

# PARLIAMENT OF THE REPUBLIC OF FIJI



## PARLIAMENTARY DEBATES

### DAILY HANSARD

**THURSDAY, 24<sup>TH</sup> MARCH, 2022**

[CORRECTED COPY]

# CONTENTS

	<u>Pages</u>
Minutes ... ..	770
Communication from the Speaker ... ..	770
Speaker's Ruling ... .. (1) Email and Statement by the National Federation Party	770-772
Suspension of Standing Orders ... ..	772-781
Bills – First Reading ... ..	781-782
Revised 2021-2022 Appropriation Bill 2022.....	782-816

## THURSDAY, 24<sup>TH</sup> MARCH, 2022

The Parliament met at 8.18 p.m. pursuant to notice.

MR. SPEAKER took the Chair and read the Prayer.

### PRESENT

Hon. Josai Voreqe Bainimarama, Prime Minister and Minister for iTaukei Affairs, Sugar Industry, Foreign Affairs and Forestry  
Hon. Aiyaz Sayed-Khaiyum, Attorney-General and Minister of Economy, Civil Service, Communications and Housing and Community Development  
Hon. Lt. Col. Inia Batikoto Seruiratu, Minister for Defence, National Security and Policing, Rural and Maritime Development and Disaster Management  
Hon. Parveen Kumar Bala, Minister for Employment, Productivity, Industrial Relations and Youth and Sports  
Hon. Rosy Sofia Akbar, Minister for Women, Children and Poverty Alleviation  
Hon. Dr. Mahendra Reddy, Minister for Agriculture, Waterways and Environment  
Hon. Cdr. Semi Tuleca Koroilavesau, Minister for Fisheries  
Hon. Jone Usamate, Minister for Infrastructure, Meteorological Services, Lands and Mineral Resources  
Hon. Dr. Ifereimi Waqainabete, Minister for Health and Medical Services  
Hon. Premila Devi Kumar, Minister for Education, Heritage and Arts and Local Government  
Hon. F.S. Koya, Minister for Industry, Trade, Tourism and Transport  
Hon. Alexander David O'Connor, Assistant Minister for Health and Medical Services  
Hon. Veena Kumar Bhatnagar, Assistant Minister for Women, Children and Poverty Alleviation  
Hon. Vijay Nath, Assistant Minister for Infrastructure, Transport, Disaster Management and Meteorological Services  
Hon. Alvick Avhikrit Maharaj, Assistant Minister for Employment, Productivity, Industrial Relations, Youth and Sports  
Hon. Alipate Tuicolo Nagata, Assistant Minister for Employment, Productivity, Industrial Relations, Youth and Sports  
Hon. Jale Sigarara, Assistant Minister for Agriculture and Maritime Development  
Hon. Viam Pillay, Assistant Minister for Environment and Rural Development  
Hon. George Vegnathan, Assistant Minister for Sugar Industry  
Hon. Selai Adimaitoga, Assistant Minister for iTaukei Affairs  
Hon. Ratu Naiqama Tawake Lalabalavu  
Hon. Niko Nawaikula  
Hon. Mitieli Bulanauca  
Hon. Mosese Dreca Bulitavu  
Hon. Viliame Rogoibulu Gavoka  
Hon. Dr. Salik Ram Govind  
Hon. Anare Jale  
Hon. Ro Teimumu Vuikaba Kepa  
Hon. Inosi Kuridrani  
Hon. Virendra Lal  
Hon. Dr. Ratu Atonio Rabici Lalabalavu  
Hon. Mikaele Rokosova Leawere  
Hon. Ratu Suliano Matanitobua  
Hon. Joseph Nitya Nand

Hon. Sanjay Salend Kirpal  
 Hon. Sachida NandHon. Niko Nawaikula  
 Hon. Prof. Biman Chand Prasad  
 Hon. Lenora Salusalu Qereqeretabua  
 Hon. Aseri Masivou Radrodro  
 Hon. Salote Vuibureta Radrodro  
 Hon. Simione Rokomalo Rasova  
 Hon. Ratu Tevita Navurelevu  
 Hon. Jese Saukuru  
 Hon. Rohit Ritesh Sharma  
 Hon. Ro Filipe Tuisawau  
 Hon. Tanya Waqanika  
 Hon. Jone Atonio Rabici Seniloli  
 Hon. Howard Robin Politini

Absent

Hon. Adi Litia Qionibaravi  
 Hon. Lt. Col. Pio Tikoduadua  
 Hon. Peceli Waqairatu Vosanibola

**MINUTES**

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

That the Minutes of the sitting of Parliament held on Friday, 11<sup>th</sup> February, 2022 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.

**COMMUNICATION FROM THE SPEAKER**

Welcome

I welcome all honourable Members to this evening's sitting for the delivery of the 2021-2022 Revised Budget, those present in person and those joining virtually. I also welcome everyone watching the live broadcast of tonight's proceedings from the comfort of their homes and electronic devices. Thank you for your continued interest in the working of your Parliament.

**SPEAKER'S RULING**

Email and Statement by the National Federation Party

Honourable Members, I will now address issues raised by the National Federation Party in regards to the:

1. unanimous decision of the Business Committee to defer the scheduled 7th to 11th March Sitting to 4th to 8th April; and

2. purported subversion of Parliamentary democracy and ambush of Parliamentary processes. The honourable Lt. Col. P. Tikoduadua stated that he had only read the email communication from the Secretariat on the morning of Monday, 28th February, 2022, as he was in Ra all weekend. He then made the following recommendations in his communication:
  1. That the agenda for the tabling of the Revised Budget and its debate be tabled at the Business Committee Meeting on 3rd March, 2022;
  2. The scheduled sitting of Parliament for 7th to 11th March to remain; and
  3. The scheduled Business Committee Meeting for 3rd March to remain.

Also in his communication, the honourable Lt. Col. P. Tikoduadua felt that the flying minute was most unusual and illegal. He does not provide any clarification on how this was illegal. Honourable Lt. Col. P. Tikoduadua then argued that:

1. there is absolutely no need or urgency to send a flying minute for the sole purpose of tabling and debating a budget when a proper Business Committee has been properly scheduled for 3rd March, 2022; and
2. there is no direct bearing of a scheduled meeting of Parliament and a supplementary budget. A proper sitting of Parliament should not be set aside unless for a very special reason. A revised budget is not a special reason. Parliament during the height of the COVID-19 crisis cancelled sittings. This is understandable. This removal of the sittings of Parliament in March is unnecessary, uncalled for and illegal.

Honourable Lt. Col. P. Tikoduadua added that “the Speaker of Parliament and the Secretary-General to Parliament should defend Parliament’s interests and independence first and should not have entertained the proposals to set aside the March Parliament Sitting by the Government.”

He further stated that the Office of the Speaker “should have done to the Government proposal as it does to issues raised by the Opposition and that was for Tables to disallow it.”

Honourable Members should take note of the following:

1. The Speaker’s Office considers all requests and submissions from all parties in Parliament and individual Members with utmost respect and undertakes due diligence before a decision is undertaken. All Members should be aware that when the Speaker’s Office makes a decision, it is guided by the Standing Orders, relevant laws, precedence or previous rulings and the Constitution. The Speaker’s Office also takes a holistic approach and considers whether an urgent matter brought before Parliament serves the national interest.
2. Honourable Members are well aware that the Fijian economy is in the recovery stages from the effects of the pandemic and we should all be considerate as Members of this august institution that the welfare of all Fijians remains paramount.
3. The Government did inform this House, all Members of Parliament present and the nation on 16th July, 2021 through the honourable Minister for Economy’s 2021-2022 Budget Address that the Budget would be reviewed after six months. It is already past six months in this financial year, and all Members should have anticipated this. As Speaker, I saw no reason why we should not consider the Government’s proposal for a sitting to review the 2021-2022 Budget.
4. Honourable Members, I wish to remind you all that all Backbenchers were furnished with the necessary tools such as high-end smartphones, laptops and mobile internet access to

ensure that you successfully perform your functions. It is inexcusable to claim that you have not received communications from the Secretariat on important matters relating to your work as Parliamentarians or that such communications were late.

At this juncture, I wish to inform all honourable Members that a flying minute pertaining to the Revised Budget sittings and deferral of the March sitting to April was communicated to the Business Committee which comprises four Members from the Government, two Members from SODELPA and two Members from the NFP. The Business Committee had three clear days to peruse its contents and provide comments accordingly. No objections were received and following that, the final Order Papers were circulated to all Honourable Members.

