugs at any time show a lack of commitment by the Ministry of Health, or perhaps, a lack of money from the Ministry of Economy. Perhaps, we will never know what the cause is because where this Government is concerned, no one ever takes responsibility. It always someone else's fault.

The recommendations of the Report highlight the problems associated with procurement. These were happening before the Honourable Minister assumed office after November 2018, but two and a half years later, nothing has changed. In fact, the problem has worsened. Why? Has the list of 500 essential drugs been expanded? It does not seem so. Why are patients being asked to purchase even essential drugs from private pharmacies? Why is the Fiji Pharmaceutical & Biomedical Services asking private pharmacies to source urgent medication for patients? Of course, patients have to pay exorbitant prices for these, such as chemotherapy drugs that the Honourable Minister claimed was available.

Recommendation 6 of the Review Report states and I quote:

“The FPBS must fully comply with the Procurement Regulations 2010 related to policy guidelines and accept best practices.”

What about metformin tablets, the basic, most effective and widely-used drug available in tablets; are they available? If not, why not?

Mr. Speaker, Sir, focusing on the war against COVID-19 is critically important, but ignoring the basic and fundamental needs of our people is a hammer-blow to their livelihood. It is affecting their basic health and medical care. It affects their productivity, their employment, their ability to

get a meaningful education and earn a decent income to put food on the table for their families. It also makes them more vulnerable to the lasting effects of COVID-19. This is exactly what we should be talking about and trying to eradicate.

If recommendations of a Report of a few years ago have not been adhered to, let us not kid ourselves that with these recommendations will suddenly become the holy book and it becomes strictly followed especially when we are already economically ravaged and might I add, incapacitated.

It is now proven beyond any reasonable doubt whatsoever that the Honourable Prime Minister and his right-hand man, the Honourable Attorney-General and Minister for Economy and everything else are the pied pipers of Fiji, leading us to ruin because their “my way or the highway approach” is a catastrophe.

I ask, Mr. Speaker, that they re-set their moral compass for the sake of the survival of our people, *vinaka*.

HON. SPEAKER.- I thank the Honourable Qereqeretabua. Honourable Rasova you have the floor.

HON. S.R. RASOVA.- *Bula vinaka*, Mr. Speaker, Sir. Thank you very much for allowing me to speak and participate in the motion before the House. I would like to thank the Chairman for the Review of the Audit-Report on the Procurement of Biomedical Equipment - Ministry of Health & Medical Services and the Audit of Rural Postal Offices Quarterly Returns which was tabled on 16th May, 2019.

Mr. Speaker, I think the Honourable Members who have spoken before me have touched almost everything, but I would just like to speak a little bit on the Post Office.

The Post Fiji’s history lies in the first Postal Act passed by the Legislative Assembly of the Fiji Government in December 1871, which officially established the setting up of a Postal Department in Fiji, a General Post Office, Post Offices in other parts of Fiji and the appointment of a Chief Postmaster and other Post Masters who may be required to operate these Post Offices.

I was very touched by this institution that has served for over 200 years, I think. Given that this audit is about Rural Postal Offices, it touches the hearts of people who are in the rural and maritime areas. It is very important for us as alluded to by Honourable Jale and also Honourable Qereqeretabua about the Post Office.

Given the transportation, especially in rural and maritime, it costs me about \$60 by boat to leave my village and go to the nearest post office in Kavala Bay, Naleca. I thank the facilities provided there. The facilities at the Post Office now covers WiFi banking. That has never been. I was surprised when one goes there one will old people with their BSP cards. The agreement with the Post Office that they can use their cards in any of the 42 Postal Agencies around Fiji. It makes it possible with the farmers to bank their monies in this Post Office to the BSP.

Also, as said by Honourable Jale in regards to the Post Shop, at times it is good and being introduced in the village where there are existing shops, they derive the income. I think in most places we should relook at that. But even in Kadavu it is in a Government Station so that is alright, but if it is in a village, we have to review whether they should have a Post Shop. Also as said by Honourable Jale in regards to the Post Shop, at times it is good and being introduced in the village where the existing shops whereby they provide the income. I think in most places we should relook at that. But even in Kadavu,

it is the Government Station so that is alright but if it is in a village, we have to review they have to have a post shop inside the Rural Post Office.

I would like to thank also the rural post office, they are even accepting Western Union. Western Union that comes from the United Kingdom, from the USA and from Australia and New Zealand. I have that experience that most of the families that do want to send some money from overseas they just give you the numbers and you go down to the post office but provided and I asked about two years ago to the Honourable Attorney-General because he was the Minister responsible for Telecommunication that the *WiFi* it cannot breakdown in the rural areas because they have to upgrade.

It costs us to come in the morning and when the *WiFi* is down, we have to wait the whole day and if it does not come back up, we have to return so a \$60 loss. It does not only go for me, say 50 people have to come back the next day. And if the telecommunication is down then we cannot call the Posts Office to check whether *WiFi* is on but those are some of the things that are very important to address with the Rural Post Office.

I would like to go to the recommendations that are being given by the Committee and the audit. I would just like to touch base on the audit by the Office of the Auditor-General.

The Post Office operates as a commercial entity with a view to provide returns on its investments to shareholders. Although the Post Office has not made profits through the provision of rural postal services, the Ministry has agreed that the Post Office continues to provide such postal services particular to those in the rural areas.

Pursuant to the section 84(c) of the Post and Telecommunications Decree 1989, the Minister had agreed to clear the losses incurred by the Post Office in respect to such postal services and I would like to thank the Government and the Minister for providing that guarantee and the losses to the postal offices in the rural areas to operate 24/7.

The Committee after reviewing the Audit Report for the Rural Post Office Quarterly Returns of 2013 and 2017. We are talking about something that happened about four years ago of the returns of 2013 to 2017 occurs with the OAG recommendations as follows:

- The Committee looks forward to seeing improvements through a follow-up Audit Report by the Office of the Auditor-General.
- Recommendation 1 - the Post Office Fiji Limited should ensure there is a mitigation plan in place to ensure that historical data and records are archived and can be accessed when required.
- Recommendation 2 - The Ministry of Economy and Post Fiji Limited should ensure that an annual reconciliation is carried out during the submission of the Quarter 4 of each year, to ensure that signed accounts and total of the four quarters are reconciled. Post Fiji Limited should ensure that relevant supporting documents are available for audit to validate and verify the movements noted between the quarters. A proper reconciliation should be prepared, reviewed and approved by the Financial Controller and submitted to the Ministry of Economy as part of its quarterly submission.
- Recommendation 4 - Post Fiji Limited should ensure that the Standard Operating Procedures for rural postal services is developed and implemented as soon as possible.

- Recommendation 5 – The Post Fiji Limited Finance team should ensure that invoices are attached together with relevant sources documents to the payment vouchers before any payments are made. It should also ensure that additional information requested for audit purposes is provided on a timely basis.
- Recommendation 6 - Post Fiji Limited should ensure regular maintenance on the payroll system is carried out to ensure that the pay run before reconciliation is done fortnightly for established staff and weekly for unestablished staff.
- Recommendation 7 - A review of the operational rural postal services should be carried out on a regular basis to determine the efficiency and effectiveness of the service provided, as also alluded to by Honourable Jale.
- Recommendation 8 - Post Fiji Limited should have in place a formula which determines the rate of for cash accounting agencies.
- Recommendation 9 - All agreements including the primary agreement, (Rural Postal Agreement) must be reviewed on a timely basis. Post Fiji Limited should make an effort to obtain a copy of the contractual agreements with the Department of Social Welfare for services rendered as agent for payment of family assistance allowance and otherwise draw up and sign a new agreement.

I would like to thank Government, the Post Office and the Department of Social Welfare for implementing the family assistance allowance services, especially for our 60 year old citizens.

Sir, I would just like to touch base on the report on the Biomedical Services. I see that there were some discrepancies in the biomedical sector, as alluded by the Honourable Vosanibola. I think he may have touched on most of it but in terms of the audit criteria, the government agency must operate within the environment of Government legislation policies which include the:

- (1) Procurement Regulations 2010;
- (2) Procurement (Amendment) Regulation 2012,
- (3) Procurement Policies Framework 2010;
- (4) Guide to Tender Evaluation Process 2010; and
- (5) Finance Circulars 3/20/2003, 21/24 issued by the Minister.

Those are the guidelines that have to be approved by the Ministry of Health and Medical Services in regards to procurement of all equipment within the Biomedical Services Centre. I would like just to highlight some discrepancies on the purchase of equipment in 2014.

Tender CN175/24 - a patient monitor costing about \$361,782. Only one blood pressure cuff supply, increasing the likelihood of the cuff bursting from continuous usage. The cuff supplied was of a standard size and could not be used on large individuals. I think the Tender Board, the Biomedical Services Centre and the Procurement Manager or director were supposed to ensure due diligence in the purchase of this equipment.

There was another patient monitor equipment and ECD equipment which cost about \$6,180,168 but only one standard sized blood pressure cuff was provided and could not be used on a large individual. Some of the equipment supplied are still kept in the storeroom. The inability to fully utilise the biomedical equipment indicated that specifications were not properly managed to

ensure that the equipment supplied worked to the expectations of the clinicians. The recruitment of human resources were in accordance with OMRS standards.

We should focus on human resources and hire very good professionals but given the comments of this Report, it was noted that some of the people hired, misappropriated funds in regard to the purchase of these machines. As alluded to by an honourable Member, there was a tender which closed on 19th June, 2013 but was approved one year and 11 months later, so the equipment would have already been out of date. The Procurement Regulations were not being followed and the whole tender and approval process could take about four to six months. It was also noted that some of them had preferred suppliers; some tenders were dropped and some were brought back again. Some approvals took about four to six months, so there is something wrong either with the management in the Ministry of Health and Medical Services or the Tenders Board.

It seems that the favourite supplier was always given the tender for some, because of the audit agreement they could not go back to the supplier to claim anything that was bad or return the item. The audit noted that 55 percent or \$5.5 million of the \$10 million worth of equipment verified were confirmed to have not met all the agreed specifications. In addition, our audit did not find any evidence of assessments, monitoring and reporting of buyers identified to have not performed to the requirements of the agreed specifications.

There was a tender for a tissue processor valued at \$266,707.04, but the equipment did not have power backup or the UPS as stipulated in the specification. During audit verifications, it was noted that many equipment were purchased at very high costs but were missing certain specifications.

Mr. Speaker, Sir, before I take my seat, the Office of the Auditor General made a very detailed investigation on the biomedical equipment. I hope that the recommendations have been taken into account by the Ministry of Health and Medical Services, the Procurement Office and also the Biomedical Service Centre.

I would like to thank everyone who participated in this Report and I would also like to thank those people who were involved virtually yesterday and today and also hopefully tomorrow, be COVID-safe and I hope that the Ministry will address the current COVID-19 situation and I also wish all the school children at home, a very pleasant holiday. *Vinaka vakalevu*, Mr. Speaker, Sir.

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

HON. J.V. BAINIMARAMA.- Thank you, Mr. Speaker, Sir. I rise to speak on the motion by the Honourable Maharaj. I thank the Standing Committee for this review and the subsequent findings and recommendations. I just would like to make a small comment to say that, Mr. Speaker, Sir, I have been around for a long time and the sarcasm from Honourable Qereqeretabua in her last statement does not hold any water with me, it is no big deal. The Chileans call it a “poke in the eye” and no one gives a damn.

But let me now turn my attention, Mr. Speaker, Sir, to the audit report of the Rural Postal Offices Quarterly Returns. Mr. Speaker, Sir, rural development is a priority and my Government is committed to bridging the development gap between rural and urban areas. In recent years, Fiji has witnessed substantial Government investment in the development of rural infrastructure, provision of education in the health services, rural electrification, access to water, income generating opportunities, better communications and transportation and a significant part of the development package is of course the rural postal services.

Mr. Speaker, we note that some of the rural postal offices may not be commercially viable, however Post Fiji has opted for its continued service, in particular, in maritime areas with little or no access to services that we have on the two main islands. My Government will not leave anyone behind, and we will continue to modernise and diversify services in this rural outpost for the benefit of our rural communities.

Mr. Speaker, Sir, from the issues and anomalies identified, it is encouraging to note that Post Fiji Limited under its new management, has immediately acted, responded to and rectified the issues through various strategies and policies. These policies developed for a purposed legislative framework has enforced compliance, making way for the review of the record management system, provision of better advisory and support services and appropriate research and postal activities, all of which are aligned to Government's national priorities.

Mr. Speaker, Sir, the continuous improvement in the rural postal services are also aimed at enhancing entrepreneurial drive of existing or potential resource owners' businesses post COVID-19. To improve profitability, Post Fiji Limited has chosen to diversify its business including financial services, and many of our rural farmers utilise this initiative to sell their produce. Apart from the basic stationary business, Post Shops also stock groceries on their shop shelves for rural customers. This is offered at retail prices, which is almost the same as shopping in one of the town areas - an initiative Mr. Speaker, which has proven successful in our current situation with various containment areas around Fiji.

Mr. Speaker, COVID-19 has forced us to conduct businesses in the new normal and on this note, I applaud the new business opportunity that has been developed and currently in operation by Post Fiji Limited's e-commercial platform. The e-commerce platform not only allows farmers and ordinary Fijians from the rural and maritime areas to engage with businesses in the urban areas but also, there are budding entrepreneurs in the rural areas, particularly women artisan groups in rural communities, who seek out market opportunities for their handmade products, such as body oils, fans, mats, et cetera. The platform provides a virtual warehouse for these retailers where products are sold online and PFL acts as a retailer for these rural businesses targeting overseas markets and Fijians living overseas and within Fiji.

With the new development, Post Fiji Limited is not only ensuring the safe operation of businesses but also the safety of the employees and the Fijian population.

As Prime Minister, Mr. Speaker, I am encouraged by this development. We have the capacity to be innovative and through this initiative, villages and communities in deep rural and maritime areas can realise the full potential of the abilities, their resources and business opportunities.

Mr. Speaker, Sir, I must at this juncture, add that my Government has done more for all Fijians compared to any previous Government, in promoting women in business and in micro, small and medium enterprises, equitable distribution of rental income for members of iTaukei landowning units and the disbursement royalty payments. That is one for the NFP.

Mr. Speaker, Sir, that is, and I repeat, the mandate of my Government, ensuring that all Fijians are served equally and fairly and in a just and transparent manner.

Mr. Speaker, Sir, let me conclude by emphasising in this august Parliament that under my Government, commercial companies such as Post Fiji Limited, will be run efficiently with proper governance and commercial discipline structures, while investing in new technology to provide better services to all Fijians.