There has been no subversion of Parliamentary democracy nor an ambush of Parliamentary processes. All honourable Members will be given an opportunity to contribute to the debates. I remind honourable Members that the job of the Opposition to hold the Government to account is not only limited to the budget processes. The Opposition has ample opportunity and space to voice its concerns and undertake oversight work through the various Parliamentary Committees. The Standing Committees allows all Members from both sides to ask critical questions and scrutinise public expenditures and the raising of revenue in the various implementing agencies of the Government. Additionally, the Opposition has further opportunity to undertake its oversight role through business brought to the floor of the House such as debates on motions, petitions, Bills and question time and end of week statements.

I reiterate that the Speaker's Office and the office of the Secretary-General are here to serve the honourable Members of Parliament. We are also here to ensure that Parliament undertakes its business in a timely and efficient manner. It would be unbecoming of an Honourable Member to question the integrity and the virtues of how each Parliament meeting or sitting is facilitated. The diligent facilitation of the Parliament sittings is duly undertaken to enable the honourable Members of Parliament to undertake their legislative, representative and oversight mandates.

Honourable Members, I thank you.

### **SUSPENSION OF STANDING ORDERS**

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

That so much of the following Standing Orders be suspended -

1. Standing Order 68(1), to exempt the 2021-2022 Revised Budget Address by the honourable Attorney-General and Minister for Economy, including the response from the Shadow Minister for Economy and the right of reply from the honourable Attorney-General and Minister for Economy, from the ordinary speaking time limitations;
2. Standing Orders 102, 104 and 108, to expedite the 2021-2022 Revised Budget process through Parliament; and
3. Standing Orders 23(1) and 34, to allow the 2021-2022 Revised Budget process to take place today and tomorrow, to allow Parliament to sit beyond ordinary sitting times and to limit refreshments, lunch and dinner breaks today and tomorrow, to be determined by Mr. Speaker, so as not to unduly interrupt the business of the House.

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

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Very briefly, Mr. Speaker, Sir, I move the suspension motion so as to allow the honourable Attorney-General and Minister for Economy to table the 2021-2022 Revised Budget.

Mr. Speaker, Sir, as you had alluded to earlier, yes, the Government had informed the House through the 2021-2022 Budget Address on 16th July, 2021, that the Budget will be reviewed after six months. As all honourable Members are aware, it is critical for us to take urgent and decisive action with respect to our economic recovery, so as to continue to address the very issues that have emanated as a result of the effects of the pandemic. Fiji is not alone on this and other countries are grappling with the same issues.

Mr. Speaker, Sir, I have already outlined the particular Standing Orders that need to be suspended. The suspension of Standing Order 68(1), again, is to exempt the Revised Budget Address, the response by the shadow Minister for Economy and the Right of Reply from the honourable Attorney-General and Minister for Economy from the ordinary speaking time limitations. It is now established practice, Sir, that the shadow Minister for Economy is allowed to speak for the same amount of time that is taken by the honourable Attorney-General and Minister for Economy.

Suspension of Standing Orders 102,104 to 108 is to expedite the 2021-2022 Revised Budget process through Parliament. Mr. Speaker, Sir, as I have alluded to, this is necessary and essential so that our economy can continue to positively address and mitigate the effects of the pandemic. This is the august body that can take decisions to make a difference in the Fijian people's lives and we need to expedite this process so that the necessary immediate actions can then be implemented.

At the end of the day, Mr. Speaker, Sir, we have to do this for the Fijian people who are at most need. I know that this august House and the Fijian people watching tonight, that the Government will continue to do all necessary and within the avenues available to it to address the issues that the most vulnerable Fijians are facing.

Finally, Mr. Speaker, Sir, the Suspension of Standing Orders 23(1) and 34 is to allow the 2021-2022 Revised Budget process to take place today and tomorrow to allow Parliament to sit beyond ordinary sitting times and to limit the refreshments, lunch and dinner breaks today and tomorrow as determined by Mr. Speaker, Sir, so as to not unduly interrupt the business of Parliament.

With those few words, I thank you for this opportunity and I seek support from all honourable Members.

MR. SPEAKER.- Honourable Members, the floor is now open for debate on the motion.

HON. RO F. TUISAWAU.- Mr. Speaker, Sir, I rise to contribute to the motion at hand regarding Standing Order 6. At the outset, I would like to express our opinion on this side of the House regarding the way the topic of the Revised Budget has been managed. But, before that, I would like to welcome the honourable Prime Minister back into Parliament in terms of the health issues he had gone through and we welcome him today.

Mr. Speaker, Sir, we are very concerned about the way this has been managed and the way it has been handled in terms of the Business Committee, et cetera. We, in the Opposition, express our view that we only have a few hours to review the whole Budget Estimates and Supplements to prepare the responses tomorrow. We are of the view that this debate will be severely truncated and shortened. The underhand style of governing is not new where the Opposition is ambushed at every opportunity and this is another example, in rules set by the honourable Attorney-General and it is in our

perspective undemocratic and tantamount to treating Parliament like a rubberstamp at the whims of the honourable Minister of Economy.

Mr. Speaker, Sir, what was really upsetting was that all preparations had been done in terms of our questions and motions for the session from 7<sup>th</sup> March to 11<sup>th</sup> March. We had gone through Tables, et cetera, prepared our motions and questions and were preparing for Business Committee when the flying minute came. Again, this is already in the approved Parliament calendar. If this had been foreseen six months before, then why was this not planned ahead instead of what we term as, the last minute change?

It indicates the lack of professionalism and arrogance and just plain incompetence in the management of such issues, not only that, but also in financial planning. Let me remind Parliament that we were advised by a flying minute on 25<sup>th</sup> February at 3.31 p.m., and the deadline given for comments was on Monday, 28<sup>th</sup> February at 11 a.m. That 25<sup>th</sup> February was a Friday and anything of such critical importance should be discussed by our Members, our caucus. This was impossible because this was sent on Friday and we were expected to respond by 11.00 a.m. on 28<sup>th</sup> February.

This was approved on 28th February at 11.56 a.m. We did not respond, Sir, because in principle, we do not agree with this process which, in our view, hijacked the parliamentary process. What was very insulting was that on 25th February at 9.36 a.m., the honourable Minister of Economy issued a public statement on FBC, stating that the honourable Minister of Economy confirmed that the Revised Budget will be announced on 24<sup>th</sup> March. This was even before 25<sup>th</sup> February, 2022 at 9.36 a.m. On that same day, the flying minute was issued at 3.31 p.m., even before that, he had made a public statement that the Revised Budget will be discussed tomorrow.

Sir, we consider this as undermining the process of the Business Committee and an insult. This is why we, on this side of the House, have repeatedly said that this parliamentary process has been hijacked and we are asking ourselves why bother because he has already made the decision even before the Business Committee made the decision. We state that Parliament should serve its functions that should really be and there needs to be a drastic change in the Standing Orders and Operation in Practice. This can only be achieved with the change of Government.

In terms of the flying minute for today, there was again a revised Standing Order which we received through a flying minute today, 24<sup>th</sup> March at 10.26 a.m. to respond by midday to include what has been included here - Standing Order 6 and Standing Order 51. The final Order Paper was sent at 2.46 p.m.

Again, Sir, to us, it just shows the lack of management and undermining the parliamentary process, not only that but just a total lack of respect for Parliament as an institution and also for the Opposition side of the House. I remind Government that we were elected. We did not come here by invitation, we were elected and we represent nearly 50 per cent of the population and that should be respected.

On the Standing Orders, Sir, in terms of the motion at hand, again if you look at Standing Order 68, the speaking times and putting in of questions. This is a Revised Budget and it is very, very critical that we discuss it fully, but again, this is restricted in terms of what we will be doing tomorrow because we are suspending Standing Order 58.

Standing Order 102, again, that has been suggested to be suspended, the Supplementary Estimates. If you read that to provide for expenditure not already provided for the Bill to be known as Supplementary Appropriation Bill must be accompanied by a document to be known as Supplementary Estimates.



So, I believe that from what I have heard, this is to be suspended, the whole thing. I mean if you suspend Standing Order 102(1) to (5), it looks to me like the whole detailed supplementary budget will not be coming before the House, I do not know, I could be wrong. But if we suspend that, then that does not give us the empowerment to discuss those issues in detail. That is what I wanted to raise in terms of Standing Orders 104 and 108, that is on the amendments and Standing Order 108 on withdrawal of amendments. Again, this restricts what we can do in terms of the discussions on this Supplementary Budget and I reiterate that we are totally unhappy and insulted by the acts of we in the Business and we, on this side of the House before even the Business Committee approves, the honourable Minister of Economy had already announced it on Fijian Broadcasting Corporation (FBC).

HON. N. NAWAIKULA.- Thank you, Mr. Speaker, Sir, for the opportunity to contribute to the debate. As stated by our Whip, we are opposing this motion. The motion is asking the House for leave to suspend a number of Standing Orders, to allow the Government to put through the Revised or Mini-Budget.