If there is something to be discussed in this august House, Mr. Speaker, Sir, it will have to be how Government has transformed these entities to lead efficiency gains and lead its broader objective to deliver very important public goods to its citizens. This is not a time squabble, Mr. Speaker, Sir, about which agenda is more important than the other.

The issues discussed this week if the members of the Opposition review the information package properly, they will note that these are important bread and butter issues that affect the daily lives of ordinary Fijians, especially those in rural and maritime areas and, especially during a pandemic. Therefore, I urge all members of both sides to focus on important aspects of driving entities like Post Fiji Limited to be financially efficient and to strengthen their efficiencies in protecting and providing for our Fijian citizens, particularly during this difficult time with COVID-19 in our midst.

Let me once again, Mr. Speaker, Sir, assure all Fijians that my Government will continue to invest, commit and ensure that Post Fiji Limited is financially supported and supplied with the needed resources in order for the continuation of work for the benefit of all Fijians, the sector and the communities it serves.

Based on those remarks, Mr. Speaker, Sir, I, therefore, support the motion. Thank you.

HON. SPEAKER.- Thank you Honourable Prime Minister for your statement. I give the floor to the Honourable Bulitavu. You have the floor, Sir.

HON. M.D. BULITAVU.- *Vinaka*. Mr. Speaker, Sir. I rise to make my brief contribution to the motion before the House and that is on the Procurement of Biomedical Equipment and also Post Fiji Limited. From the outset, we should all remember as leaders that we are in a time that is not normal and we are adjusting to the new norm and although the Reports will look old but it has bearing on some of the things that are current.

My view today is that, we really need to balance our health containment measures and also trying to survive our economy. That is my view after hearing the debate yesterday and also today my view is that, we need to all unite and put our hands together in our fight as Team Fiji leaving no one behind.

My special thanks goes to the Government for the efforts done so far in the containment and also laying out the rules that has helped slowed down the virus and also our Fijians who are out there in the frontline. I thank the Biomedical team and other medical teams for the effort they have already put in and the commitment and my special thanks goes to the Permanent Secretary for Health and his team, the Fiji Biomedical Team, and the FPBS team.

The Honourable Minister will know that they are also now under lockdown, they are not visiting their families and also have sacrificed this because of the call of the nation and it is our duty as leaders to show our support to them in this time as this is a time where leadership should rise to another level and see to that, we are the ones that the people look up to in this pandemic and what are the alternatives and options that we are giving to them and will give them hope. Even in the last motion I had no chance to speak but I agree with FDB guarantee because it is also a medium that will lessen the burden for those who are finding new employment.

But back to this motion, a big roles played by the Biomedical Team in the COVID response and COVID fight. One of the things that we are really happy of the achievements they have done in the medical ship they have able to equip. The field hospitals and also the isolation centres that they

were able to equip in places where contact tracing moved on to when the Ministry of Health is widen the net and also other lockdown hospitals with other breakdowns it is not a very easy job. When you see the technicians and all the teams that will try to hook up services so that the general public, Fiji and the health of our nation is not affected.

Those are some of the things that we would like to applaud our frontline workers, especially the Biomedical Unit. Probably this particular motion, this particular report came around in 2017. I think most of the recommendations are probably been attended to but to us, I plead with the leaders of this nation to see that the people of our nation are able to be given the space to protect themselves from the pandemic and, that is, to survive economically.

One of the thing too is the services of the Post Office which the Honourable Prime Minister and Honourable Jale had alluded to and Honourable Rasova on those services that are providing some services to the people in the rural areas in the maritime which allows economic activity, economic spin even remittance coming to our country through the Western Union partnership that Post Fiji Limited has.

Those are some of the views, Sir, that I would like to share and urging all Honourable Members in this House to walk together in this time, we need patriotism, we do not want to live anyone behind and calling for good leadership and good sense from our leaders. We have to show to our people the example that we are the leaders that will take them out of this crisis and with God willing and God on our side, we pray that everything will be good and Fiji will be better again on its foot as a nation punching above our way. *Vinaka vakalevu*, Mr. Speaker.

HON. SPEAKER.- I thank Honourable Bultavu for his contribution to the debate. I give the floor to the Honourable Lal, you have the floor, Sir.

HON. V. LAL.- Thank you, Mr. Speaker, Sir. The Honourable Prime Minister, the Honourable Leader of the Opposition, Honourable Cabinet Ministers and Honourable Members of Parliament, I, as a Member of the Standing Committee on Public Accounts, take this opportunity to speak on the motion on the Review of the Audit Report on the Procurement of Biomedical Services, Ministry of Health and Medical Services and the audit of the Rural Post Quarterly Returns.

Mr. Speaker, Sir, I wish to acknowledge the work and findings of the Committee and the officials from the Ministry of Health and Medical Services, Post Fiji Limited and the Ministry of Economy who had appeared before the Committee. I also wish to thank the representatives from the Office of the Auditor-General who were also part of the public hearing.

Mr. Speaker, Sir, as alluded to by the Chairperson that the main objectives of this Committee Report was to collate information from the Ministry of Health and Medical Services and Post Fiji Limited on their performance of audit findings identified during the audit.

Mr. Speaker, Sir, I wish to make a few contribution specifically in relation to audit on Rural Post Offices Quarterly Returns 2013-2017 for Post Fiji Limited. The Committee has made nine recommendations specifically for the Audit of Rural Post Offices Quarterly Returns. I would like to speak on Recommendation No. 1 and Recommendation No. 4.

Recommendation No. 1 - The Post Fiji Limited should ensure that this mitigation plan is in place to ensure the historical data and records are archived and can be accessed when required.

Recommendation No. 4 - Post Fiji Limited should ensure that standard operating procedures for rural post services are developed and implemented as soon as possible. The Auditor-General has made significant findings whereby the financial information relating to 2013 and 2014 was lost due to the crash of its accounting system.

Mr. Speaker, Sir, the scope of the audit was limited to the three year period from 2015 to Quarter 3 of the 2017 as data providing detailed transactions for the year 2013 and 2014 were not provided for audit because the server which was the AS400 where information was stored had crashed due to the infrequent power.

The Post Fiji Limited Management at a time the audit advised that the information can be received, however, will be time consuming and costly as the entity will need to hire expatriates for this as their financial system has changed from November 2014. The Committee was advised that backup service were not in place since 2013 instead of backup services, Post Fiji Limited had backup tapes for IMIS system replication, however, after a system change in 2014, data has been continuously replicated. A disaster recovery site has also been established with all infrastructure including the backup services and daily replication are restored. Moreover, soft and hard copies of information has been provided and submitted to the Ministry of Economy and compiled by their quarterly reports.

Mr. Speaker, Sir, Post Fiji Limited is a commercial arm of Government and has been in operation since 1996. It is prudent that Post Fiji Limited out of a risk mitigation plan to ensure its historic data and records are archived and can be assessed when required. Not only should the risk mitigation plans are only addressed power outages but also address the unprecedented time that Fiji is battle with. The services is an essential service for the people of Fiji and business continuity is crucial with regards to the standard operating procedure on postal services.

Mr. Speaker, Sir, I wish to inform all Honourable Members of this august House that standard operating procedures or SOPs can help reduce learning curve for new employees, ensures business continuity, standardise processes and task delegations become more effective. The Committee was advised by the Post Fiji Limited management that the entity is currently working on automating their rural postal offices so that all data and records are captured and stored in a central location in their servers and replicated at the DR Server.

Currently, Post Fiji Management Ltd is working on reviewing and updating all the operations, manual and the rural postal offices will be part of this review process, considering the best practices and data controls. In view of this, the Committee strongly recommends that the SOPs for Post Fiji Limited should be developed and implemented as soon as possible, taking into account as well the new normal that will address the underlying issues that had been raised in the audit.

Mr. Speaker, Sir, on the Committee recommendations mentioned earlier on the quarterly returns by Post Fiji Ltd from first quarter of 2013 to third quarter of 2017 under the rural postal services agreement, it is with utmost importance that Post Fiji Limited takes heed of the recommendations provided by the Public Accounts Committee and address the gaps that exist therein.

Mr. Speaker, Sir, with those few comments, as a Member of PAC, I support the motion that is before the House. Thank you, Sir.

HON. SPEAKER.- I thank the Honourable Lal. I now give the floor to the Minister for Health. You have the floor, Sir.

HON. DR. I. WAQAINABETE.- I thank you, Mr. Speaker. The Honourable Prime Minister, Honourable Cabinet Ministers, the Honourable Leader of the Opposition and Honourable Members of Parliament; I would like to thank the Committee for having perused through the Report and also the Auditor-General's Report and coming through with the recommendations that have been given through to our team and they have been working on it.

I want to bring to the fore some of the things that have been picked up by the Committee and also the OAG's Report, which the team has actually worked on. For example, risks associated with procurements, the risks have been mitigated, integrated into the planning template and standard operating procedures have been developed and implemented. The inadequate scoping for specifications, we have developed an SOP where lifecycle of biomedical equipment that is developed and the finalisation of the specifications is done in consultation with the end-users and also the technical team that will actually look after the equipment.

Our biomedical team with biomedical technicians that actually are able to repair the machines that we have so at the moment we do not have any particular speciality in particular areas but we are guided by what the technical experts have given us and also when the process of procurement is done.

Mr. Speaker, the policies and procedures with the procurement of biomedical equipment are now guided through the National Biomedical Equipment and Clinical Services Network. The importance of the technical people in being able to drive the guidance around the purchase on what is actually useful for them. We have heard earlier of what has been discussed of areas in which equipment had come with certain consumables were not there. This is actually being mitigated by the fact that the technical people are part of this assessment programme and the SOP defines the management, the planning, purchasing, the use of maintenance and decommissioning. The procurement regulations and Financial Management Act guides the purchasing process and the management of the contracts.

Mr. Speaker, since the last 10 years, the budget for the Fiji Pharmaceutical and Biomedical Services have continued to improve and increased dramatically. In 2011, it was \$20.9 million; in 2014, it was \$37.1 million; for this current financial year, the budget is FJ\$62 million.

The procurement team have also gone through various trainings with governance structures and procurement processes and for a while, we brought them from Fiji Pharmaceutical and Biomedical Services here to Headquarters and they worked out of Headquarters for a whole year in 2018 and working and understanding the processes that needed to be done and also working with the Ministry of Economy to be able to completely have comprehensive knowledge about this before they moved back to the Fiji Pharmaceutical and Biomedical Services in 2009.

Therefore, today, all processes have been well followed under the National Biomedical Policy with procurement guidance through the procurement regulations and is led to the quick turnaround time of purchases of equipment and specifically, for specialised areas. We have not purchased these equipment before but we have been able to do it in a quick turnaround time such as, neurosurgical equipment, neurological equipment and endoscopy, kidney dialysis equipment and at the same time the digitalisation of our radiological services that we have now done with replacing of the old films with the new films and the replacement also of our laboratory equipment.

With accessing our health services to the public, with our aim of pursuing a universal health coverage, we are able to procure more mobile equipment that support our Fiji emergency medical assisting team that is the FEMAT Hospital that is in Lautoka. So whilst Lautoka is sequestered, the

hospital the services that are needed in that area are being met by the FEMAT Hospital that is available at Nadovu Park and also at the *MV Veivueti*, and also by Nadi Hospital and Ba Hospital.

One of the Opposition Members, Mr. Speaker, Sir, had said that Lautoka was suffering. No, they are not suffering, they are being well managed and the Medical Superintendent of the CWM Hospital, Dr. Luke Nasedra, the Director of FEMAT is actually based in the FEMAT Hospital in Lautoka, looking after the secondary health services needed in that area.

With the endorsement of the National Biomedical Services Policy in January 2017, this was again another opportunity for us, as a Ministry, to build upon this effort by providing the necessary resources and capacity to fully implement the requirements of the policy. The SOPs is the working document which is derived from the National Biomedical Services Policy, which allows the team to maximise the current resources. We have a five-year replacement plan and a minimal equipment standard list developed and endorsed through the National Biomedical Committee. From the five-year plan, the purchase of equipment is identified for the annual equipment plan with the budget proposed to meet the clinical needs. Currently, all equipment purchased, follows through these pathways.

Mr. Speaker, Sir, part of this is actually the understanding what the certain facility are and what are the services they can offer. Once that has been delineated, which is called clinical service framework plan, then the equipment plan is made to be able to match the need for that facility. The importance of contract management is given sufficient attention by the Ministry and also FBBS, and this team had been providing trainings through short course for contract management and negotiation. All contracts are directed back to the Solicitor-General's Office for legal opinion, and these include any amendments to the contract or agreements. The turnaround time of getting contracts through this legal pathways has been organised in a friendly manner, there is proper legal advice provided to the contracted vendor.

Currently, as I speak, there is a paradigm shift in the purchase of equipment to meet the new dynamic health services in response to the COVID-19 outbreak. The purchase of monitoring equipment and maintenance are priority in ensuring all isolation centres, quarantine facilities, health facilities are equipped with these vital equipment. Donors and developing partners support these areas of need to fill the space to meet the service capacity. All equipment that we have such as ventilators, dialysis machine and radiological equipment, now have comprehensive service agreement that comes with routine maintenance, emergency breakdowns and remote monitoring by engineers offshore. And there is a routine process whereby all equipment purchased through this COVID-19 response, follows the same process.

From 2018 and onwards, we have created eight new positions to biomedical technicians and engineers to support the needed needs at the Sub-Divisional Hospitals. The Standard Operating Procedures and checklist developed have also improved the maintenance and filing. The checklist of tender files ensure all documents is filed in order. A random audit is done by the Supervisor to verify that the filing is correct. Other avenues, like e-systems are being researched, inclusive of all the main hospitals and biomedical engineers are also placed in the Subdivisions, in the Western in the Northern Health Services to ensure that this process is maintained and a quick turnaround time of repairs and decision-making.

Honourable Speaker, before I resume my seat, I agree with what Honourable Bulitavu had mentioned. This is the time for leadership to support frontliners and our frontliners are not only the nurses and the doctors, they are also the important Fiji Pharmaceutical and Biomedical Services staff, the Biomedical Engineers, the technicians, the procurement team who actually ensure that they are

resourcing our frontliners in the work that they do, and to say that nothing has been done is something that concerns me because I know that they are giving their 100 percent effort as much as any other frontliners are and with that, I thank the Honourable Speaker for this opportunity.

HON. SPEAKER.- Thank you, Honourable Minister for Health. I now give the floor to the Honourable Leawere, you have the floor, Sir.

HON. M.R. LEAWERE.- Mr. Speaker, Sir, we need to be talking more about our economic recovery given the resurgence of COVID 19 positive cases. We need to be talking more about our tourism industry, agriculture and the informal sector and what we need to do is to support our people in our tourist areas, like Sigatoka and Nadi.

We need to know that before the pandemic, the employment rate was at 6 percent but now it has gone up drastically. Of the Government guarantee discussed today, Mr. Speaker, Sir, will our people benefit from this?

Back to the Report, Honourable Speaker, Sir, as we have noted that under the Government of Fiji Procurement Regulations 2010, Procurement Amendment Regulations 2012 and Policy Guidelines that all purchases of \$50,000 plus, involve the sharing of responsibilities between the procurement agency and the Fiji Procurement Office, and in this case, we are referring to the Ministry of Health and Medical Services in the Procurement of Biomedical equipment funded by Government in 2015.

Honourable Speaker, Sir, first, what has been found by the auditors after examining and scrutinising 6 tenders for the 26 contracts valued at about the total cost of about \$20.7 million that were approved, they did not meet all the requirements of the Procurement Regulations 2010 and related policy guidelines and best practices in the Procurement of Biomedical Equipment in that year in 2015.

Due to incomplete records, Mr. Speaker, Sir, contained in the six procurement files reviewed, only 15 of the 26 contracts valued at about \$18.3 million were considered for detailed audit testing.

The second issue that I would like to highlight on the Report in the scoping of specifications and were carried out on the documents contained in the Procurement Files for all the six tenders and it valued at \$20.7 million which were examined during audit clinician.

On verification of equipment supplied, we also conducted to verify the necessary specifications required or determined by clinicians to enable effective delivery of their services were considered. After these verifications, Mr. Speaker, Sir, it was confirmed by the Ministry that consultations were conducted through meetings and by email correspondences, however, documentary evidence confirm consultations undertaken were not mentioned and four of the six files did not contain documents to substantiate whether clinicians were consulted on equipment specifications.

Honourable Speaker, Sir, it was also confirmed by the auditors after two rounds of physical verifications one in February of 2017 and again in June of 2018 that some equipment supplied to do contracts referred to CTN 2015 were not fully utilised mainly due to the absence and lack of other specifications required, for the equipment to be fully functional. This does not reflect well on the Ministry of Health given it is one of the bigger Ministries, always received high number of capital projects it funded.

The Ministry should take responsibility for all these audit issues identified as this shows a lack of proper procurement planning, lack of scoping for specifications, lack of consultations, absence of Standard Operating Procedures for record-keeping of all procurement documents.

We talked about OMRS yesterday, Mr. Speaker, Sir, it has failed miserably and it has not identified qualified and meritorious candidate for the job.

The head is the key to any organisation and in this case, he or she has failed to do what he or she has to do what is required. The OMRS should be revisited, reviewed and widely discussed especially the input of major unions of this country.

We have witnessed a lot of CEOs leaving and unfortunate indeed due to OMRS on emphasising and hiring expatriates and leaving aside our own qualified people.

As I conclude, in summing up, Mr. Speaker, Sir, I plead with the Ministry to take serious consideration on the audit issues highlighted and implement the Committee's recommendations in consultations with the relevant stakeholders in addressing the issues mentioned.

I thank you, Honourable Speaker, Sir, for allowing me this opportunity to contribute in the debate ensued today. Thank you very much.

HON. SPEAKER.- I thank you, Honourable Leawere. I now give the floor to the Honourable Attorney-General.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir. Just a few points of clarification in respect of the Postal Offices and Postal Agencies, in the rural areas, there are 35 Postal Offices that are operating and there are 20 Postal Agencies that are active, in particular in the maritime areas. I have a whole list here. If the Honourable Members of the Opposition are interested, I could give them a copy of that.

Some of the Honourable Members of the Opposition have raised the issue about certain Postal Agencies shutting down. Yes, some of them have been shut down because of the lack of reconciliation by those particular agencies that are run by individuals. If you look in the Budget Book in SEG 6 - Head 50, you will note that we have an allocation of half-a-million dollars for rural postal services.

We also have an allocation of \$530,000 for banking services in rural areas. Now, we pay BSP because BSP is the only bank that is willing to participate in this particular scheme and I have got the figures here. We pay BSP \$3.52 per transaction. So if someone wants to come and, for example deposit money into their savings account or withdraw money from their savings account, BSP charges us \$3.52 which we pay on behalf of the customers, of those people in the rural and maritime areas.

Mr. Speaker, Sir, we have, of course, some figures regarding the value of the transactions in these rural banking service claims that we had. In 2019 which was the last full audited year, the electronic transactions amounted to \$583,792, manual transactions amounted to \$12,020.80, the total number of transactions was 1,692, 265,000 transactions and so the amount we actually paid in 2019 was nearly \$600,000 for those rural banking services.

The other point, Mr. Speaker, Sir, that some people may of course missed is that in this adoption of technology, a lot of the islands and rural, particularly, maritime areas where people now

have connectivity to mobile phone and broadband, they have MPAiSA. Sir, MPAiSA has huge levels of transactions in terms of relatives and friends sending money from offshore and domestically also. So that scene obviously, the traffic and the need for postal services reduce significantly. Nowadays, of course, if people have electronic connectivity, they send email, they send *Viber* messages, et cetera, and they no longer write letters. So the entire business model of Post Fiji, like many other postal agencies throughout the world, has had to change over the past number of, at least, a decade or so.

Mr. Speaker, Sir, the other point that I wanted to make in respect of the Biomedical Services, there is no doubt, I mean the Honourable Minister for Health has highlighted some of the improvements that have taken place, but there is no doubt that many countries like Fiji that wants to catch up with the technology that is available in medical services has a number of challenges.

A number of the equipment that we buy, for example, you can only buy from Australia and New Zealand. So without naming any particular company, if you want to go and buy it, they will say to you, "you go to Australia because Australia is the country for this particular part of the world" and you buy your equipment from there. Now, the old model was, you buy the equipment and then you bring it in and then you look after the equipment, there are of course can be some technological support, people used to physically come down, most of the equipment nowadays, you have to provide the air-conditioning room, et cetera, and then, of course, you need someone to operate the machines. We have had instances in Fiji previously where we have had trained personnel, if someone migrates and they are the only person, for example, that operates the MRI machine, you do not have anyone else. This is why in the Toppers and various other scholarships that we have been giving, we have actually been trying to give scholarships in those areas.

There are some new models as to how you can ensure continuity of those services through biomedical equipment and that involves completely outsourcing that particular service to private companies. So if you, for example, outsource it and say, "we want you to come and operate the MRI services in say Suva, Lautoka and Labasa and part of the deal is that you operate it, you maintain it, any software upgrade you have to do it, you have to provide the people who will actually operate it, also the personnel, you have to make sure that the room in which it is located, the air-condition is working full time, you will only get paid if the machine or the equipment has an up time of more than 95 percent. That is one of the models and a lot of the countries are actually adopting that.

What that has meant is that a lot of the companies are able to then go out on their own and because they have given a fairly large contract, they can go and source this equipment from countries where it is a lot more cheaper, the rate of your cost actually comes down quite significantly. So this is one of the models that we are currently looking at as to how we can implement that and rather than, for example, having only one MRI machine in Fiji, we can look at having one in Vanua Levu. We, of course, have to ensure that you need people who can actually read those film or whatever.

At the moment if you go to the, what was called Suva Private Hospital (I forgot the name now), on Friday I had to go with my father to get a CAT scan, they had to send the actual film to India because no one in Fiji can read that. You need to have experts that can actually read the actual films. So that level of competency needs to be there within that health system too and one of the models, like many countries are now adopting, and to be able to leap frog into that space is to be able to outsource that in a very concerted manner. So those are some of the observations, Mr. Speaker, Sir, that I simply wanted to make. Thank you, Sir.

HON. SPEAKER.- Thank you, Honourable Attorney-General. I now give the floor to the Chairperson of the Standing Committee on Public Accounts to speak in reply. You have the floor, Sir.

HON. A.A. MAHARAJ.- Thank you Mr. Speaker, Sir. I would like thank all the Honourable Members who have given their contribution with regards to the debate. Thank you very much for the clarifications that were made. I would like also to thank the Committee Members who came up with this particular Report. I have no further comments to add, Sir. Thank you.

HON. SPEAKER.- Thank you. Honourable Members, the Parliament will now vote to note the content of the Report.

Question put

Motion agreed to.

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

REVIEW REPORT - MINISTRY OF INDUSTRY, TRADE AND TOURISM ANNUAL REPORT 2015

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

That Parliament debates the Review of Ministry of Industry, Trade and Tourism Annual Report 2015 which was tabled on 6th August, 2019.

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

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

HON. V. NATH.- Mr. Speaker, Sir, the Standing Committee on Economic Affairs tabled its findings and recommendations on the Ministry of Industry, Trade and Tourism 2015 Annual Report on 6th August, 2019.

Mr. Speaker, 2015 was the year of remarkable achievements for the Ministry. It marked the launch of the Fijian Trade Policy Framework 2015 to 2025 which provided the long-term strategic policy guidance and direction in achieving the Fijian Government's trade and investment aspirations. It was also the year in which the Ministry implemented the Micro-Small Business Grant (MSBG) that aims to support the development of Micro, Small and Medium Enterprises (MSME) to help improve the living standards of all Fijians.

Out of the 25,789 applications that were received and assessed by the Ministry and FDB, 7,744 micro and small businesses were assisted. Furthermore, MITT also continued to support towards local businesses through the successful implementation of the 'Fijian Made – Buy Fijian Campaign' in which 321 companies were issued licences and 1,551 local products were granted approval to use the emblems.

The Committee noted the various projects and assistance schemes within the Ministry, including the National Export Strategy, Micro-Small Business Grant and also appreciated the Ministry's support towards uplifting of micro and small business during their teething period. Further to this, the role of the co-operative was also commended for uplifting the standard of living and economic participation in our rural communities.

Finally, the Committee was pleased to note that women empowerment was captured by the training provided specifically for women in co-operatives and the entrenchment of women to take the leadership role in co-operative. In 2015, 40 women were trained on financial literacy and 28 women were appointed to managerial positions.

Mr. Speaker, Sir, with those few comments, as the Member moving the motion on behalf of the Standing Committee on Economic Affairs, I thank you for the opportunity.

HON. SPEAKER.- I thank the Chairperson of the Standing Committee. Honourable Members, the floor is now open for debate and I call on the Honourable Gavoka. You have the floor, Sir.

HON. V.R. GAVOKA.- Thank you, Mr. Speaker. Very briefly, on tourism, I know that the Report is outdated but we all want tourism to come back quickly and hinges on our ability to convince our source markets that we are safe from COVID-19. That is why this morning, Mr. Speaker, I spoke very strongly about getting the vaccination programme to be nationwide because our people and the source markets are watching, in particular, Australia and New Zealand. They make up about 70 percent of our tourism arrivals and those are the ones who will bring in the numbers that we want immediately to bring back tourism.

Mr. Speaker, Sir, I made a statement a couple of days ago, and it was featured in the *Fiji Times* where I said, “Get the vaccines.” We need as a country to just go there and get the vaccine. We know that Australia is going to donate about a million doses or vaccines whatever is the shortfall, we must be prepared to buy the shortfalls so that everyone in this country is vaccinated.

We need to do it immediately, Mr. Speaker, Sir. It is a confidence building measure so that Australia and New Zealand can see us and say, “Alright Fiji is now taking these steps seriously”. Mr. Speaker, Sir, my message again to the Government is to get the vaccines and vaccinate the entire population. The saying goes that, “No one is safe, until everyone is safe.” I think I heard that from the Honourable Minister for Health and I agree with him. This is something where you cannot leave any one behind. So, please Honourable Prime Minister and Honourable Minister for Economy, get the vaccine and let us vaccinate everyone in Fiji, if we want our tourists to return in the shortest possible time.

I believe, Mr. Speaker, Sir, Israel was the country that was able to inoculate almost its entire population within the shortest possible time. So, we can borrow some of the template that they followed, but the word Mr. Speaker, Sir, is create confidence in Australia and New Zealand by vaccinating all our people. We now know that this thing is under control so we need to arrest it as soon as possible and for two reasons. We are talking about tourism returning in 2022, we have to do it now, Mr. Speaker, Sir. I do not know how long will it take to vaccinate everyone, but we need to do it right now and the ruling here from SODELPA, Honourable Prime Minister and Honourable Minister for Economy, get the vaccines and vaccinate everyone.

Mr. Speaker, Sir, I spoke this morning about the farmers in the *tikina* of Sigatoka and Nadroga in the villages from Volivoli to Nayawa and Laselase they are now into the farming in a big way. There are two tractors, but one thing I noticed when I was part of the Standing Committee on Economic Affairs, about how sugar cane farmers have formed co-operatives to buy machinery and equipment. I believe they had some funding from the sugar fund, and they are also helped by the co-operative buy equipment through the FDB.

I would really encourage the setting up of a co-operative at the village level at the basic levels

so that the *tikina* of Sigatoka can have machineries on a co-operative basis, Cuvu. I am talking about Nadroga Navosa but it can be replicated in other parts of Fiji. But these are the co-operative concepts that come in very handy, Mr. Speaker, Sir.

The Honourable Minister for Economy talked today about the large scale farming versus subsistence farming. If they set up a structure of subsistence, let us use it, do not change the model, Mr. Speaker, Sir. All they need to do is to become part of the corporative and then you have a large scale in that manner. It will be very difficult to try and do the large scale farming and remodel the whole structure of the landownership, of partnership in Fiji. We can do it.

Keeping the subsistence model but through a co-operative, it will secure equipment and machinery that can make huge difference in agriculture. That, Mr. Speaker, Sir, is my contribution on this and I thank the Committee for what they have highlighted. I was part of this Committee and I enjoyed working with them and I believe this is one Committee that can make huge difference in the way they contribute in Parliament.

HON. L.D. TABUYA.- Thank you, Mr. Speaker. I rise to make a contribution to the Report before the House. I do note that a lot of findings from the Report of 2015 are moot now because of the situation we find ourselves in.

Before I do I made my contribution regarding the Report. I just want to respond to some of the insinuations and points that were made by the Honourable Attorney-General in his previous presentation.

Mr. Speaker, first of all I actually feel flattered that he is reading my posts and while he is at it, he could refer to my workout post - he might need it.

The Honourable Attorney-General says that the post that I stated about the group that he met with, he went on to talk about historical basis of organisations and groups. The question I have for him is about the group that he met with – are they historically your inner circle. Also, the Attorney-General stated that I accused him....