Mr. Speaker, Sir, we ask the question, is it necessary to suspend these Standing Orders? We answer that by looking at what is the purpose of the Standing Orders? What is the purpose of the motion or this mini-budget that is being tabled tonight?

The Standing Order, Mr. Speaker, Sir, in my view, we should all agree allows for the decorum of the House and it also allows for a very important aspect which is to inform the public totally and the public are no longer part of us. A lot of them are listening tonight and they will be tomorrow which is their right to be fully informed of what is happening here, especially in relation to what we have today and tomorrow of what is called a “Mini-Budget”.

A Mini-Budget, Mr. Speaker, Sir, is not just an ordinary thing, it is an exception, it is an extraordinary matter for the government and for the public to know and if we look at the authorisation for a Mini-Budget it says, in relation to finances, the fiscal strategy and by that is a reference to the Budget in the previous year, may be amended only under three scenarios and this is how the Mini-Budget is coming in - where an economic shock occurs. So what we have is that, there is now an economic shock, big economic problem and because of that, the finances or what we had planned before or approved in the Budget last year cannot take us to the end of the year. That is the only reason why we need a supplementary or mini-budget. So, the public needs to know if that is in fact the case, or is it a lie because a lot of us suspect that is not the case and the reason for this mini-budget is to fund their freebies for the election.

One important reason, Mr. Speaker, Sir, if you look at the funds that were allocated to the Government last year through Grants and Loans, Aid-in-Kind totalling \$1.8 billion and we ask ourselves, do you need further re-adjustments to take us through? So, the public is entitled to know what is the reason for this Mini-Budget and they will only know that if they are given or what they are guaranteed under the Standing Orders.

(Honourable Members interject)

HON. N. NAWAIKULA.- Well, what they are trying to do is to suspend and when they suspend, they are trying to deny the public information in relation to this.

(Honourable Members interject)

HON. N. NAWAIKULA.- Let us take for example, they are asking here the suspension of Standing Order 68. Now what does that Standing Order 68 say? Standing Order 68 allows the time

limit to be 20 minutes, but that is not going to happen. What they are trying to do is the minimum time so that they can push this through and the whole of Fiji at the end of it does not really understand what is wrong with our economy. So, that is one of the reasons why they are trying to suspend Standing Order 68.

Now, let us look at another one which is Standing Order 23(1). It says that in all sittings of Parliament, you start at 9.00 a.m. and end by 4.30 p.m. Now, when you suspend that, the kind of problem we will have is the one we have tonight. We were supposed to start at 7.30 p.m. and we are starting at 8.30 p.m. and that is the reason. So, we need these guarantees for the public to know fully what is happening, and that is one of the reasons why we are opposing this motion because we know that the public is entitled to full information. We know that they are entitled to know.

The other suspended motion that they are looking for, Mr. Speaker, if you look at Standing Order 108, we will not have committee, so it is to exempt or to deny the right to go through the committee. The committee stage allows us to examine in detail every aspect, so that we should know whether we are now looking for money or readjusting money or they will be giving away money and that is the reason why we are opposing this basically because we know that the public is entitled to the full information or what shock there is and we really feel there is no shock and they are going to allocate this and allocate that, which we will see after this. So, for those reasons, Mr. Speaker, we oppose this motion.

HON. S.V. RADRODRO.- Mr. Speaker, Sir, I rise to oppose the motion on the floor, particularly in regards to Standing Order 102. With the suspension of the Standing Orders as highlighted by the Government side, it reflects that there is selective application of the Standing Orders to suit the agenda of the Government side in regards to the Revised Budget. As we know in the previous weeks, the honourable Minister of Economy had gone to great lengths consulting the members of the public on this Revised Budget and therefore, this is an opportune time for the Members of the House, particularly from the Opposition to raise the concerns of the members of the public on issues that they have highlighted with us.

Also, it is important to note that the suspension of Standing Order 102 on the Supplementary Estimates, it takes away or shall I say what the honourable Minister for Economy always says that the reality of the matter in regards to the consultations that he had taken to the people will be reflected in the Supplementary Estimates. Mr. Speaker, as I have always highlighted in the House, the priority of the Government will be highlighted in the Supplementary Estimates in this case and whether the Supplementary Estimates really reflect what the honourable Attorney-General or the honourable Minister of Economy had been taking out to the people remains to be seen.

Having to suspend that, Mr. Speaker, does not give us the opportunity to really tie in the consultation and the actual budgetary allocation that will be in the Supplementary Estimates. It also denies the opportunity for the people to be well-informed in regards to the purpose and the various sectors that will benefit from these revised estimates. The people, without that information will not really be in a position to see the authenticity or the genuineness of this Revised Budget.

As I had already mentioned, it is a selective application of the Standing Orders, again denying the people the opportunity to be informed on what the Government intends to be doing in regards to the budgetary allocation. It is important that the opportunity be given to Members of the House particularly in the Opposition to engage in debate particularly because the election may be coming up very soon and this may be the budget that would take us to the election; we do not know, Mr. Speaker.

That is why it is important that we have a robust and healthy debate inside the House, so that the people are well-informed in regards to allocations that are going to be given to the various sectors. For example, the honourable Minister for Infrastructure had previously just mentioned in the mainstream media that the Government does not have money for, is it water supply and up until now, we continuously are faced with these water cuts.

That is why Mr. Speaker, Sir, it is important, for the benefit of the voters, as we lead up to the election that we have this opportunity to engage in a healthy debate inside the House rather than the Government side choosing to have a selective application of the Standing Orders to suit their own personal agenda.

HON. M. BULANAUCA.- Mr. Speaker, Sir, similar to what honourable Tuisawau has mentioned, I welcome the honourable Prime Minister back to this Parliament because we were unsure of where was he, in New Zealand or Sydney in Australia. Now, we know that he was in Melbourne, he is back here well and we are thankful that he is back here with us.

It is important that we, the people of Fiji, are informed of his whereabouts and also for the honourable Prime Minister to know that when he is out of his Office, no one cared about him, particularly in this Parliament. So we should have a Ministerial Statement of where our honourable Prime Minister is, but no one cared about him in this Parliament, particularly on his side to announce in Parliament of his whereabouts and condition was. Mr. Speaker, Sir, I welcome him.

(Honourable Member interjects)

HON. M. BULANAUCA.- The point is about the Revised Budget and the honourable Prime Minister is setting the Government for the Revised Budget.

Mr. Speaker, Sir, I stand to oppose the motion as well particularly as it is coming from a dictatorial government - no democracy. I cannot see any democracy in this Revised Budget and the way or process in which we are doing it but we should give time to the Opposition and to the public as well to hear what is going on, to give us the opportunity for us in the Opposition to deliver or say things that need to be improved particularly in the Estimates and Expenditures; what has gone past and what is going into the future. It is very important because particularly the primary industries' contribution to GDP has been going down since 2014. The figures show that.

HON. GOVERNMENT MEMBER.- No, no, no.

HON. M. BULANAUCA.- We will show you the figures tomorrow.

So it is important Mr. Speaker, Sir, to be democratic, you must give the time for us to say what we need to say, to improve performances of the whole of government, the Government of the FijiFirst and the Opposition. It is important that we must be given ample time. For annual budgets, we are given one week to prepare ourselves and debate over it. For this one, we should be given at least the weekend and debate it by Monday and approve it by Tuesday. Why the rush and not give us the opportunity to each talk for 20 minutes? We are restricted to only three or four minutes, that is not democracy, it is dictatorial, it is communism in this House and it is coming from the evil spirits. It is very bad, Mr. Speaker, Sir. It is from a bad heart.

You need to give time and opportunity to have a good discussion about the Revised Budget particularly when the economy is not good, you need to make improvements for the future until the next budget in June or July. So it is important to be democratic about the process of this Government

here and give time and opportunity for the Opposition to deliver for certain improvements that are required to be done particularly in the Revised Budget. Mr. Speaker, Sir, I oppose.

HON. I. KURIDRANI.- Thank you Mr. Speaker, Sir, for this opportunity to rise to oppose this motion. But before that, I just want to take this opportunity, on behalf of the people of Vusu to thank the honourable Prime Minister for coming down and attending the funeral. We acknowledge and thank you so much for your care and love for the Turaga na Tui Vusu and your presence that day was a highlight of the occasion of farewelling the chief the Turaga na Tui Vusu. Thank you so much, Sir.

Mr. Speaker, Sir, we need to be honest in here. This Parliament, we all understand is the cornerstone of democracy, guided by the Standing Orders to ensure there is genuine democracy. And I just want to read out one of the functions or the purpose of Standing Order 1(2) which states and I quote: “To avoid doubt, they are not intended to diminish or restrict Parliament’s rights, privileges, immunities and powers.”