HON. V. NATH.- Point of Order Mr. Speaker, I initiated the motion to talk about the Review of the Ministry of Industry, Trade and Tourism 2015 Report.

HON. SPEAKER.- You have heard the Point of Order – you have the floor.

HON. L.D. TABUYA. Thank you, Mr. Speaker. I wish to reiterate that these are the points that that have been raised on the floor and this is the opportunity that is relevant for me to respond. The Honourable Attorney General stated that I had accused him for bringing COVID-19 to Fiji, so this second time around so, I do want to challenge you to answer the question. Did he? Answer this question Honourable Attorney-General - why were certain locals still permitted to travel to and fro India, even after the deadly variant was announced earlier on. Were they on the same flight as you with the couple that returned from India via Singapore – they were the original source of the variant to Fiji? Answer those questions, because he has alluded to in his previous presentation.

HON. SPEAKER.- Honourable Member, you have the floor but just stick to the agenda item.

HON. L.D. TABUYA.- Thank you Mr. Speaker, Sir. I just want to reiterate what the Honourable Gavoka mentioned about the best thing that the government could be doing right now is to get everyone vaccinated as soon as possible. So, that our people can resume normal lives and all

business can operate again with COVID-19 safe measures in place as we learn to live with the virus present in our community.

Why has this not been treated as a national emergency? Why are we not getting the vaccination expedited and imported as soon as possible? We are a relatively small population of less than a million, only 650,000 eligible applicants as we got from the update this afternoon and it becomes mandatory for us to get vaccinated within a very short window of time, weeks, we are not talking about months. It has been a month now and over 100,000 of our people are vaccinated. The Honourable Gavoka mentioned about Israel.

(Honourable Member interjects)

HON. L.D. TABUYA.- Well, this is what they need to be engaging with our donors. Not just asking for money, get the vaccine and bring them here as soon as possible.

(Honourable Member interject)

HON. L.D. TABUYA.- Yeah, do not just ask for money then use that money to buy the vaccines, they are available. Use it. So, Mr. Speaker, Sir, just like Israel with 9 million people, they were able to vaccinate their people within just a matter of weeks.

(Honourable Member interjects)

HON. L.D. TABUYA.- Yes, Israel.

(Honourable Member interjects)

HON. L.D. TABUYA.- Yes. So, why have we only vaccinated just over 100,000 today? They need to prioritise this is a matter of emergency - 24 cases on Sunday, 21 cases yesterday, and now we have 13 cases today as was announced this afternoon. How many by the end of tonight? The cases are escalating, this is a national emergency.

Mr. Speaker, Sir, while we are waiting for this to happen the economy continues to nose-dive. Our people's income shrivel up and our businesses shut their doors as a result of going in and out of lockdowns. Restricted movements, curfews, et cetera.

Mr. Speaker, Sir, while last year's COVID-19 response budget was fairly ordinary and a bit irrelevant in offering many of the same old tax incentives it at least offered some glimmers of hope including the appointments of thousands of people for shovel ready government projects for example, the CWM Hospital Maternity Ward. It has been two years now, even before COVID-19 came to Fiji. It has been put out on tender but still no progress.

HON. A. SAYED-KHAIYUM.- Point of Order.

HON. SPEAKER.- Point of Order.

HON. A. SAYED-KHAIYUM.- This Annual Report, and she has had a go at me and all that and that is fine, Mr. Speaker, Sir, but it the motion says that Parliament debates on the Review of Ministry of Industry, Trade and Tourism. The 'Ministry of Industry, trade and Tourism' has got nothing to do with the hospital. The Honourable Member is off on a tangent away with the fairies, I do not know what she is doing.

HON. SPEAKER.- Honourable Member just keep to the motion that is before the House.

HON. L.D. TABUYA.- Thank you Mr. Speaker, Sir, in fact the health of our people and our nation and the closing and opening of our borders does impinge on not just the tourism but also the ability to export and import, that is part of the report in its recommendation. Import and Export is part of that and also the shutting of small businesses and small and medium enterprises. They could listen and learn something Mr. Speaker, Sir. It is all relevant to this.

HON. V. NATH.- Point of Order!

HON. L.D. TABUYA.- Well, why? Why have these projects which could be ready to help thousands of people not ready? Why? Because the government has no money? Other countries around the world are responding to this pandemic by quickly passing massive stimulus budgets which injected billions of dollars back into the economy, helping cash-strapped individuals, small business and medium enterprises, families. This came in the form of financial assistance such as grants, tax relief and of course lower interest rates.

As a result of the massive stimulus budget and treating vaccination of all people as a matter of priority, many countries including our own neighbours, Australia and New Zealand, are proactively managing COVID-19 and yes they have been investing into their industry because they have a bubble now. They have a travel bubble, yes their planes are in the air, their people are safe, they have got jobs, food on the table and money in their accounts. Why do we not? Because this government, again, has no money. Where is our stimulus budget? Why have we not injected that money back into the economy? Because COVID-19 has finally exposed the truth here in Fiji.

The ten years of unprecedented growth that this Government has been boasting about. What do they have to show for it; nothing. This Government is deceiving our people giving them a false sense of security this whole time so that when it really matters, Mr. Speaker, when they come to the crunch they have nothing for our people ‘nothing’. Our people are no longer fooled by the so-called facts and figures and big words from our Honourable Minister of Economy.

Our people are convinced of the serious flaws in the management of this economy. They are convinced of it, the Honourable Attorney-General should just get on the Parliament live stream and see how many angry *emojis* turn up in there that might help in to refer to that. This is the end, yes, he should do the right thing, resign, we have said it several times do the right thing, resign. We have got a very qualified Economist, the Honourable Minister for Agriculture to be the Minister for Economy.

Honourable Prime Minister, the people are losing confidence in your Government. If you could listen, it is alright you can laugh at me but the people are not laughing, the people are angry and hungry. This Government is not creative, they have been in power too long to think outside the box. Mr. Speaker, they are no longer or motivated a sense of urgency. They are out of touch with our people and the very fact that we are sitting here including the relevant issues from April at the heist of the Government before we going to lockdown this shows how much disconnected to the Government be from the people. Yes, when the people heard that Parliament sitting urgently ‘oh they thought alright the representative of the people sit and discuss the crisis at the end and how we are going to handle it and that was going to be top priority unless we have let them down and again

Mr. Speaker, unprecedented times call for unprecedented measures, he has an oval idea and maybe they should pay attention not my own but of course one that has been successfully implemented in other countries by several leading economists and financial experts and yes that does

include Mr. Savenaca Narube, the former Reserve Bank Governor, yeah, why does not the Reserve Bank of Fiji print money and loan it to the Government..

HON. GOVERNMENT MEMBERS.- Chorus of interjections.

HON. L.D. TABUYA.- Yes, listen, yeah he has suggested that RBF should printed and loan it to the Government \$500 million with this money cash can be quickly distributed to micro small and medium size businesses, encouraging them to keep their doors open and people employed, cash can quickly be put into our people's bank account and digital money forms like MPAlSA especially low income earners and those lost their jobs as a result of COVID-19. Now, the same time this cash can be also made available to the dozens projects, dozens medium businesses who are waiting to be funded. Imagine the life that we could bring back to the economy, imagine the life that we could give back to our people.

Of course, the Government has previously suggested that printing money would increase inflation and affect our foreign reserves, they have said that but they fail to understand and explain to our people whether the RBF prints money or the Government borrows money from offshore both could have seen the effects so they both involve in the increasing of money. That is why we need a better manager it is all about management, it is about managing the money.

The Honourable Attorney-General and Minister for Economy has failed the people with this mismanagement. We have highly educated and experienced Economists and smart people in Fiji both inside and outside Government who shared a common objective. I am confident, Mr. Speaker, that together they can effectively managed the potential risk related to inflation and foreign reserves especially if the printed money is injected to the economy overtime and real economic activity is created especially in agriculture and housing, two areas with the greatest need and potential outside employment.

(Honourable Members interject)

HON. L.D. TABUYA.- Yes, they are not even listening they think even only one person knows what is going on. He could learn from listening. Do you even know what is going on?

Mr. Speaker, the Honourable Prime Minister needs to come out from his comfortable zone of relying 100 percent only to one person the Honourable Attorney-General. Please, I appeal to the Honourable Prime Minister to convene that national economic summit, bring in all the stakeholders, these are pocket meetings at the behest of the Honourable Attorney-General. The time to act is now, the people need us, they need us to rescue them with the real solutions from the very real struggles that they faced now as ae result of COVID-19. Thank you, Mr. Speaker.

HON. SPEAKER.- I thank the Honourable Lynda Tabuya. I now give the floor to the Honourable Minister Faiyaz Koya, you have the floor, Sir.

HON. F.S. KOYA.- Thank you, Mr. Speaker, Sir. I am lost for words with that last session from Honourable Tabuya and I do not think there was any iota of comment with respect to what is in front of us, which is the review of the Ministry of Industry Trade and Tourism Annual Report. It would seem that it has been a consistent practice this morning and another personal attack on the Honourable Attorney-General and that is the order of the day from the other side. It is quite disgusting to be honest, Sir, because we have left what we should be actually doing but nevertheless, we shall soldier on despite all that exist within the Opposition circle.

Mr. Speaker, Sir, there were a couple of comments raised by Honourable Gavoka and I want to commend him, Sir, for encouraging everyone to be vaccinated. I know he was commended this morning by the Honourable Attorney-General and I also want to join him in saying thank you to him for encouraging everyone in Fiji to be vaccinated, I am sure he understands what it means to be vaccinated, I am sure he understands how we can all get the vaccine, I am sure he understand the limitation that are placed upon Fiji with respect to how many vaccine we can get and how many have already in our possession. He understands but maybe, someone sitting behind him needs an explanation, Sir, and I am happy to contribute to the debate on the motion. This is the Annual Report for 2015 and I want to thank the Standing Committee on Economic Affairs on its assessment of the MITT and the recommendations they have actually put forward.

Mr. Speaker, Sir, let me start by informing this august House that in the year ending 2015, the Ministry had received obviously an unqualified audit opinion and no matter of emphasis or any prior audit issues pending. This is because, Mr. Speaker, we maintained a robust internal governance system and after we extend changes to the business environment and accounting the taxpayers funds.

Mr. Speaker, Sir, 2015 was actually an exceptional year. I think everybody will acknowledge that and was not just for the Ministry but for the entire Fijian economy and I say this Mr. Speaker, Sir, especially because that is when we began the journey of creating a middle income society in Fiji and this is a segment that did not exist prior to this particular Government, and was never thought of as being an important contributor to the Fijian economy, so we want this to grow, we will continue to endeavour to do the best that we can so we can grow that sector of the economy and this involves the MSMEs.

Now, Mr. Speaker, Sir, the gains that we made in 2015 are today helping us to sustain and lessen the deleterious effects of the COVID-19 pandemic. The Ministry was allocated a budget of around about \$49 million in the 2015 financial year of which \$47 million or 95.2 percent was actually utilised.

It is worth noting that 54 percent of the budget was allocated to capital projects. Most of the funds were allocated for the development of Micro, Small and Medium Enterprises (MSMEs), as I had mentioned earlier. In comparison, Mr. Speaker, Sir, in 2014, there was a significant increase in the budget due to the inclusion of the tourism department as an integral part of the Ministry and a number of capital projects.

The Ministry's capital budget increased by five to 20 percent. In 2014, the budget allocation was \$17.4 million with only \$500,000 devoted to capital projects. Now, insofar as significant achievements go, the Fijian Trade Policy Framework 2015 to 2025 was launched. Mr. Speaker, Sir, it was launched by our Honourable Prime Minister in 2015 and it took into consideration the important role of MSMEs in our economic growth.

Mr. Speaker, Sir, in 2015, the Honourable Speaker also launched the MSBG and from an initial \$1 million budget funding, Sir, it increased to over \$7.4 million given the high demand and high success rate of the applications received. This instigated also the Indian Government also to come on board, Mr. Speaker, Sir, and a total of 25,789 applications were actually received in 2015 and by the end of the year, Sir, 7,744 Fijian entrepreneurs were assisted. Now, this is the kind of people that we are so this is the kind of message that we need to deliver even at a time like this instead of going into a diatribe. You know businesses, Mr. Speaker, Sir, was supported and this included our roadside sellers and our caucus, our canteens and our tailors, our handicraft sellers, our livestock farmers and other micro and actual small businesses.

Mr. Speaker, Sir, we did not just stop at providing grant funding to MSMEs, we also gave them additional support in the form of mentoring and continuous specialised training was provided through the National Centre for Small and Micro Enterprise Development and the Department of Cooperatives which was also mentioned by the Honourable Gavoka and just to reassure him, Sir, with respect to the cooperatives, when we deal with the cooperatives, it is about the whole of Fiji, it is not actually just one area but we welcome his idea that we should visit Nadroga more often and I will instruct them to do so.

Sir, I note that the recommendations of the Standing Committee is to put in place a robust IT system to strengthen the monitoring and the evaluation process. I can inform this august House that the Ministry has established the database of all the recipients of the MSBT, and this is the first stage from which we will be developing a comprehensive monitoring and evaluation tool that will allow us not only to monitor MSMEs, but also to provide more targeted assistance.

The digital tool will allow us to add other MSME programmes administered by the Ministry to ensure consistent monitoring is undertaken. Since 2015, we have actually created an ecosystem of support and advisory service providers that actually provide the much needed mentoring and the hand on exercise for MSMEs. This is actually critical, Mr. Speaker, Sir, for the development of all those MSMEs.

Furthermore, Mr. Speaker, Sir, 19 companies were supported under our national export strategy in the agri-business, in marine products and the earnings in the forestry sector. The funding was actually utilised for capital upgrades and value adding, equipment purchase and helping firms to make the required improvements to attain internationally recognised export standards.

Mr. Speaker, Sir, I also note that the Standing Committee had commended the role of cooperatives in enhancing the standards of living and economic anticipation in our rural communities. In 2015, a total of 28 and that is 10 resourced based and 18 non-resourced based cooperatives were actually registered. More resource-based co-operatives were registered as the Ministry encouraged communities to become more commercial focused and to move away from the traditional retail cooperatives that were actually set up, and we continue to do that to date. The objective remains and we empower the resource owners also to use their natural resources as a means of generating income, and to date approximately 400 registered cooperatives are fully operational.

Mr. Speaker, Sir, we continue to focus on cooperatives with the vision to diversify so these Fijians can actually venture into new businesses with a higher growth potential and in 2015, 13 cooperatives actually diversified into sectors such as agriculture, fisheries and also transportation. This is what we mean, Mr. Speaker, Sir, when we talk about MSMEs being the engine of growth for the Fijian economy. This is what we need to support at all times. These are the very businesses and individuals who actually have been affected due to COVID-19 pandemic and we continue on a daily basis to provide as much support as we can to ensure that they survive what they are actually going through at the moment.

In terms of growing markets for our Fijian Made and Fijian Grown, the Ministry is actively been involved in reviewing and renewing existing trade agreements, such as the Melanesian Free Trade Agreement, Pacific Island Countries Trade Agreement and the Economic Partnership Agreement with the UK to name a few, and also current dialogue with new markets such as Indonesia. In tourism, Mr. Speaker, Sir, in 2015, the focus on tourism was actually heightened and this was the stellar year from the industry, we recorded about 754,835 arrivals, now that was a 9 percent decrease.

As I said, 2015 was a year of unprecedented achievements and this was one of them, and it is actually being acknowledged now already by the other side, especially, by Honourable Gavoka, who said that we need to get back to that particular level, or more emphasis. He rightfully pointed out that Australia, New Zealand are our major source markets and we are working on it on a daily basis to ensure that actually happens as soon as possible.

The Ministry commends also work on the Fijian Tourism Development Plan, Mr. Speaker, Sir, to propel the tourism industry to \$2.2 billion industry by 2021. We have renewed bigger and also with enthusiasm that while the continued and exceptional performance of the industry was great, there was a need for the policy directives for continued growth trajectory. The review report recognises benefits also of the 2015 International Golf Tournament. The impacts of hosting the event benefitted not only the industry, Sir, but our entire economy, and most of all on our reputation and our Fijian brand.

In 2015, we hosted the second Fiji International Golf Tournament which brought in 132 professional golfers from ten different countries so when you look at the actual brand exposure, the Fiji brand recorded \$77.3 million worth of broadcasting and media value, which almost doubled from the previous year, reaching 90 different markets and over 196 million households, Sir.

During the week, there were about 841 press and television and internet reports that mentioned Fiji international during the tournament week in Australia alone. The coverage, Mr. Speaker, Sir, had an accumulative potential of about 9 million people.

In terms of indirect benefits also local supplies were contracted wherever possible to ensure funds were reinvested into the Fijian economy and the tournament had a strong local content element including generating interest for primary schools students in the games of golf so we nurture more Vijay Singhs, Mr. Speaker, Sir. I am sure you will understand that being a golfer yourself, Mr. Speaker.

The Fiji International continued in 2018 earning a reputation amongst the world's best golfers, and as a unique tournament played in the world's most beautiful championship golf course overseeing the Pacific Ocean.

The years thereafter, Mr. Speaker, the Ministry continued to pursue global exposure of the collective Fijian brand by hosting other international events such as the Investec Super Rugby, the InterHash and the International Fiji Surf Pro and the hosting of these particular events help strengthen Fiji's ability to host top-tier International Sporting events. This message, Mr. Speaker, Sir, after the Fiji International we received a whole lot of interest with respect to hosting of international events such as extreme ones, et cetera, Sir.

Mr. Speaker, Sir, I note in the recommendation also that the Committee emphasised the need for more engagement of our resource owners and local talents to ensure equitable distribution of benefits with respect to film production.

Mr. Speaker, Sir, the recommendation very slightly be secured or slightly off the mark and, I think, may be a wrong picture is being painted here of how Film Fiji undertakes and facilitates production.

Film Fiji has in place, Sir, a proper consultation process to engage the landowners and resources owners. They facilitate meetings between the productions and the land and resource owners, the iTaukei Affairs Board and the iTaukei Land Trust Board, and once these consultations

are completed, land resource owners actually grant permission. Production then enters into agreement on the payment structure with the resource owners and with the assistance of the iTLTB, Sir.

Mr. Speaker, Sir, we only need to look at the impact of the “Survivor” on the Yasawa Islands where significant infrastructure development on the Islands was undertaken, including the construction of a road and this was valued at around \$8 million and this is within the Yasawa community.

Further to this, Sir, the Production also employed about 150 locals fulltime for the duration of the shoot which was in total amounted to some ten months, and approximately \$1.7 million was paid in location fees to the landowners. They also undertook road upgrades that connected the Yasawa-i-Rara to Teci and this was approximately 20 kilometres of road construction. Another example Mr. Speaker, Sir, was in Malolo since the 2016 the respective production has spent \$17.5 million of which \$11.4 billion was for wages and \$2.3 million was for location fees, \$1.2 million was for boat hire just to name a few. So, film production Mr. Speaker, Sir, before being approve they undertake extensive consultation and negotiation to obtain the consent of the land and the resources owners.

Mr. Speaker, Sir, 2015 was a stellar year and the Ministry did extremely well it capitalise and leverage key projects under its mandate to position in Fiji as an international and regional hub and forging a brighter economic future for all as per our vision and once we finally get rid of COVID-19. I thank you for allowing me to contribute to this debate and highlight some of the positive from the Year 2015 and I want to reiterate Sir we need to use this forum not to be airing personal grievances and going off at each other on a diatribe, Mr. Speaker, Sir. What is before us is what we need to be speaking about. Mr. Speaker, Sir, I thank you very much.

HON. SPEAKER.- I give the floor to the Honourable Saukuru. You have the floor.

HON. J. SAUKURU.- Thank you Mr. Speaker, Sir. Thank you for giving me the opportunity to contribute to the debate on the Review of the Ministry of Industry, Trade and Tourism Annual Report 2015. I would like to start with thanking the Permanent Secretary for Health and all the frontline workers that have been working tirelessly to neutralise the enemy that is among us today.

Mr. Speaker, Sir, our country has been attacked, our people have been attacked, our economy has been attacked and as leaders we need to come together, we need to work together. We need to stand together and fight the enemy. That is the stand that we should be taking today.

On the report itself I wish to contribute by thanking the Chairperson and his Committee for a sterling Report. I think they have done quite a good job and their recommendations that have been put forward is something that we should work on and the government should be working on but I would like to raise three of the recommendations that they have identified that I need to talk on specifically.

Firstly, Micro and Small Business and their recommendation for the continuation for business incubation within the MSBG Programme. I think government should support this in light with what is happening, in light of the pandemic that we are dealing with.

We need to move forward. We need this, we need a micro, a small business and we need to support, same for cooperatives. We can tailor-make these two, micro and small business setup and cooperative with their different scenario, different target groups that government can target to

encourage business participation, income generation among our people. Cooperatives will work tremendously in a village setup, in a *iTaukei* setup, a village structure, where people need to work together that is where cooperative will work and I support that. We need to encourage that amongst our *iTaukei* businesses, we need to support cooperatives and for micro and small businesses as well for other communities.

The other points that I need to point out from the recommendation is on Recommendation No. 8. The Committees to, please, note that the success of Fijian Made by Fijian, we need to emphasise on this. Right now during this pandemic we need to encourage more Fijian Made products and we need to buy Fijian Made products - that is the message, that is where we should start.

I think from the deliberations we have been having this morning all the debates I think we need just to outline what is the priority for us right now. Yes, we need our people to be vaccinated, we need business to be growing and that is where small businesses and cooperatives can come in.

Right now we need Fijian Made products to be encouraged and when I talk about Fijian Made it is about time we revitalise as well the agriculture or the resource sectors - agriculture and fisheries, we need to support resource sectors, Mr. Speaker, Sir, and we need to encourage this. We need to enhance that during this period right now. Let us not look at COVID-19 in a negative way, let us look at it in a positive way and good businesses will start during this time, we can do it now and when the pandemic is over we will be quite far ahead.

I wish to contribute as well to the motion that was discussed earlier regarding postal agencies tying this two together. There was a question raised by the Honourable Koya yesterday as to how we can duplicate the Look North Policy to other parts of Fiji and from this morning we have been talking about maritime zones, maritime areas - those are the Eastern Division; Lomaiviti, Lau and Kadavu maybe it is about time that Government should start thinking of doing similar setup that we have in the Northern Division - for Northern Development Project to be replicated in the Eastern Division for maritime islands.

Why I am talking about this if you look at the shipping industry, the only non-economic zones are in the Eastern Divisions. Those are the non-economic zones and we need to revive businesses in those areas. It is about time that Government should do something similar we have done in the North, I thank Government for that. But we need to focus in other areas as well. We need to encourage more participation, more activities and to encourage more economic activities as well, they come out of those non-economic zones to become sustainable in doing their businesses and we can have normal transportations going to the maritime and normal business activities happening and we will see more communications upgraded, like what the Honourable Prime Minister has already committed to. We can do that, once we encourage more business activities in the maritime zones.

So I ask on Honourable Minister, if your team can have a look at that because right now, the Eastern Division is the one that has got non-economic zones and that is why Government is coming in to subsidise the cost of doing business for our shipping industries and shipping agencies that are servicing the maritime zone in the Eastern Division.

Again, Mr. Speaker, Sir, we have been attacked, it is about time as leaders we come together, we work together, let us do it together, we can do it at this time. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Saukuru for his contribution to the debate. I give the floor to the Honourable Attorney-General, you have the floor, Sir.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir. In relation to this, obviously a lot of this, as highlighted by a number of Members of Parliament that all of the matters, of course, are now

irrelevant from one perspective. The tourism sector, of course, whilst we reach nearly 900,000 arrivals in 2019, that now has to be completely reformulated.

I just wanted to Mr. Speaker, Sir, for the record highlight the kind of, sometimes it is a bit difficult to respond to some of the comments made by the Opposition from the other side. Honourable Tabuya came out like someone who had been sort of hit in the gut and rather than sort of accepting what the truth was, she just went on this sort of monologue diatribe and just grabbed at everything.

Mr. Speaker, Sir, the point of the matter is that she said that facts and figures are very hard words. I tell you what is really a hard word, nincompoopery, Mr. Speaker, Sir. I have said this before that the kind of comments we are getting, we would think that there was some level of finesse, some level of decorum. This personalisation of matters, rather than saying that, I made a mistake by claiming that you had COVID-19, she is asking me on the floor of this Parliament to prove that I do not have COVID-19. What a preposterous position to take!

Mr. Speaker, Sir, the Ministry of Health & Medical Services in Fiji requires that if you travel overseas, 72 hours before you get onto the plane, you have to get a COVID-19 swab test which I did in Singapore with my wife because both of us travelled. And then when you come to Fiji, you go into quarantine and then you also get swabbed in Fiji before they release you.

Mr. Speaker, Sir, she by questioning whether I have COVID-19 has completely and in a disrespectful manner undermined the work of the PS for Health, all the health personnel that are involved in guarding our borders, the RFMF that is there at Hilton Hotel where I stayed, the Fiji Police Force and everyone who is in the frontline workers at the airport, she has basically said that they have allowed me to come in even though I have COVID-19. For her own political gain and because of her pride, she made that comment on the email, she does not want to back off when she has been called out.

Mr. Speaker, Sir, she makes that kind of comment and asked me to tell her whether I have COVID-19. If I had COVID-19, Mr. Speaker, Sir, all the health professionals in this country would have been responsible, including the Permanent Secretary, Dr. Fong, and she would have had COVID-19 by now because your leader is the father of my wife and he visits her and then he is with you and he would have contracted it from her and you would have got it by now. This is so illogical.

This is the kind of preposterous statements she is making and unfortunately, Honourable Gavoka was egging her on. He was egging her on. What a preposterous situation! Mr. Speaker, Sir, she is now saying that I answered the question.

(Honourable Members interject)

HON. A. SAYED-KHAIYUM.- Please, you have lost all credibility.

Mr. Speaker, Sir, the other issue is about vaccine. As I said, Johnny-come-lately to the party. They had Honourable Members from their side, Honourable Bulanauca, last year saying that the vaccine is a bad thing, they are going to put a chip through the vaccine. The Leader of Opposition, the Leader of SODELPA, the Whip of SODELPA, the Deputy Whip of SODELPA, no one stood up and challenged him. No one told him that it is the wrong thing to say.

(Honourable Members interject)

HON. A. SAYED-KHAIYUM.- No, you did not! And then now have the gall and the

audacity because now they have realised to then try and flip that over and say, “We are not doing our job.”

(Honourable Members interject)

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, from last year, if they had been watching the press releases, the videos and communications that the Honourable Prime Minister has been having with his counterparts in Australia and New Zealand and various other places, he has been communicating with many countries which you do not know about but we are on public record for saying this, “We need access to vaccines.”

There is vaccine nationalism going on, Mr. Speaker, Sir. Even first world countries were lamenting the fact that they were not getting vaccines because there is a shortage of supply, huge demand. Other powerful countries, with powerful connections and with lots of money were able to place orders for vaccines five times more than what they required; Canada, USA, Israel and various other countries. Even in Australia, they were commenting that they do not have enough vaccines coming on time.

We are also on record from last year, to say, we will purchase the vaccines. We have monies allocated for purchasing the vaccines. We have never backed off from that position. The issue has always been about accessibility and expeditious accessibility, and they have the audacity to come and now, portray themselves as they are the ones who came up with the idea as if we have not done anything about it, and they still want to have bipartisanship approach.

Mr. Speaker, Sir, you should not be so disingenuous. Have a particular level of humility. Mr. Speaker, Sir, eat the humble pie. Honourable Tabuya says again on her little rant that though people I met rather than accepting what I said, she said and I explained myself properly, that these people I met were in my inner circle; absolutely not. As I said, next week we are meeting another group of people, we will be meeting other people, and different groups of people. It is nothing to do with inner circle. What a stupid thing to say, Mr. Speaker, Sir.

The other issue is this, again Honourable Professor Prasad said about how we need to increase consumption. Last year, when we said that we were going to give the Micro Small and Medium Enterprise loans, we said we will disburse \$30 million. When we had said, we are getting various tax breaks to small businesses, large businesses, when we are going to fund the unemployment benefit, then they complained about too much debt.

They know that revenue is short, that revenue is drying up. Countries larger than Fiji like Australia, New Zealand, USA and UK are pumping trillions and trillions of dollars. Look at Biden’s supposedly rescue package, trillions of dollars because economic activity has been reduced. The Opposition in those countries do not complain about debt. These people complain about debt. On one hand, today they are now talking about who is the flavour of the day or week for them, we must increase consumption, give money, then they will say, “Oh you are accumulating too much debt.” When your revenue dries up, you have to borrow more to prop up the economy.