Mr. Speaker, Sir, regarding the motion to suspend the Standing Orders, I believe it affects and diminishes this democracy. We are here to represent the people. We are here to raise the views and the concerns of the people and the suspension of these motions, stops us from raising the views and the concerns of the people that we represent here. I agreed with my colleague, honourable Naiwakula for the reason of having this Revised Budget.

Mr. Speaker, Sir, my understanding is that the Revised Budget only comes when our economy is in disaster, just like what we faced during COVID-19, that is fine. Another reason is when a new Parliament comes into power to readjust strategy do we need a Revised Budget. But in here, I do not understand why there is a Revised Budget and I agree with honourable Naiwaikula as he stated that the amount of funds we received as assistance (direct Budget funding) – more than \$2 billion which is enough to take us through to the next financial year.

Let us look at the Budget from the previous years by this Government - Expenses, Estimate and the Actual - there is a big margin of variance (funds that are not being used). Look at the records for 2018 and 2019, it is one billion dollars. These are funds that are not being used by the ministries that could have been used to take us through if we ran out of funds as already stated by the honourable Minister for Infrastructure that they do not have the money but where is all this money. If there are real money, then that should be sufficient to take us through to the next financial year. So it seems that all this money, all these figures are being cooked, fried, to look nice, to smell nice for the people but they have been deceiving the people all this time.

Mr. Speaker, Sir, I believe that there is no reason to have this mini-budget or revised budget for the reasons I have stated. We have enough funds to take us through and to conclude that this Revised Budget is just to legalise the effort or the strategy to provide funds for the election. We have already seen it happening. They even go as far as funding boats, freezers and water seal lavatories. Are they desperate to remain in power? Are they afraid of the consequences of their actions of mismanaging this economy for the last 16 years? They seem to be afraid. This is a reflection of the desperation, they are afraid.

HON. DR. M. REDDY.- Cartoon, cartoon!

HON. I. KURIDRANI.- He is the one - the honourable Minister for Agriculture is not performing, he is sleeping on his job. He is unable to provide annual reports since 2016 so how can we be guaranteed that all these funds will be used according to its intended purpose. Look at the last Auditor-General’s Report relating to the COVID-19 Response. Overall it said, there is lack ....

MR. SPEAKER.- Honourable Member, we are talking about a procedural.

HON. I. KURIDRANI.- Yes, Sir. This is why ....

MR. SPEAKER.- No, we are not talking about content. You have the floor.

HON. I. KURIDRANI.- Thank you, Sir. That is what I am saying, because of their mismanagement of the economy ....

HON. GOVERNMENT MEMBER.- Support the motion.

HON. I. KURIDRANI.- The motion is about the mini-budget, because of their mismanagement of the economy, they are having this but what I am trying to say is, the purpose of having the mini-budget is just to help them in their campaign because we have enough funds to take us through.

(Chorus of interjections)

HON. I. KURIDRANI.- They do not even understand simple basic economics. They do not even understand how much money they have here and whether it is still there or no is another question.

HON. GOVERNMENT MEMBER.- Support the motion.

HON. I. KURIDRANI.- I do not support the motion, Mr. Speaker, Sir.

MR. SPEAKER.- I now give the floor to the honourable Leader of the Government in Parliament to speak in reply.

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Mr. Speaker, Sir, this is not about ambushing the Opposition at every opportunity, it is not about undermining the Parliament process, it is about the priorities and the need, particularly under the trying times and conditions that we are going through. Let us be realistic, let us use common sense. I did state that Fiji is not the only country that is grappling with this issue.

Again, in the 16<sup>th</sup> July Budget Address by the honourable Attorney-General and Minister of Economy, it has been made known to every Fijian and every honourable Member of this august House that the Budget for 2021-2022 period will be reviewed and this is exactly what is happening today, Mr. Speaker, Sir. We should have anticipated this, as I have stated, it is not about ambushing the Opposition, it is not about undermining the Parliament process but there is a need to do this, Mr. Speaker, Sir.

Mr. Speaker, Sir, let me assure the other honourable Members on the other side that of course this is part of the democratic process and that flexibility is allowed in the Standing Orders.

(Chorus of interjections)

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Let me say that again, this is the democratic process that is taking place, it is allowed for in the Standing Orders - Suspension of Standing Order 6.

(Honourable Member interjects)

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Exactly! Standing Order 6(5) states, and I quote:

“To avoid doubt, the suspension of any Standing Order does not permit the transaction of any business in breach of the Constitution or any other law.”

So, the democratic process allows for that but this is legal.

We are not breaching the 2013 Constitution, Mr. Speaker, Sir. Let me read from Standing Order 34, as well, because this is about Government business and Government business takes precedence over any other Members’ business. It says in Standing Order 34, and I quote: “Government business is set down on the Order Paper in the order determined by the Government.”

(Chorus of interjections)

MR. SPEAKER.- Order!

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Mr. Speaker, Sir, and Government business takes precedence over any other Members’ business. As I have stated, this is the Parliamentary process, but they are worried about elections. Budgets are estimates; estimates about our revenues and estimates about our expenditures.

HON. S.V. RADRODRO.- Can you provide the Supplementary Estimates?

MR. SPEAKER.- Order, order!

(Chorus of interjections)

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Things have changed over the last six months and that is why it is necessary for us to review our revenue and our expenditure, full stop. Common sense, basics.

(Chorus of interjections)

MR. SPEAKER.- Order, order!

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Mr. Speaker, Sir, the problem is they are worried about elections. Let serve the people of Fiji first. That is what we have been doing from day one. This is about the Fijian people, Mr. Speaker, Sir.

(Chorus of interjections)

MR. SPEAKER.- Order, order!

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- I have nothing further to add and I fully support the motion, Mr. Speaker, Sir.

(Chorus of interjections)

MR. SPEAKER.- Order, order!

Question put.

Motion agreed to.

### **BILLS – FIRST READING**

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, pursuant to Standing Order 51, I move that the:

- (a) Following Revised 2021-2022 Budget be considered by Parliament without delay:
  - (i) Revised 2021-2022 Appropriation Bill 2022;
  - (ii) Tax Administration (Revised Budget Amendment) Bill 2022;
  - (iii) Income Tax (Revised Budget Amendment) Bill 2022;
  - (iv) Value Added Tax (Revised Budget Amendment) Bill 2022;
  - (v) Airport Departure Tax (Revised Budget Amendment) Bill 2022;
  - (vi) Environmental and Climate Change Adaptation Levy (Revised Budget Amendment) Bill 2022;
  - (vii) Customs (Revised Budget Amendment) Bill 2022;
  - (viii) Customs Tariff (Revised Budget Amendment) Bill 2022;
  - (ix) Financial Management (Revised Budget Amendment) Bill 2022;
  - (x) Employment Relations (Revised Budget Amendment) Bill 2022;
  - (xi) Citizenship of Fiji (Revised Budget Amendment) Bill 2022;
  - (xii) Surveyors (Revised Budget Amendment) Bill 2022;
  - (xiii) Real Estate Agents (Revised Budget Amendment) Bill 2022;
  - (xiv) Town Planning (Revised Budget Amendment) Bill 2022;
  - (xv) Land Transport (Revised Budget Amendment) Bill 2022;
  - (xvi) Lagilagi Housing Development Bill 2022;
  - (xvii) Development of Informal Settlements Bill 2022; and
  - (xviii) Medical and Dental Practitioners (Revised Budget Amendment) Bill 2022.
- (b) Bills must pass through one stage at a single sitting of Parliament;
- (c) Bills must not be referred to a Standing Committee or other Committee of Parliament;
- (d) the Attorney-General and Minister of Economy begins the debate tonight, Thursday, 24<sup>th</sup> March, 2022, by delivering the Revised 2021-2022 Budget Address;
- (e) the Leader of the Opposition be given the right of response to the Bills tomorrow, Friday, 25<sup>th</sup> March, 2022;
- (f) debate on the Bills to proceed after the response by the Leader of the Opposition and be limited to three hours with the right of reply given to him as the Member moving the motion; and
- (g) all the Bills to be debated and voted upon tomorrow, Friday, 25<sup>th</sup> March, 2022.

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

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, as highlighted earlier on that we have a Revised Budget that needs to be delivered, and there are various laws that come as part of the Budget Amendment Bills which I will elaborate further on in my address.

MR. SPEAKER.- Honourable Members, the floor is now open for debate on the motion.

HON. N. NAWAIKULA.- Mr. Speaker, the motion that we have is coming under Standing Order 51 and it is restricting the participation of the public or the normal procedure that we usually

do to ventilate issues. In this one specifically, this is relating to this mini budget or supplementary budget. But, Mr. Speaker, it is laughable and let me just comment on this.