Mr. Speaker, Sir, this is the oxymoronic position taken by the Opposition; moron being the operative word. The oxymoronic position taken by the Opposition and in some case moron applies to them too. The reality of the matter is, again, we have talked about this. The travel bubble, they said, “Oh, we should have travel bubble”, we have already said this in this Parliament. Since last year, we have been talking to the Australians, we are on record to say that the Australians were far more conducive to having the travel bubble. We have had deep discussions - PS for Health, PS for

Economy and PS for Tourism are on this Committee that has been liaising with the Australians since last year about developing protocols, et cetera. We have talked about a travel bubble. The Honourable Prime Minister has spoken to Scott Morrison, spoken with Jacinda Arden; all of these things have been happening.

They make it sound as if we are sitting here in La La Land. I think it is the opposite. Mr. Speaker, Sir, the point of the matter is, that the COVID-19 has a lot of uncertainties and I have said this before. Many countries in the world, in fact do not know what is going to happen in two weeks' time. An outbreak can mean an effective closure in different areas, different towns and different cities and impact on different industries. To be able to now sit here and say, "This is what is going to be our revenue, this is what will be our expenditure, these are the priority areas" – I would be lying because we do not know what is going to happen.

The effectiveness of the vaccine is critical, the roll out of the vaccine is critical, our front-liners getting vaccinated is critical and then ensuring, this were I go back to the careFIJI App. We had now, I think your former leader is making some statements saying, "Oh, why do we need all these registration and what have you?"

We need it because if we do not register people, if we do not have a digital record of who has been vaccinated and when, the first dose and the second dose and the authentication of that, the authentication of the identification of the person then no one is going to trust our vaccine programme. There is nothing big deal about saying, "oh, I have got vaccinated. But when Australia, New Zealand and every other country comes along and says, "is it safe to send our people to your country?" We will need to say, "Yes."

These many people have been vaccinated and these are the people and also it will help us to travel ourselves in the future. People are now talking about the vaccine passports, the health passports; that is going to be the reality and that is why there is investment in the digital space. These are the hard core realities, Mr. Speaker, Sir.

The Report as highlighted by the Honourable Minister for Commerce, Trade and Tourism that this obviously pertains to a particular period.

I would like to thank, Honourable Saukuru, you know talking about it, he spoke, it would appear with a bit of passion about the *Fijian Made - Buy Fijian* brand and the branding is critically important for us. That is why it was launched way back in the early 2012 or 2013.

So, we need to be able to focus on those areas. We need to be able to recalibrate our industries. There is obviously opportunities. Many countries are now looking at bringing assembly lines and other industries closer to home. I think Fiji can take advantage of that. We have spoken about that on how we can go further than that. We need to be able to get our tourism sector up and running. The norm will change as far as tourism is concerned. There is a number of challenges on that front, so I would like to support the motion as some of the areas may be irrelevant, given what we are facing but there is no doubt that the Ministry of Commerce, Trade and Tourism will be working to ensure that we revive our economy as soon as possible.

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

HON. V.K. BHATNAGAR.- Thank you Mr. Speaker, Sir, for allowing me to make a very short contribution on the motion on the floor. But before I further my contribution, I take this time to

salute all our frontline for the sacrifices and the tremendous works they are engaging in it to keep our people safe. Our prayers for you and yours for good health and safety.

Coming back to the motion Mr. Speaker, Sir, I wish to commend the Ministry of Industry, Trade, and Tourism for their performance through the years. Mr. Speaker, Sir, in relation to the first recommendation which calls for MITT now MCTTT to develop a robust IT based system, it is indeed pleasing to note the industry has made great strides in the IT space. Actually, I would like to commend the Ministry for their approach as we deal with this COVID-19 outbreak.

Mr. Speaker, Sir, the creation of the online platform to assess fast application for business reinforces the Ministry's commitment to engage in developing their IT systems. The BizFiji portal is also a great achievement for the Ministry in the space for IT and we have, on numerous occasions, heard about the successful scopes of it in the House and the Ministry is commended for its commitment to digitising its services.

Finally, Mr. Speaker, Sir, we all know very well that over the years Fiji as a nation has made great strides in the IT space and our first ever digital Parliament session is a great testimony to them. Technology plays a critical role in embracing the new normal and I encourage all Fijians to positively contribute in the government's vision of creating a digital Fiji.

With those words, Mr. Speaker, Sir, I urge all Fijians to stay safe, install the careFIJI App and to keep faith as the good thing about difficult times is that it will pass. Thank you Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Bhatnagar and I now call on the Chairperson of the Standing Committee on Economic Affairs to speak in reply. You have the floor, Sir.

HON. V. NATH.- Thank you, Mr. Speaker, Sir. First of all I wish to raise my disappointment, this is when the Honourable Tabuya was speaking. I interjected eight or nine times but, unfortunately, my volume was low and two times I was put on mute and I wish to register that.

Now, talking about Honourable Tabuya, after the meeting when she came out first she gave a statement to *Fiji Village* and she said, and I quote, "Yes the Parliament will resume from tomorrow and she was happy and she said the business must continue". Now, she is playing a different tune here in Parliament. This is what I have found out Mr. Speaker, Sir.

Now, adding on to today's contribution, I would like to thank the Honourable Gavoka and Honourable Bultavu and Honourable Saukuru who had some good points your sentiments are very well taken note of. Thank you. Of course the Ministry for Trade and Tourism (MCTTT) the Honourable Minister and the Permanent Secretary and his team, the Directors Mr. Faizal Khan, Ms. Karishma, Ms. Joy and Khartik and of course the Cooperative Manager West, Mr. Kamlesh who did visited a number of places to form a number of cooperative in the Western side including Barara, Valley Road, Kavigasau and some of the places in the western side which he has joined and of course probably not during working hours but it was after hours.

Mr. Speaker, Sir, I would like to join also the other members and take this opportunity to thank the Honourable Minister for Health and the Permanent Secretary, Dr. Fong, and his team, the police personnel, police officers, military personnel all the four Commissioners. They are the coordinators, they are doing extremely great work. I have seen and worked with the Commissioner Central, Commissioner Western, Commissioner Eastern and Commissioner Northern and all the Provincial Administrators (PAs) and DPOs, including the Director Disaster Management for the great

effort and, of course, not forgetting the hard workers who are always seen contributing and working behind the scene include the Honourable Seruiratu which whenever there is a meeting we see them in the meeting and working hard to contain this COVID-19. I salute all the frontline workers again for working hard, working as a team, sacrificing their family time and of course their tireless effort to contain this deadly virus.

Mr. Speaker, Sir, with those few words, I do not have anything extra to add on but I thank all the Honourable Members for putting up their contribution towards this debate. *Vinaka*.

Question put

Motion agreed to.

HON. SPEAKER.- Honourable Members, before we proceed with today's questions, I will allow Oral Question No. 96/2021 from yesterday's Order Paper to be asked first so that it is disposed of properly. I now call on the Honourable Rasova to ask his question.

QUESTIONS

Written Question

Mineral Exploration in Exclusive Economic Zone (Question No. 96/2021)

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

Can the Honourable Minister for Infrastructure, Meteorological Services, Lands and Mineral Resources update Parliament on the status of mineral exploration in our Exclusive Economic Zone (EEZ)?

HON. J. USAMATE.- (Minister for Infrastructure, Meteorological Services, Lands and Mineral Resources).- My apology, Mr. Speaker, Sir, I forgot to unmute. I thank you for this opportunity, Mr. Speaker, Sir, and I thank the Honourable Member for his question on the status of mineral exploration in Fiji's EEZ.

Mineral Exploration in the EEZ is all about the deep sea minerals. In exploring the deep sea minerals that occur on the surface or the sub-surface of the deep sea floor and there are various kinds that we have different types of deep sea minerals - manganese, nodules, cobalt which crusts, massive phosphates and sea floor massive sulphides which occur at various depths in our ocean. Some of SMS deposits that we have can be anywhere between 1,500 metres to 5,000 metres. The nodules will occur around 4,000 metres to 6,000 metres and the cobalt with crusts will reach around 400 to 4000 metres so it is quite a challenge to be able to explore minerals at these various depths.

Here in Fiji we have had scientific research being undertaken from the early 70s to the early 1980s in various offshore areas of Fiji, focusing on testing potential petroleum, metaliferous materials, et cetera. From 1977 to 2004 we had about 15 offshore mineral surveys or explorations being undertaken. Most of them in collaboration with our development partners parties such as Australia, New Zealand and United States and jointly survey of the Central, North Fiji basin in early 1987. From 1987, this was followed by joint Japan, French cruises from 1987 to 1992 with a study of the mineral potential in the Central, North Fiji basin. Since then, we have had the Japan/SOPAC investigation, in 1999 to 2001, 2004 with the area of interest once again being the North Fiji basin.

Mr. Speaker Sir, given this we have had some increasing interest and some legislation were put together in 2010 for amendments to the Mining Act that allowed for the Administration of the deep sea mineral exploration and the issuance of exploration licences under the Mining Act. Following its enactment in 2010, the department has since seen the commencement of a total of 18 deep sea mineral exploration licences commencing in 2011.

One exploration licence was issued to the Korean Institute of Ocean Science in 2011 and this licence is still active; 50 licences were granted to Nautilus Minerals in 2011 and these expired in 2013 and two licences granted to Bluewater Mineral in 2012 which expired in 2014. So out of the three exploration licence holders, Kiosk Minerals has completed three sea cruises for mineral exploration purposes with the sea water exploration licences and spent around \$4 billion just exploring.

Apart from such explorations and cruises being focussed on the survey in search for minerals, a significant component of such surveys is the marine ecological survey which presents valuable information for the marine ecosystems or ecological environment where deep sea minerals occur. Deep sea minerals as with any other mineral occurrence including terrestrial minerals are not migratory and as such there is no need to jump on the deep sea mineral mining bandwagon.

Deep sea mineral exploration in Fiji is still in its infancy stages. The Ministry is focused on supporting deep sea mineral exploration given information or data extracted or obtained by these explorers at their own expense would be very valuable to Government as well as encourage more collaboration with other stakeholders and development partners in marine scientific studies and sea cruises for a better understanding of the nature of deep sea minerals and marine ecosystems which play host to such minerals and adopt a causal approach in determining a proper framework for deep sea mineral resource governance. To understand our oceans we need to explore our ocean and get information of the resources that we have. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Minister. We will now move on to the first Oral Question for today and I call on the Honourable Tikoduadua to ask his question.

Oral Questions

ILO Report (Question No. 99/2021)

HON. LT. COL. P. TIKODUADUA asked the Government, upon notice:

Can the Honourable Attorney-General and Minister for Economy, Civil Service and Communications inform Parliament whether the laws identified by the International Labour Organisation's Committee of Experts in its report which was released in February 2021 as being contradictory to the interests of trade unions will be repealed?

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

Mr. Speaker, Sir, the question by the Honourable Member actually refers to Part 2 of this document and, of course, there is an addendum to the document, that has specific mention of some of the matters that I assume that the Honourable Member is referring. As the Honorable Member does know that when we do have any amendments to any of the laws, it will be brought to Parliament because any amendments or repeal of any particular laws will need to be brought to Parliament for parliamentary approval.

Mr. Speaker, Sir, the manner in which the question is put is being portrayed in a very simple manner but there are quite a few issues that have been addressed by the ILO and the Committee of Experts observations.

Mr. Speaker, Sir, just for those Members who may not necessarily understand how the ILO Committee of Experts work, is that there are complaints or grievances that any trade union organisation can actually take to this Committee and the veracity of those complaints, of course, needs to be ascertained, and it needs to be verified. There are inquiries into it and we have sometimes found that complaints are unnecessary or they are over-exaggerated.

If I can just give an example, Mr. Speaker, Sir, there is one complaint regarding the trade union rights and civil liberties and then the FTUC's claim of intimidation by police - arrest, detention, interrogation and filing criminal charges against trade unionists as well as prolonged confiscation of personal and union property and violent dispersal of gatherings between April and June 2019. As we know that we have not seen any violent dispersal of crowds or trade unionists.

There has been, of course, Felix Anthony has been charged under a particular offence and that is, of course, before the courts. But if you look at what the Committee is saying, and I will go into specifically one particular line which says, the Committee requests the Government to consider issuing instructions to the Police and armed forces in this regard and to provide training to ensure that any actions taken during demonstrations, respect the basic civil liberties and fundamental labour rights of workers and employers.

Furthermore, the Committee firmly expects that any charges against Mr. Anthony related to the exercise of trade union activities will be immediately dropped. Mr. Speaker, Sir, we can see that the Committee is not asking the Fijian Government to amend the law or to repeal the law, it is essentially asking the Fijian Government to consider issuing instructions to the Police and the Armed Forces to provide training to ensure that any actions during demonstrations, respect basic civil liberties.

Furthermore, it is saying about any charges against Mr. Anthony but he is not being actually charged for trade union activities *per se*, but various actions by him. Obviously, it is amiss of me to go into details because the matter is before the courts. For example, another complaint here and the Committee says, I quote:

“The Committee trusts that the Government will refrain from any undue interference in the nomination and appointment of the members to the ERAB.”

Mr. Speaker, Sir, ERAB is the Employment Relations Advisory Board which consists of representations from the private sector, from the trade unions and also Government. Mr. Speaker, Sir, FTUC, in fact, on its own volition, has been boycotting the main ERAB from 2019. However, they had been participating in the subcommittee meetings on the legislative review. The last meeting of the subcommittee was in February 2021 when they all attended. They went off and said they were not allowed to go to the meeting, but essentially this is not true. They themselves are not attending, but they are actually attending the subcommittee meetings.

Mr. Speaker, Sir, if you read the details of the recommendations, furthermore, they had, for example, complained that trade unionists were affected by the Political Parties Act that prohibits an officer or an office bearer in a trade union organisation, to also be a candidate at the same time.

Of course, they have complied with it. Felix Anthony, as we know, ran the People's Democratic Party (PDP) in which Honourable Tabuya was very much a part of but she has obviously

switched sides since then, but when he contested the election under the PDP banner, he actually resigned as the General Secretary of FTUC. When he did not win a seat in Parliament he then went back to being the General Secretary of FTUC. Honourable Leawere did the same thing when he contested in 2014. He had resigned, he did not win, but then subsequently when there was some space created in SODELPA, he came back into Parliament.

Mr. Speaker, Sir, these things are happening. It does not, in any way, infringes upon their rights to practise as a trade union official, but there are obviously certain rules in respect of one's ability to participate in Parliament. One of the reasons behind that is that, as we have seen in the past that when certain officials are also concurrently holding a position as an official of a trade union and also being candidates, they have undue influence because of the position that they hold. They have also undue influence in respect of access to resources. We have seen in the past and this is one of the reasons why, Mr. Speaker, Sir, the law says that when you are a trade union organisation, your elections must be conducted by the independent officers of the Fijian Elections Office.

Prior to this, Mr. Speaker, Sir, it is a well-known fact that general secretaries of very large trade union organisations in Fiji, even though they were incumbents and their term came to an end and they were re-contesting and the ballot boxes had to be taken throughout Fiji, because they were civil servants, et cetera, or whoever they were who had to vote, the ballot boxes were actually kept in the incumbent's room and the incumbent actually had the key to the ballot boxes. So, the ability to say that you have transparent, independent, fair and free elections, trade union organisations obviously was limited, they could not actually claim that but that was the practice. Now that is no longer the practice. So this is why some of these laws have been put in place and I hope that answers the question by the Honourable Member.

HON. SPEAKER.- Thank you. We will move on to the next Question.

Update on the Mineral Investigation Programme
(Question No. 100/2021)

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

Can the Honourable Minister for Infrastructure, Meteorological Services, Lands and Mineral Resources update Parliament on the Mineral Investigation Programme?

HON. J. USAMATE (Minister for Infrastructure, Meteorological Services, Lands and Mineral Resources).- Thank you, Mr. Speaker, Sir. I thank the Honourable Member for the question on the Mineral Investigation Programme.

This is something that a Ministry started in 2008 and what it involves carrying out service of potential perspective areas. Areas where there might be some minerals that require further investigation.

Lastly, these are areas where some mineral exploitation has been undertaken in the past but there is no active special prospective licence for that particular area. In that case, the Ministry goes and undertakes the investigation. This is the programme that supports our vision under our National Department Plan for Sustainable Mining Industry.

The main objectives of this project is, first of all, assess and evaluates all areas of potential current and available zone mineral prospects. We get the investigation done and you have some information we can then use that in order to attract quarry investments of further the exploration work.

It also as a result of this it capitalise on a benefits that our mining has for Fiji.

Mr. Speaker, Sir, the Department of Mineral Resources has undertaken all matters of chemical and geochemical service to produce prospective areas and reports and a package or just a piece of data of the prospects for potential investors. So, investors if they are interested, they can come and buy this data and they can decide to do some further exploration.

The Department has completed around assessment reports for 80 prospects of 2015 to the year 2020 and 2021. This financial year the divisional focus its investigation project on the Yadua prospect, the Cuvu prospect and Sigatoka prospect all in Nadroga and Nasigatoka project was a joint project that we had with the Fijian Navy where we utilised the hydrographic survey vessel to undertake surveys near shore that involved all sorts of surveying activities, such as the bathymetric surveying, period sampling survey, stream sentiment survey, aqueduct survey.

The Division is now working on promoting straight mineral prospects in Wainikoro and Solove in Macuata. For the prospect, it has about 1.5 billion tonnes with 1 percent copper, 3 percent zinc, gold and silver and also for the Solove prospects. This project is currently in its 12th year of operation and in the upcoming 2021-2022 financial year, the division will be collating all the data gathered for all the prospects survey and develop mineral, promotional data packages that will make available to organisations that wish to explore this further, hopefully to move towards the present future. The programme has attracted and increase investment in the mining sector and has created numerous employment opportunity for Fijians.

It should be noted that all the data collected will remain as an asset for future opportunities if it is not fully utilised by potential investors. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Minister.

We move on to the next question. This question is supposed to be asked by the Honourable Ratu Tevita Navurelevu who is unable to get his apparatus working. So, Honourable Tabuya will ask the question on his behalf.

Update – Review of Police Act 1965
(Question No. 101/2021)

HON. L.D. TABUYA asked the Government, upon notice:

Can the Honourable Minister for Defence, National Security and Policing, Rural and Maritime Development and Disaster Management update Parliament on the status of the review of the Police Act 1965?

HON. LT. COL. I.B. SERUIRATU (Minister for Defence, National Security and Policing, Rural and Maritime Development and Disaster Management).- Thank you Mr. Speaker, Sir. I wish to acknowledge the Honourable Member for the question. But very briefly, Mr. Speaker, Sir, as the Honourable Member may be aware the initial nationwide public consultation on Police Act 1965 was retracted by my Ministry on 16 March, 2021 following the advice from the Office of the Solicitor-General.

Following its retraction, Mr. Speaker, Sir, from public consultation by my Ministry, we have a serious of meetings together with the Fiji Police Force to address the issues highlighted by the Office of the Solicitor-General and they are finalizing the plans and hopefully, for the resumption nationwide consultation if the current environment does allow us. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Minister for Defence, National Security and Policing, Rural and Maritime Development and Disaster Management.

We move on to the fourth Oral Question for today and I call on the Honourable Dr. Govind to ask his question.

Bogus Employment Agencies
(Question No. 102/2021)

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

Can the Honourable Minister for Employment, Productivity, Industrial Relations, Youth and Sports inform Parliament on actions against bogus employment agencies advertisements for overseas employment?

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

Mr. Speaker, Sir, the Employment Relations Act 2007 and the Employment Relations (Employment Agencies) 2008 I have the legislation enforced to regulate and provide legitimate authorisation to potential agencies who intend to recruit workers for overseas employment and that includes, Mr. Speaker, Sir, the advertisements.

Mr. Speaker, Sir, my Ministry has so far authorised four employment agencies to operate in Fiji after they met all the requirements gazetted in the Employment Agencies Regulations 2008. Mr. Speaker, Sir, my Ministry is also working very closely with the Fiji Police Force in terms of investigating the bogus employment agencies.

Mr. Speaker, Sir, I wish to inform the honourable House that so far, the Ministry has successfully prosecuted three bogus employment agencies that were operating illegally and placing advertisements for overseas employment.

Mr. Speaker, Sir, these three individuals were fined by the Employment Relations Tribunal and the Employment Court. The Compliance and Enforcement Section of the Ministry, Mr. Speaker, Sir, has been working closely with the Fiji Police Force and other enforcement agencies to ensure that the innocent Fijians are not misled by the bogus agencies.

Mr. Speaker, Sir, my Ministry has been conducting the awareness programme as well through the talk-back shows, newspapers and on our Ministry's *Facebook* page to ensure that all Fijians are made aware of the process through which the potential workers are recruited for the overseas employment.

Mr. Speaker, Sir, as a way forward, my Ministry also is working very closely with the Solicitor-General's Office and the other enforcement stakeholders to ensure that the relevant stakeholders are enforced and matters taken to the Employment Relations Tribunals and Courts.

Mr. Speaker, Sir, furthermore, the National Employment Centre of my Ministry is responsible whether the new recruitment of workers under the recognised New Zealand's Seasonal Employers Scheme and the Seasonal Workers Programme together with the Australia's Pacific Labour Scheme Programme - these are all bilateral arrangement, Mr. Speaker, Sir, signed between the Fijian Government and both the New Zealand and Australia Governments. Let me make it very clear, Mr.

Speaker, Sir, that there is no other agencies allowed to conduct recruitment for this mentioned programme.

Mr. Speaker, Sir, these are the actions taken by my Ministry to ensure that the Fijian people are not cheated in any way by any individual or group. I urge our Fijians not to pay any money to anyone promising that they can arrange for work in Australia or New Zealand under our labour mobility programme. I would like to say here, Mr. Speaker, Sir, and I urge our Fijians to call on the Ministry's toll free line, that is 1,535 to find more details on the registration of these agencies.

Mr. Speaker, Sir, lastly I just want to sight a case where a person was charged for misleading our Fijians for employment under a foreign contract of service without the approval of the Permanent Secretary. This person, Mr. Speaker, Sir, has been going around Fiji telling people that their company will send them to the United States of America for employment.

Mr. Speaker, Sir, the Ministry got hold of 1,255 passports which have been given to the Department of Immigration. Mr. Speaker, Sir, in the Judgment by the Employment Tribunal, that person was convicted and sentenced to 12 months' imprisonment to two months to be served immediately under the term on his good behaviour. I thank you, Mr. Speaker, Sir.

MR. CHAIRMAN.- Thank you, we will move on. The fifth Oral Question for today, and I call on the Honourable Nawaikula to ask his question. You have the floor.

Foreign Investment Regulations
(Question No. 103/2021)

HON. N.NAWAIKULA asked the Government, upon notice:

Can the Honourable Minister for Commerce, Trade, Tourism and Transport update Parliament on the implementation of the Foreign Investment Regulations, specifically the provisions on reserved activities?

HON. F.S. KOYA (Minister for Commerce, Trade, Tourism and Transport).- Thank you, Mr. Speaker, Sir. I want to thank the Honourable Member for his question.

Mr. Speaker, Sir, the Foreign Investment Act has been implemented for all foreign direct investment since 1999. The Act is actually focussed on providing specifics for foreign investors. Over the years, our investment levels have been around 18 percent to 20 percent of our GDP. This has actually mostly been driven by private sector investments and a significant portion is actually attributed to domestic investments and those investors who are reinvesting in our country.

The current Foreign Investment Act, Mr. Speaker, Sir, is actually supported within the regulations by a reserved and restricted list of activities which are being referred to by the Honourable Member. This list has actually been improved and actually strengthened over the years and the purpose of the reserved list was to ensure that activities that can be undertaken by Fijians and not flooded by foreigners, so reserved activities mean those activities, Mr. Speaker, Sir, that are actually reserved for Fijians and that means that no foreigners can invest in that specific business activity and that list includes business activities like milk-bars and taxi businesses, kava businesses and handicrafts and tailors and day-care, et cetera.

Mr. Speaker, Sir, in addition to the reserve list, there is also a restricted list of activities where a foreign investor can actually undertake investment provided they meet the conditions that were actually set up and this was considered a means of protecting our national interest and our resources,

Sir, so as our Fijian economy has evolved and modernised, we noted the need to review and revise the investment legislation and the regulatory frameworks so there was a comprehensive review and reform of the investment framework including policy and regulatory reforms.

The reforms that have been undertaken by the Fijian Government, Mr. Speaker, Sir, are concentrated towards providing long-term solutions to existing issues and developing Fiji as one of the best investment destinations. The main objective of the reform was to develop a new and modern investment law and the regulations that go with it which are able to adapt to the changing investment environment and provide a reform action plan and that included an investment policy. So, the Ministry, Mr. Speaker, in conjunction with and in collaboration with the World Bank Group and other respective stakeholders has actually derived a number of investment-related legislative and regulatory changes, including the investment reform statement, the Investment Act 2020, the IPA Bill and its related regulations.

The new Investment Bill has been presented in Parliament in December last year, Mr. Speaker. Through the Bill, we look forward to strengthening the requirements for the protection of our MSMEs and also the national interest and the resources whilst allowing for investment in needed sectors that are bringing in obviously new technology and new ideas and focusing on exports, to name a few.

Mr. Speaker, Sir, the reforms being undertaken and those in the pipeline are actually structured and they reflect combined views of both the private and the public sector and these are all aligned to international best practices, yet these reforms are exactly what will keep us afloat in this post-COVID world that we may have to live inside so we will be armed with a modern investment law, streamlined and cost-effective system, digitalised platforms and a fully-fledged investment promotion agency. We remain committed, Mr. Speaker, Sir, to providing the best for all our investors whether they are foreign or domestic and at the same time ensuring that we actually protect the national interest and the resources and I have said, Sir, we have had a lot of work that has been done with the World Bank on this. I hope that answers the Honourable Member's question.

HON. SPEAKER.- I thank the Honourable Minister. We move on to the next question for today, the sixth Oral Question. I call on the Honourable Lal to ask his question. You have the floor.

Fijian Made - Buy Fijian Campaign
(Question No. 104/2021)

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

Can the Honourable Minister for Commerce, Trade, Tourism and Transport inform Parliament on how the 'Fijian Made - Buy Fijian' campaign contributes towards generating economic activity during this pandemic?

HON. F.S. KOYA.- (Minister for Commerce, Trade, Tourism and Transport).- Thank you, Mr. Speaker, Sir. I thank the Honourable Member for the question. It also somewhat answers Honourable Saukuru's earlier comments and questions that he had with respect to the Fijian Made Products. By now, we all know the Fijian brand extremely well.

We have seen in our newspapers, on our billboards, in the products that we buy in supermarkets and on the shirts that the Honourable Members actually wear, official and non-official, I want to take this opportunity to thank everyone who does so, in some way actually supported the brand and even if that meant choosing a Fijian Made biscuit, over a biscuit that is actually made in some other country like Australia or Indonesia for that matter, if that has worked on this for us, and

I would like to take this opportunity also to say a special ‘thank you’ to our Honourable Prime Minister who has been the greatest ambassador and a great champion of the brand and simply the *Fijian Made* shirts that he wears all the time. Honourable Prime Minister, I hope you will continue to model our shirts, Sir, and may we soon have a new batch.

Mr. Speaker, Sir, *Buy* *Fijian Made* campaign was actually launched by the *Fijian Government* in 2011, and primarily to promote and raise the profile of our *Fijian made* products and produce, both domestically and also internationally through a branding strategy. Since the inception we have actually licensed about 3,637 products and 663 businesses under this particular campaign which includes a new brand that we have put out which is the *Fijian organic*, which we hope will take us to another level once we diversify and getting into *Fijian organic* farming, and this is being done in conjunction with our *Ministry of Agriculture*, which should be very beneficiary for our economy.

The *Fijian Government* remains committed and steadfast to building a sustainable and globally competitive manufacturing in commerce, the whole ethos of that brand when it was created was actually to position *Fiji* as the hub of manufacturing and economic activity and actually to enhance our regional and global economic activity while creating more jobs and livelihoods.

I think the Honourable Attorney-General mentioned it earlier, it is even more so now that we have countries that are looking to start manufacturing closer to home rather than out in faraway places, like *China*. The campaign was unique in the sense that it actually tried to capture the patriotism of every *Fijian* and then list them in national development through merely choosing *Fijian* products over others. The obvious benefits of the campaign have been the growth of some of our local businesses and job creation and income generation, rural development, poverty alleviation and the empowerment of ordinary *Fijians* and micro businesses, to name a few.

Mr. Speaker, Sir, whenever people come and do collect their *Fijian made*, *Fijian organic* or branding, they are very proud actually when they get the labelling and they are awarded, and you can see the patriotism in their faces. We are all aware that the campaign has an equalisation effect overall. The brand has given some of our women more opportunities to use their traditional skills and to participate in economic empowerment, and it has given rise to the micro and small businesses to grow through the *Fijian-crafted* emblem. We promote and encourage more women to take up the *Fijian* crafting and *Fijian* emblem.