The honourable Minister for Economy has travelled around Fiji consulting, seeking views from the public but when you look at the purpose of a supplementary budget it is very clear. You can only do so where there is an economic shock that occurs. So, it is more for the public to ask the Government what is the problem then for the Government to be asking the inputs from the other side. The public want to know what is the shock, what is the problem and I had hoped that the honourable Minister of Economy had outlined to them the problem that we have and how he wishes to through the supplementary budget address those. What kind of problem? Let me just go through some of these problems.

The fact that our economic growth has been declining since 2016. The fact that investment is at its lowest level. The fact that poverty and hardship continue to increase. The fact that debt stock is at unsustainable level. Unemployment continues to rise. Importation of food continues to rise and exports is on the decline, et cetera. That is what the public wish to know and that is what we want to know tonight but it is totally suspicious just listening to some of the Acts that are being tabled tonight. For example, Mr. Speaker, the VAT Amendment Act, the Employment Relations Act, Development of Informal Settlement and others.

The VAT, if it is being reduced, that is not part of an economic shock, that is an electioneering measure. The Employment Relations, we suspect what they will do here is that they will up the minimum standard. That has nothing to do with the purpose of a mini budget or supplementary budget as authorised by the Financial Management Act.

Now coming back to the motion under Standing Order 51, what we are given, we are being denied this being referred to the Committee stage. So, we will be totally in the dark and that is the reason why we are opposing this because it is unnecessary, it is unethical, it is unprofessional and it is totally wrong to bring in this Bill through Standing Order 51. If you want to ventilate issues, if you want the public to be part of the Parliamentary process, have an announcement tonight, give us a couple of days to digest it and we will come back and debate it and we go through the Committee process. In that way everyone will know, not only us here, but the public will know, but bringing in by Standing Order 51, we are denying that to the public and that is why we are opposing the motion.

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, I have nothing further to add except that the Fijian people are actually waiting for this Mini-Budget. We know the importance of this Mini-Budget and we wish to proceed on this matter.

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

Question put.

Motion agreed to.

### **REVISED 2021-2022 APPROPRIATION BILL 2022**

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, I would like to, of course, acknowledge the honourable Prime Minister and welcome him back to Parliament, the honourable Leader of the Opposition, honourable Members of Parliament and, of course, all Fijians who are watching us.

I would like to, of course, apologise to them for the delay that has been caused by the Opposition because we know they have been waiting to hear what we have in store, given the fact



that the economy is now opened up since the borders opened since 1<sup>st</sup> December.

HON. GOVERNMENT MEMBER.- Hear, hear!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, at the National Budget announcement on 16<sup>th</sup> July, 2021, there was a great deal we sought for Fiji's future amid a greater deal of uncertainty, so we committed to reassess that budget in the context of our recovery.

Tonight, Mr. Speaker, Sir, we are proud to report that recovery is underway. All preliminary data and partial indicators show that the economy is on track to record the highest growth rate in Fiji's history. Sir, VAT collections, imports of consumption goods, sales for both new and second-hand vehicles, retail sales and overall consumption spending and business activities are roaring back to life and have recorded strong growth for the last three months.

Sectoral performance is positive as well, Mr. Speaker, Sir, supported by agriculture, mahogany, forestry and manufacturing. The Reserve Bank of Fiji's job advertisement survey shows that employment has been on an upward trend for the past six months. Almost 25,000 jobs were added in the formal sector and a similar number in the informal sector. This is supported by total salaries and wages, FNPF contributions and PAYE.

Mr. Speaker, Sir, visitor arrivals for the first three months since the border opened on 1<sup>st</sup> December, 2021 are approximately 50,000 – more than a thousand per cent more than the comparable period one year ago. The numbers ahead look even better. Forward-looking indicators, such as airline and hotel bookings from April this year show strong numbers approaching pre-COVID-19 levels of tourism.

That all means that tonight, we have an opportunity to announce a special revised budget that builds on this momentum and uses our recovery to meet new and extraordinary challenges, including the crisis of affordable living faced by our people. But before we announce that budget, we have to remember what it took to get here because we cannot take this progress for granted.

Mr. Speaker, Sir, on 16<sup>th</sup> July, 2021, when we announced the budget for this year, our progress to recovery could be measured in single digits. Less than 9 per cent of the Fijian population or adult population had received both doses of vaccine, including the overall population, Mr. Speaker, Sir. Our borders were shut, more businesses were closed and our economy was in a recession.

In the midst of that crisis, Mr. Speaker, Sir, we laid out two profoundly different futures that Fiji could face. In one, we would fail at vaccinating our people and waste the millions of doses we secured for Fiji. Lives that could have been saved would have been lost. Our children would not be in school. Most businesses would not be open, nor would our borders. Our streets would have been lonely and quiet, our hotels empty of tourists and our restaurants shuttered. If we had chosen that future, tonight Fiji would be a dark and despondent country and tonight, we would have no choice but to announce painful and difficult measures of austerity.

That, Mr. Speaker, Sir, will not happen because we chose better, not through some single sweeping decision but day by day, step by step and hand in hand with every Fijian. Under the leadership of our honourable Prime Minister, we kept to the vision of a Fiji that would control the pandemic. We saw well beyond a single day's headlines. We saw beyond the likes and views and attention on social media that became the obsession of our detractors. We used our God-given intellect to follow the science and best medical knowledge. We navigated commercial realities that kept our economy functioning. We called on every willing partner and institution in the world to make tough decision after tough decision which time has proved were the right decisions.

Fiji was the first country in the region to introduce a No Jab No Job Policy. Australia followed suit. New Zealand followed suit. Many cities and states in the USA did as well but Fiji was the first among those nations to take that bold step down the most direct path out of the pandemic and we succeeded. support us and we earned their confidence through our prudent and practical policy responses. We

HON. GOVERNMENT MEMBER.- Hear, hear!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, we vaccinated virtually every adult in Fiji and we are boosting more everyday. We resisted calls to keep our schools and businesses closed. We dismissed demands to keep our borders shut. We kept the bones of our economy strong and ready for a revival. We made our recovery our reality and our record speaks for itself.

HON. GOVERNMENT MEMBER.- Hear, hear!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, you can see it with every take-off of a Fiji Airways plane at Nadi International Airport. You can see it in the smiles of our children in schools. You can hear it in the hum of markets we have built around the country. You can see it in the shops, restaurants, hair salons and other businesses that are filled with customers, on the buses that are carrying our people to and from their places of work and in the parks and stadiums while people exercise and compete in sports. Wherever we look, wherever we are, we can see it and we can feel it - Fiji is back. We are moving past the worst of the pandemic and we thank God for every Fijian who is back at work earning a living for themselves.

Mr. Speaker, Sir, we have held budget consultations across Fiji; in rural communities, urban centres and online and we have received written submissions from the public. We thank all those who have participated, including those who invited us to hold consultations in places we did not plan to go. We have listened carefully to your concerns and we have considered your ideas about our recovery. It is our duty to each of you and every Fijian to answer the burning question on the mind of the nation and that question is, what is next?

Mr. Speaker, Sir, that is what the special revised budget is all about. It is about what is next for Fiji. It is about what we can do together to set the nation back on the track we were on before the brutal blow of the pandemic. It is about protecting our hard-fought recovery by sticking with consistent and confidence-building policies, the same policies, Sir, and philosophy that produced the longest streak of growth in Fijian history. It is about restoring the unprecedented pace of our march towards a modern nation state. It is about moving forward to confront a new slate of global challenges, because steering away from this course, can only mean falling backwards.

Mr. Speaker, Sir, a major issue in all of the conversations we have had across the country has been the rising price of food and other essentials. We all feel it - at the fuel pump, at the market, in the supermarket, at the bakery, prices are not just rising, they are sky-rocketing. We wish to explain in simple terms why this is happening and later tonight, how we plan to protect affordable living in Fiji. Mr. Speaker, Sir, this price-increase crisis and it is a crisis is affecting every country in the world as a result of a volatile cocktail of global developments.

First, there was a worldwide explosion in consumption coming out of the pandemic. Months of lockdown paired with trillions of dollars injected into economies by wealthy nations produced consumer demands of historic proportions. People in rich countries left their homes and went straight to the malls and markets to spend, spend and spend some more. But supply chains could not keep up with all that pent-up demand. They had been disrupted seriously during the pandemic. They were facing labour shortages. They were facing shipping disruptions. And they were overburdened just

as they were beginning to recover. That made food, fuel, freight and other goods like fertilizer more expensive. We have been feeling the trends since the end of last year. It was tough, but we are managing, thanks to a promising start for our recovery.

But then, Mr. Speaker, Sir, things got worse, much worse as a direct result of two earth-shaking events; a fresh COVID-19 outbreak in China forced hard lockdowns that shutdown major industrial hubs and decimated the country's globally vital production capacity and the Russian war in Ukraine initiated humanitarian and economic disaster that rages as we speak.

Mr. Speaker, Sir, Fiji opposed Russia's invasion because it was a serious breach of international law and because we knew there is no such thing as someone else's war in the 21<sup>st</sup> century. We operate in an integrated economy where conflict anywhere is felt everywhere. Even far removed in Fiji, we pay the price of war because as we feared, the invasion's economic shockwaves have landed as tidal waves at the shores of small island states.

The combined food production of Russia and Ukraine accounts for 12 per cent of all calories traded by humanity and 30 per cent of the global wheat exports. That capacity is now either cut-off by conflict or sanctions. Russia's once busy Black Sea ports have become parking lots, adding to mounting freight costs. Oil and gas prices broke records last week and remain volatile. Costs like insurance are rising due to the risks of the current conflict and the serious potential, Mr. Speaker, Sir, to spark a wider war.

Mr. Speaker, Sir, let us think about *TC Winston*. The storm destroyed massive tracks of Fiji's *yaqona* plantations, for example, and the price of a kilogramme of *yaqona* rose from \$85 to \$185 soon after. Russia's invasion created a super storm of conflict that has decimated the world's energy, metal and agricultural output and prices of oil, gas, metals and grains are now rising as a result.

Mr. Speaker, Sir, oil sold for as high as US\$140 a barrel this month, up from as low as US\$22.50 during COVID. Freight costs on some routes are up to 800 per cent higher than before the pandemic. Wheat is selling in some places for nearly US\$12 a bushel - up from around \$5 in 2019.

A shortage of metals has made modern essentials like microchips harder to come by. This, of course, Mr. Speaker, Sir, is not the 1950s. Cars, trucks, ships, planes and mobile phones all rely on this sort of technology and now, they are all becoming more expensive.

Mr. Speaker, Sir, here in our region, Australia is facing the worst shortage of building materials in nearly half a century, including steel, timber, cement, paint and kitchen materials. New Zealand's Prime Minister, Jacinda Ardern has dubbed this crisis "a wicked perfect storm" and she is right. Small Pacific nations are even more exposed because we are the most import-dependent nations in the world. On average, SIDS have a 90 per cent dependency on imported petroleum fuels and import 60 per cent or more of their food needs.

Fiji is less exposed on the energy front than others because half of our electricity comes from renewables. We also do not have domestic inflationary pressures at the moment. Our dollar is strong and our foreign reserves are high because of our steady and strategic policy-making. But we are a major importer and that means we import inflationary pressures from overseas. So when costs increase internationally, these costs are passed onto us.

Like all other islanders, virtually all of us eat imported food items everyday - bread, roti, *panikeke*, *purini*, *babakau* are all made of flour which, of course, comes from wheat. Wheat does not grow in Fiji. Even though flour is price-controlled at the wholesale and retail levels, Fiji can only purchase wheat at the world market price. There is no oil in Fiji either. We drive in imported cars

that run on imported fuel. Let there be no illusion about this, seemingly distant events on foreign soil have direct and immediate impacts on us. This is the interconnected reality of the world and the geographic hand we are dealt as an island nation.

But as tough as things are for us, we should carry some perspective. Women and children are being bombed, shot and killed on a nearly-daily basis in Ukraine. There are countries like Yemen that depend almost entirely on food aid to feed their people and there will be massive starvation due to rising food prices and shortages. Our conversation in Fiji is about maintaining standards of living, the conversation in those countries is about starving off mass death due to starvation

Mr. Speaker, Sir, this conflict is Europe's largest since 1945 and the most serious foreign war in Fiji's history as a nation. The conflict could all too easily get worse before it even begins to get better. Cold War anxieties are flaring up across the Western world. In some parts of Europe, bread is becoming a luxury item and supermarket shelves resemble the aftermath of panic-buying during COVID. This is the brutal reality of war. As a nation that has contributed to peacekeeping for almost its entire history since Independence, Fiji will continue to urge peace in Ukraine, as well as all other conflict areas in the world, because it is right and because people everywhere on earth unjustly bear the burden.

Here at home, we face two choices: we can point fingers at each other (as we have seen the Opposition do) or we can lock hands in solidarity. We chose and we choose the latter. Together, we will get through this superstorm of global events and we will do it by building on the recovery we are delivering for Fiji. We will grow our economy, we will create the jobs and opportunities that every Fijian deserves to have in their lives.

But imagine for a minute, Mr. Speaker, Sir, where would we be if we had failed or faltered in bringing our recovery about? There are countries and societies that are living under lockdown right now. Imagine if that were still Fiji. Imagine if we had to bear today's price-increase crisis with our economy still crippled by COVID. Imagine if we had made short-sighted and fearful economic decisions instead of showing the wisdom and foresight to ready ourselves for recovery. Imagine that timidity and stupidity had caused us to keep our borders closed and our people out of their jobs. Imagine that Government was operating today on the meagre revenues of last year, including a low of \$77 million in May 2021. Mr. Speaker, Sir, if we had given in to the demands and lock-up the country and wait in the dark for the pandemic to pass, that is the situation we could surely face at this moment.

Mr. Speaker, Sir, we can assure everyone here in this Parliament that the \$360 in assistance that Fijians received would not go nearly as far as today as it did then. We would have had to give more assistance from a dwindling treasury and make many more sacrifices. Instead, Mr. Speaker, Sir, we can create solutions, derived from our prosperity because the most important way we build resilience to these external shocks is by building the momentum of our recovery and doing so as one united nation.

And so, Mr. Speaker, Sir, we return to the fundamental question that hundreds have asked of us and thousands have on their minds - what lies ahead, what is next. The answer lies in the promise of this Revised Budget, Mr. Speaker, Sir, and its support for a bold, sustained and a broad economic recovery. As always, Sir, we will start with the context of our current fiscal outlook.

Mr. Speaker, Sir, together we recorded the longest period of economic expansion in Fijian history prior to the pandemic, nine straight years of growth, as a result per capita income level rose to over \$13,000, and unemployment fell to a 20-year low of 4.5 per cent. Socio-economic conditions improved and Fijians have better and more equitable access to education, healthcare, roads,

transportation, electricity, safe and clean water, legal services and digital connectivity. This period of sustained growth was underpinned by rising productivity and investment, socio-economic and political stability, improved private sector confidence and an important programme of reform led by Government.

Fiscal policy played an important role in this journey, Mr. Speaker, Sir, with Government maintaining a low and attractive tax regime to support private sector investment, while also channelling private spending towards massive infrastructure development and improving public service delivery for all Fijians, that is where we were. Then of course, Sir, the pandemic cleaved off 20 per cent of our GDP, creating the worst economic crisis in our history, bar none. We lost \$4 billion in tourism earnings and \$3 billion in tax revenues over two brutally tough years. We implemented the one policy response that could keep our economy afloat.

Mr. Speaker, Sir, John Maynard Keynes was a legendary economist, whose ideas have guided government economic policy for decades after his death. He maintained that to create jobs and boost consumer buying power during a recession, governments should increase spending, even if it means going to debt. Every nation heeded that message during COVID-19. They heeded that message during the great economic depression, they did more than borrow money - they injected trillions of dollars to keep their economies plodding along, despite the COVID-driven recession.

Mr. Speaker, Sir, the Government is a major driver of our economic growth in Fiji and we maintained the expenditures in order to fuel economic activity. As the nation's largest employer, we maintained civil service salaries and we paid out millions to the approximately 400,000 Fijians whose employment or livelihood was affected by COVID - building a \$500 million safety net that kept thousands of families from falling into life-threatening destitution. We were able to negotiate low cost debt to do that. That, Mr. Speaker, Sir, was the right call, not only because the cost of that debt was extremely low but because the alternative was a socio-economic catastrophe.

HON. GOVERNMENT MEMBER.- Hear, hear!

HON. A. SAYED-KHAIYUM.- Creditable lenders like the ADB, World Bank, JICA and AIIB lent to us at five times the pace they did in the past and they did so because they were confident in the plan we had to revive the economy. They did so because they knew that our debt burden was sustainable, they understood what we understood, that we needed a balance between avoiding a deep crisis now and ensuring long term sustainability. If we had not been extremely prudent in our borrowing and our policies, those multilateral institutions would not have lent to us at all and that is the fact.

Fiji's experience stands up well in the context of the global experience. The International Monetary Fund reports that total global debt rose by an astonishing 28 per cent in 2020 to 256 per cent of GDP. This was the largest single-year increase since at least 1970 and the weighted average interest rate of Fiji's debt portfolio dropped sharply from 6.2 per cent in 2020 to 4.6 per cent in January 2022. We secured almost \$900 million in highly concessional finance tagged to policy reforms from multilateral and bilateral development partners. These saw terms of 40-year repayment period, inclusive of a 10-year grace period, and an interest rate of 0.01 per cent, which is practically no interest at all.