The *Fijian Made* campaign, Mr. Speaker, Sir, takes on greater importance as I had mentioned, now, when our economy is actually being ravaged by *COVID-9* pandemic. So, supporting our *Fijian made* industries and products will actually ensure that our economy is able to survive the deleterious impacts of *COVID* and ensure that our regional and global footprint. Mr. Speaker, Sir, we still need to support *Fijian made*. The brand *Fiji* is a worldwide-known brand. Our Honourable Prime Minister, our rugby team, our climate change stance, our everything in terms of *Fiji*, the world knows about it. So, we have actually been able to capitalise on this.

We want to continue to build a stronger sense of loyalty amongst our *Fijians* to buy their own creations to support all jobs, not just for now but also for future generations. We actually want to expand into more economic sectors and improve the livelihoods for those that are most vulnerable. It simply reflects the concept of thinking globally but acting locally, Sir. Our branded products that actually carry the emblem to authenticate that production process, they actually go through very rigorous checks at setting the certified products apart from other source markets.

The rationale, Mr. Speaker, Sir, is actually very simple. *Buy* *Fijian Made* product shows that money is retained in the *Fijian* economy and in the pockets of *Fijians*. And these funds can be

recirculated in the economy through investments, salaries and creation of new jobs to build a secure future.

In terms of new economic activities, Sir, the global pandemic has meant that we had to press the reset button on almost all our policies and all our programmes. However, we do not have to press a reset on a Fijian Made. As I said earlier, the campaign will actually assist us through this pandemic, what we need to press really is the accelerator pedal on this particular brand.

We need the Honourable Members, we need all Fijians to double-up and quadruple up in all their support and efforts towards the Fijian made products and no matter how big or small their purchase is and what is created, also very heartening, Mr. Speaker, Sir, to witness a Fijian Made business implementing a number of strategies to diversity, to sustain themselves as we battle COVID-19 virus. As an example is a Nadi business that now processes raw coffee beans locally into new diversified products such as cold brew and chocolates as well as modifying their coffee process to a more economical and environmentally friendly products.

A company that otherwise manufactures everyday clothing now produces face masks. The business is actually moving digital. So, this is the kind of innovation, Sir that we need and are seeing and this is the time to look for opportunities, opportunities that can fuel untapped markets and demands. I think this is something that Honourable Saukuru was actually talking about and apart from our operational modifications to reduce cost and increase revenue, et cetera, businesses that are licensed under Fijian Made – Buy Fijian campaigns have actually diversified their product range to deal with the impact of COVID-19.

The campaign, Mr. Speaker, Sir, implemented is actually enhanced promotions also to generate sales. We have over 274,000 followers on our Fijian Made social media page. We have strategically used this platform to create linkages between the Government and the private sector including Micro Small and Medium Enterprises and consumers in Fiji and abroad, Sir.

This demonstrates the platform's ability to become the means to market the Fijian Made product and support our local businesses. Ultimately it is about building consumer confidence. This year also, Mr. Speaker, Sir, we are very happy to announce that we entered into a Memorandum of Understanding with Vodafone and also with Post Fiji to provide Fijian Made businesses an e-Commerce platform. This allows them to link with their consumers digitally and to a wider audience that may not have been able to traditionally reach them.

Now with the pandemic, online shopping is rapidly becoming part of the new norm, Sir, and with this commitment and partnership and a whole lot of national pride, we have the ability to produce quality products and enhance the Fijian Made brand.

So, through this august House, Sir, I want to call on all Fijians to support the local businesses. Buy local and this is actually a turning point for our country. Sir, to make the most of our inventiveness and to conduct business domestically to ensure that the wheels of our economy keep turning.

I thank the Honourable Member for his question and I hope that answers it. Thank you very much Sir.

HON. SPEAKER.- I thank the Honourable Minister. I give the floor to the Honourable Nath for a supplementary question.

HON. V. NATH.- I withdraw the question. Mr. Speaker, Sir, the question has already been answered.

HON. SPEAKER.- We move on to the seventh Oral Question for today and I call on the Honourable Ratu Matanitobua to ask his question. You have the floor.

COVID-19 Vaccination - Quarantine
(Question No. 105/2021)

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

Can the Honourable Minister for Health and Medical Services inform Parliament whether it will allow citizens and former citizens who have received COVID-19 vaccination to travel to Fiji without having to go through 14 days quarantine?

HON. DR. I. WAQAINABETE.- (Minister for Health and Medical Services).- Thank you, Mr. Speaker, and I thank the Honourable Member for that question.

Mr. Speaker, Sir, the important thing is to be able to ensure that the person that is coming in has immune protection against SARS and COVID through transmission. To be able to do this the gold standard test for detecting the functional in the presence of these functional antibodies is actually quite labour and time intensive and requires highly skilled staff. That is why the current evidence at the moment is about ensuring that once there is vaccination by having the quarantine period.

The WHO tightness around that has not changed. The quarantine duration is regardless of whichever variant it is whether it is a The variant of concern or a variant of interest irrespective of the WHO Guidance as of 19th August, 2020 remains is that the consideration of quarantine should continue. As I have alluded earlier, the impact on vaccination on the immune protection is difficult to be able to assess and therefore what is important is that, that quarantine continues.

The other thing is that there has been studies that are looking at the impact on the transmission of the virus with vaccination and there are some good studies coming through but again the WHO guidance remains is that these are ongoing studies and they need to be reviewed. And so nearly all countries and areas in the WHO Western Pacific region that we are a part of enforce arrival quarantine at least 14 days and in some instance up to 21 days.

Round about the end of last year when the first wave of the virus was sort of whining off, the easing restrictions of movement including timings of quarantine in certain jurisdictions. When I was looking at one article, it went up to 30 countries that did that. Certainly, as I have said just now a lot of the countries in the Western Pacific region have now come back to having quarantine and certain quarantine free travel arrangements have also been made till COVID contained country and I think it is important to understand so Australia and New Zealand as we all know Singapore and China. I have here with me the list of countries so I have said China, Hong Kong where is fully COVID for fully vaccinated individual coming from restricted to low countries which is Australia and New Zealand., Singapore, Mongolia for fully vaccinated can enter with a negative test simply two hours before, Japan, Republic of Korea where passport apps need to be available.

What becomes very, very clear is that vaccination is the way forward, vaccination is the key and vaccination and having the vaccination passport or vaccination certification is also very important for the reasons that I have stated above. For this moment, at this time whilst we have not achieved the certain significant number of population that we need for protection or herding community it is important that we keep the quarantine measures as we speak.

I also want to share this time, Mr. Speaker, that as of today that 107,000 Fijians have been vaccinated and out of that 107,000 as I speak, 2,900 of today have been vaccinated fully receiving both doses of the vaccine. There is a light at the end of the tunnel in so as to speak. As long as we could keep the vaccines, the vaccines come, to take those vaccines and put into the arms of all Fijians then we can see the light at the end of the tunnel.

Before I finish, Mr. Speaker, I just want to pay tribute to our staff in the Lautoka Hospital who are finishing their 21 days of sequestration today; Dr. Rigamoto and Dr. Susana and your team, Dr. Mala thank you very much and when you come up tomorrow please enjoy the breaks with your family.

HON. SPEAKER.- Thank you Honourable Minister. Honourable Members, we will now move on. I will call on Honourable Nagata to ask his question.

Emergency De-Silting Model
(Question No. 106/2021)

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

Can the Honourable Minister for Agriculture, Waterways and Environment briefly inform Parliament on the Ministry's recent emergency de-silting model and how it will mitigate the risk of community flooding?

HON. DR. M. REDDY (Minister for Agriculture, Waterways and Environment).- Mr. Speaker, Sir, following requests from communities as well as our own Min. Waterway survey w. We have noted that there are large number of secondary rivers that requires de-silting work given that it is now posing threat to the communities living around; their infrastructure and agriculture.

Mr. Speaker, we noted in the first phase we noted 131 of these rivers other than the larger ones that we often talk about are, for example Navua, Rewa, Labasa, Qawa Nadi, Tavua, Ba, Nakauvadra River in Rakiraki.

Mr. Speaker, Sir, 131 is a large number. Normally about 150,000 cubic meters of silt that we want to remove would cost us \$3 million. So what we thought that we come up with another model which will save a lot of Government resources and if we are able to come up with a model where we partner with the private sector.

In this model, the Ministry of Waterways does the scoping at our own cost, the Ministry of Waterways then lodges the screening application, pays the licence fee to Ministry of Environment, Ministry of Waterways then following the terms of reference to Ministry of Environment, Ministry of Waterways does the environmental management plan for de-silting. The Ministry of Waterways then engages with the landowners for fishing rights waiver, the Ministry of Waterways lodges the application to the Ministry of Lands for their approval to undertake de-silting work.

The Ministry of Waterways picks up all these costs and then Ministry of Waterways advertises for potential private companies to undertake the de-silting work, pay the royalty to the landowner through Ministry of Lands and then take the materials and sell it and keep the proceeds.

Mr. Speaker, Sir, in the first phase we were able to give out just before the COVID-19 at this round of COVID-19 set in, we were able to give out 27 rivers, eight in the Western Division, three in the Central Division and 16 in the Northern Division. Unfortunately, the Northern Division, all

the contractors have started work. In the Western Division only one contractor started work and in the Central Division none of the contractors were able to start work because of the lockdown.

Mr. Speaker, Sir, we expect that once the lockdown, once we have control of the Central Division, it is open, so the contractors will then mobilise to the site and undertake the de-silting work. So, the Central Division, none of the three places, Wainibuabua, Wainadoi and Nabukavesi. These are the total 17 kilometres that need to be undertaken. We have not started. Contracts were awarded, everything alright, they were all mobilised but they could not.

The Western Division in Yaqara, Solovi, Saru, Navolau, Narewa, Nakorotubu, Nadele, Malakua, a total of 20.1 kilometres, only Malakua River was started but that again was halted. But in the Northern Division – the four contractors, all of them have mobilised. The four contractors are sharing the 16 rivers. Mr. Speaker, Sir, we expect that once this pandemic is over, these contract works will start. While we have this, currently we are now preparing for the remaining 104 sites that we are going to in this process of undertaking the screening, terms of reference, environmental management plan, and then we will take it to the Ministry of Lands. So for the different rivers, we are at a different stage so we expect that maybe in a couple of months' time, we will advertise the approval from the Ministry of Lands.

HON. SPEAKER.- I thank the Honourable Minister. I give the floor to the Honourable Kepa for a supplementary question. You have the floor.

HON. RO T.V. KEP A.- Thank you, Mr. Speaker. First of all, I would like to thank the Honourable Minister for his response. I would also like to thank the Minister for Health and the Ministry of Health particularly the PS for the work that they are doing very importantly on the frontline and Mr. Speaker, I did not know that he had such a beautiful voice. Maybe one day, Mr. Speaker, we might have a duet.

Just on my supplementary question, Mr. Speaker, he talks about the de-silting model and also the risk of community flooding. My question, Mr. Speaker, is to do with the lower regions of the Rewa River starting from the Rewa Bridge downwards because we have very heavy siltation in that part of the river towards the mouth and this is to do with the *tikina* of Toga Naqavoka, Burebasaga, Rewa where there are 12 villages and right down to Vutia.

I have heard from the Honourable Minister that he will come to visit us. I have been asking them whether he has been there but he has not, Mr. Speaker because if he was to come, I would show him that for the last 10 years, we have been bringing up this request through the provincial council that we have a very heavy siltation and there is a high risk of flooding in these areas, so can the Honourable Minister assure us as to when the dredging in that part of the river will take place according to this de-siltation model that he has been talking about. Thank you.

HON. SPEAKER.- I thank the Honourable Member. Honourable Minister, I think you have answered this question already but I give you the floor.

HON. DR. M. REDDY.- Mr. Speaker, Sir, in fact the entire Rewa River we have got about close to two dozen operators operating and that is why we have managed to minimise the flooding or overspilling of the Rewa River, bringing up this request through the provincial council that we have a very heavy de-siltation and there are high risk of flooding in these areas. Can the Honourable Minister assure us as to when the dredging in that part of the river will take place according to this de-siltation model that he is talking about. Thank you.

HON. SPEAKER.- I thank the Honourable Ro Teimumu Kepa. Honourable Minister I think you answered this question already but I will give you the floor.

HON. DR. M. REDDY.- Mr. Speaker, Sir, In fact at the entire Rewa River we have got close to two dozen operators operating that is why we managed to minimise overspilling and flooding of the Rewa River 24/7. That is the level and volume of silt that is coming down from the catchments.

Mr. Speaker, Sir, from the bridge towards the River Mouth, Honourable Kepa is saying that we have not done for the last 10 years, that is not true. In fact that dredger we had is a 42 year old dredger which we have just boarded about last year. We have started dredging again about three years ago, we did that. But we again, as I said, that siltation is taking place very rapidly because the agriculture is moving upwards towards the catchment and a lot of silt is coming down. We are expecting a brand new dredger, thanks to the Government of Japan.

We were thinking that once that comes down we can use that, but that part is a bit, in the certain part of the year we cannot do the dredging because it is the breeding ground for hammer head shark. That is one of the reasons why it is delayed, but we are also looking at engaging a contractor. Not many contractors want to take dredging of that part because it does not have sand material, it has more clay or something which is not of interest to dredging companies. So we might have to do it ourselves.

I am happy to come down and have a look at it when the pandemic is over and see whether there is an urgency in some parts, whether we can engage some other way probably using a barge and an excavator to if it is really an emergency. Thank you.

HON. SPEAKER.- I thank the Honourable Minister.

Honourable Members, that is the end of the Oral Questions for today. There is one Written Question and I call on the Honourable Rasova to ask his Written Question.

Written Question

Fisheries Sector
(Question No. 107/2021)

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

Can the Honourable Minister for Fisheries update Parliament on the:

- (a) volume and value of fish and associated products produced locally annually;
- (b) volume and value of fish products exported and imported by Fiji annually; and
- (c) total annual fisheries sector contribution to GDP, from 2018 to 2020.

HON. CDR. S.T. KOROILAVESAU.- (Minister for Fisheries).- Thank you, Mr. Speaker, Sir. I will table my response at a later sitting date as permitted under Standing Order 45(3). Thank you.

HON. SPEAKER.- Thank you, Honourable Members, question time is now over. Honourable Members, just before we adjourn, I would just like to say that we are still having some glitches on our equipment. It is not my wish to ignore you when you ask, those of you on virtual. Sometimes I cannot make you up from here even from here because of the movement, and they switch around, so bear with me.

On that note, we adjourn today's meeting. I thank you all for your forbearance and for your cooperation. Until tomorrow morning at 9.00, Parliament is adjourned.

The Parliament adjourned at 8.18 p.m.