HON. GOVERNMENT MEMBER.- Hear, hear!

HON. A. SAYED-KHAIYUM.- In terms of concessionality, Mr. Speaker, Sir, this equates to a 60 per cent to 70 per cent grant element on some of those loans. A direct consequence of this borrowing was a reduction in the cost of borrowing in the domestic market for both, the Government

and the private sector. This is in sharp contrast to previous crises where the cost of borrowing rose substantially.

We also attracted support from our multilateral and bilateral partners. Countries like New Zealand, Australia and Japan provided us grants and concessional financing at the expense of the taxpayers to whom their governments are accountable - and they did so because they were confident in our ability to manage those funds responsibly in the economic plans and strategies put in place by the Government. Because we borrowed prudently and because we earned the confidence of our development partners, we rode out the worst the world could throw at us.

Mr. Speaker, Sir, as mentioned, we are expecting the economy to grow by 11.3 per cent in 2022 driven by the vaccination of our population and the reopening of our borders. Other independent economic analysts put the figure even higher. It is estimated to take three years until our economy is restored to pre-pandemic levels, but we have started that journey back on sure footing because of our overall macroeconomic fundamentals which remain strong. Foreign reserves currently stand at around \$3.2 billion, sufficient to cover 8.8 months of imports, well above the IMF benchmark of three months. With our largest earner of foreign reserves, tourism shut down, we faced a real threat of devaluation, but the proactive and robust policies by Government and the Reserve Bank of Fiji helped avoid a devaluation of the Fijian dollar. Had we been forced to devalue, Mr. Speaker, Sir, which seems to be a loss on many people, Fijians would be paying much higher prices today for everything. The increased prices we are seeing because of the global supply chain problems and increases in commodity prices would be compounded by a Fijian dollar that would have simply been worthless than today. Everything we import will be much more costly.

Liquidity levels in the financial system stand around \$2 billion and that supported the low-interest environment. With improved confidence levels and reduced uncertainty surrounding the virus, investment prospects are trending upward. Inflation, on the other hand, Mr. Speaker, Sir, has been increasing recently with a rise in international prices and freight costs, as it is worldwide, putting additional pressure on the price of goods.

Mr. Speaker, Sir, the pandemic pushed Fiji's debt level to over 80 per cent of GDP. To put this in historical context, the debt to GDP ratio rose from 53.3 per cent in 2006 to 56.2 per cent in 2010, before beginning a steady decline towards 43.5 per cent in the 2016 and 2017 financial year. That was a drop of nearly 13 percentage points in just over six years.

Following *TC Winston* and the many other natural disasters we suffered, Government increased its borrowings out of the necessity to build back better, pushing the debt to GDP ratio to 48.4 per cent in the financial year 2018 and 2019, still well below the 50 per cent benchmark.

We spent over \$200 billion just in building schools. Although the nominal value of debt increased from \$2.8 billion in 2006 to \$5.7 billion at the end of the financial year 2018 and 2019, the debt to GDP ratio declined from 53 per cent of GDP to around 48 per cent in that period. That means that Fiji's nominal GDP, which rose from \$5.3 billion to \$11.8 billion grew much faster than our debt levels over the same period. To maintain public expenditures around \$3.7 billion, which includes over \$500 million in unemployment support and other relief measures, Government had to borrow around \$2 billion over the last two financial years, the COVID years. As a result, the debt to GDP, ratio now sits at over 80 per cent.

The alternative of not borrowing to support the economy during the last 20 months would have been catastrophic, and the consequences would have been especially hard on average Fijians. It is crystal clear, Mr. Speaker, Sir, that Government's counter-cyclical stance to take on additional debt to support the economy, particularly external debt from multilateral partners was economically

sound and absolutely necessary and it has allowed us to announce a mini-budget this evening that takes on the affordable-living challenge, continues our recovery's momentum and creates opportunities for all Fijians.

Around the world, Mr. Speaker, Sir, countries are finding ways to live with COVID and manage risks as we are in Fiji. They are loosening COVID-based restrictions as vaccination rates have risen and hospitalisations have declined. Masking requirements are being narrowed or dropped. People are returning to the workplace. New variants emerge but they have been less virulent and more manageable. Unlike some countries who were currently crippled by lockdowns, Fiji has done enough for our people to be included in the pack of nations that is actually moving forward.

Tonight, Mr. Speaker, Sir, we will be speaking on new policies and expenditures. The measures we funded in the last budget year will continue; initiatives like free education, social welfare payments, infrastructure development and other incentives for economic growth. Because our recovery is succeeding, Mr. Speaker, Sir, tonight is not only about maintaining the support we have assured the Fijian people, it is about what more we can do to empower students, job seekers, farmers, developers, home owners and all other Fijians.

For this Revised Budget, Sir, the total revenue is estimated at \$2.25 billion while total expenditure is \$3.72 billion. This results in a net deficit of \$1.46 billion equivalent to 14.2 per cent of GDP. Debt is projected to reach 88.6 per cent by the end of this fiscal year and based on the projected economic recovery and planned deficit reduction, the debt to GDP ratio is expected to come down to below 80 per cent in the next three years.

Mr. Speaker, Sir, a budget is always about more than figures and dollars. It is about how a government sets its priorities and drives change. We will certainly talk tonight, Sir, about budget allocations as usual, but even more importantly, we will also talk about reforms that we need; reforms that consider that what we have learned through the pandemic and seize on new opportunities for growth because while Government must fund its priorities, it also must set the proper conditions for the people to thrive. It must change laws, regulations and administrative procedures to meet the demands of a changing society. It must embrace new knowledge and technology. It must have the discipline and the wisdom to do what Government does best and to let the private sector do what it does best. Most important of all, Mr. Speaker, Sir, it must know when to get out of the way, when to alleviate the burden of cumbersome and regulations and let people work and produce.

Mr. Speaker, Sir, we will talk about several big picture reforms that will create more vitality in healthcare, urban development, housing, land leasing, human development, transportation and agriculture. They will do that by loosening or removing structures that have become too bogged with bureaucracy, that favoured a privileged few or that no longer serve a purpose.

Mr. Speaker, Sir, I think everyone in this Parliament will find some of these current practices shocking and others simply not appropriate for our time - if indeed they ever were appropriate. Others have simply outlived their usefulness and need to go. Mr. Speaker, Sir, a modern country like Fiji simply needs greater flexibility. We owe it to the Fijian people.

Mr. Speaker, Sir, first I will speak on the tourism sector as it returns as an engine of economic growth. We have built a springboard to propel the recovery of our tourism sector to a new level and it is now time to spring forward. We have already opened the border and removed the curfew, here is what is next.

After weeks of establishing private testing facilities nationwide, we are ready to remove the three-night stay requirement upon entry into Fiji. From 7<sup>th</sup> April, fully vaccinated visitors, residents

and citizens will only need to conduct a rapid antigen COVID-19 test within 24 hours of arrival in the country at an approved testing facility. A full list of the locations will be published on line.

Bringing in more private sector test providers brings in competition that lowers prices and saves costs for visitors - especially tourists and those visiting friends and family or returning citizens - making Fiji a more attractive destination. So, instead of visitors being beholden to a hotel, they will get their rapid tests done at an approved provider. Hotels are not going to be the providers and only remote ones can be a provider and only if they obtain approval from the Ministry of Commerce, Trade, Tourism and Transport (MCTTT).

All visitors to Fiji will play by the same rules because from 7th April, we will also do away with the Travel Partner system. In other words, anyone from anywhere in the world, as long as they are vaccinated, can come to Fiji. Mr Speaker Sir, the most important thing as we have highlighted is that the visitors must be vaccinated. If they are, and if they test upon arrival, their country of origin is of course, far less important. And our Blue Lanes initiative which was a smashing success through COVID is now giving way to normalised maritime travel.

We are announcing these changes with confidence because we have developed a careful framework for COVID safety that can be reactivated if and when we need them. But cases at the moment are low, so there is no need for the most stringent public health measures to remain in force. That is why Mr. Speaker, Sir, from tomorrow the wearing of masks will become optional, and all venues may operate at full capacity. Churches can operate at full capacity, stadiums can operate at full capacity, social distancing requirements will no longer be enforced either. It is up to the people to apply the more than two years of experience we have with COVID-19 to do what makes them feel comfortable and safe.

These rollbacks will continue ramping our economy upwards. As that happens, we are committed to keeping taxes low on our tourism sector to keep costs down and encourage more visitors to come to Fiji. Mr. Speaker, Sir, as we now head into peak season, we expect to step up our marketing which requires additional resources. Turn on a television or go to the internet in the USA or Australia and you will see promotions for competing destinations - Mexico, Jamaica, Bali, Seychelles, Tahiti and Hawaii. We need to be there as well, fighting for the tourist dollar. So the marketing grant to Tourism Fiji will increase by \$893,000, to a total of \$20.9 million. In the revised budget, we are also allocating an increase of \$700,000 for Tourism Fiji's operational expenses. This will primarily be to bring back staff to five days a week and hire additional marketing staff.

Mr. Speaker, Sir, Fiji received 50,742 visitors from December 2021, when we opened our borders until February 2022. The first flights to land in Fiji were flown by Fiji Airways and our national carrier continues to bring in the bulk of tourists. Those dollars are flying into Fiji and staying in Fiji because Government support ensured that our national carrier has survived and it is here to stay.

Overall our network total bookings held for all markets is growing by 9 per cent week on week, and total bookings held of 226,889 are only 22 per cent lower than the 2019 levels. This 22 per cent Mr. Speaker, Sir, will disappear in the coming weeks as New Zealand ramps up. On the other hand Australia bookings held to 151,186 which is 5.5 per cent higher than 2019. North American bookings are growing by 10 per cent week on week and New Zealand by 34 per cent. People want to come to Fiji, and they need to know that we want them to come back and we are open for business.

Over the long-term, Mr. Speaker, Sir, we want tourism's revival to reach beyond its traditional hubs and the traditional ways to which we have become accustomed. We will be reforming



the management structure of Fiji Airports to tap synergies that drive more of its revenues towards investments that improve our airports, especially in the outer islands. As we extend ocean and climate commitments nationwide, like protected forests and marine protected areas, our recovery, Mr. Speaker, Sir, gives us a chance for a reset that opens Fiji to more sustainable blue and green tourism opportunities. And it is important that we have robust airport infrastructure nationwide that helps create these opportunities for Fijian communities everywhere in Fiji, including in remote locations. Tourism aside, that matters a great deal to all of us who want to visit our friends and family in these parts of Fiji.

Mr. Speaker Sir, we would not be in this position today without the extraordinary effort of our healthcare professionals who managed the COVID pandemic and we do not forget a single one of them tonight.

HON. GOVERNMENT MEMBER.- Hear, hear!

HON. A. SAYED-KHAIYUM.- We have been working hard over the last several years to modernize and improve our healthcare system, and the improvement shows in new urban facilities, greater coverage in rural areas, hospital in Navosa, more treatments and specialties offered, and generally better care. The pandemic put our entire system under enormous strain. But we think, Mr. Speaker, Sir, it also crystallized the thinking of many people about how we could deliver better medical care to our citizens by doing things differently - by outsourcing services, by encouraging more private medicine and by giving our citizens greater choice in medical care. We must continue to invest in our health systems but some of the most useful changes do not involve much expenditure, they mostly require changes in policy or regulation.

At the height of the Delta-wave of COVID-19 in Fiji, we announced that the Government would directly fund access to private Government Practitioners (GPs) for Fijians who used to depend entirely on the public health system. Since last year's announcement, Government has spent more than \$1.4 million to cater for the cost of general outpatient services under the Public-Private Partnership (PPP) with GPs. These services include consultations, reviews, referrals, some injections, some dressings and other minor services for more than 52,000 Fijians. This has eased the strain on the public health centres and enabled GPs to grow their patient-base - a win-win for the health of Fijians and the development of the medical profession.

Mr. Speaker, Sir, what is next for the health of our people?

Number one, we are building on that game-changing initiative. Imagine a Fijian in Fiji where every person can have their own private doctor if they chose. If they could visit a doctor who knows them and their family, who has treated them before and knows their lifestyle and their personal circumstances. We have fine doctors and they give good care in our clinics and hospitals but there is no substitute on a day-to-day basis for a personal relationship with their own family physician. That is the future we want to build for Fiji and that is where we are headed. We are also making more government-funded services available at these clinics, in the private clinics.

Beginning in April, Mr. Speaker, Sir, Fijians who qualify for the free GP Programme will be able to access a range of blood tests, multi-urine dipstick tests, ECG, nebuliser treatment, oxygen supply and ultrasound scans, all at no cost. The GPs will prescribe medicine and even provide the medicine to patients after hours if needed.

With FijiCare, we will soon launch a dedicated website for the initiative that contains Online Patient Information System to streamline the administration of the initiative. Through this online platform, GPs will have access to all those patients seen under the PPP scheme.

We also want to end the restrictive practices that have made it unduly difficult for doctors to enter private practice. These practices have been used by some doctors to restrict the market by keeping the number of private practitioners artificially low and they are unacceptable in a modern economy.

Currently, Mr. Speaker, Sir, a physician in the public sector, works for government, who wishes to establish a private practice must find another private practitioner who is on the approved list of mentors and the list of mentors in the private sector is very small. This is a very small list established by the Fiji College of General Practitioners. He or she then must work under that mentor for two years before being licenced to set up a private practice and that can be extended for six months at the recommendation of the mentor.

This, Mr. Speaker, Sir, has led to some truly bizarre situations and some appalling examples of the GP guild protecting its turf. For example, a physician with 15 or 20 years of experience in the government health system will still have to work under a mentor and at a significant financial sacrifice and we know of cases where mentors have coerced doctors under their supervision to sign agreements not to establish their practices within 20 kilometres of their mentors' clinic. This is outrageous cartelling and must be stopped.

We need to harness the experience of our physicians from the public health system and not force them to waste their time in what amounts to meaningless *pro forma* internships. It is an insult to people who have studied and practiced their professions honourably and well, and it wastes time that could be spent seeing people who need a doctor.

Our reform will begin by allowing any physician who has been practicing in the public sector for more than seven years post-internship to enter private practice immediately as long as he or she receives a certificate of good standing from the Fiji Medical Council and is admitted to the Fiji College of General Practitioners and holds a post-graduate qualification in General Practice that is approved by the College.

Physicians with three to five years' experience would still have to work under a private mentor for two years, while physicians with five to seven years' experience will only have to work under a private mentor for six months. The specific details on this reform will be prescribed under an amendment to the Medical and Dental Practitioner (General Practice) Regulations 2010. From tomorrow, General Practitioners under this PPP scheme will not be restricted from procuring medicine from the Government pharmacy.

Lastly, Mr. Speaker, Sir, another \$200,000 has been allocated to incentivise private GPs to open up new surgeries or clinics in rural areas such as Nawaicoba, Malolo, Naidovi, Drasa, Sabeto, Seaqaqa, Dreketi and Nasarawaqa. We can have private doctors set up clinics. We will incentivise them to go there. We will pay them some up-front fees and they can be based in those rural areas. People have to travel hours to reach their nearest health centre facility to get medical attention. Through this, we are trying to bring the doctors and the medical services closer to the people so they have quick access.

We will further support these doctors and the people they serve by engaging private medical laboratories to analyse blood samples referred by GPs engaged under this programme. Our rural inhabitants have the right to high-quality laboratory results, an essential component for the successful prevention, diagnosis and treatment of illnesses. This is funded at half a million dollars.

Mr. Speaker, Sir, as advertised last week, we would like to extend the service by adding more GPs in the areas not currently being serviced. This will increase the number of GP clinics available

to rural and low income Fijians that have been relying and who have been relying fully on the public health system; the general outpatient services and are not currently patients of a private GP.

Mr. Speaker, Sir, the Free GP Scheme will also now include free dental access to dental practitioners as we will now be engaging the private Dental Practitioners (DPs) to improve the oral health of all Fijians including school and children. People who once depended fully on the public health system for dental services and are not existing paying clients or private DPs will have government-funded access to private dental care.

Mr. Speaker, Sir, oral care is healthcare. Poor dental health is a major burden on society and a major source of other health problems. The more Fijians who can access regular dental check-ups, the more we will save in future costs to treat illnesses like diabetes, kidney disease and heart disease, all of which are linked to poor oral hygiene. The cost of these private dental services would be borne by the Fijian Government at an agreed price with individual DPs and private medical dental centres and hospitals.

We will offer services like consultation, oral examination, extractions and temporary and permanent fillings. Patients will be served faster and dentists will be able to expand their services to more patients through the same model as the Free GP programme. A half million dollars have been allocated for this initiative.

Mr. Speaker, Sir, we will also be outsourcing biomedical services like x-ray machines, Magnetic Resonance Imaging (MRI) machines, ultrasound machines and CT scanners. Public health system laboratories will also be maintained and operated 24/7 by the private sector in public hospitals.

Outsourcing has become popular as a method to streamline operations and control operating costs. This is especially true for hospitals and other healthcare facilities. Due to all the technological advances in biomedical equipment, keeping up with regulatory compliance has become a monumental, time-consuming task; one that can overwhelm both the staff and the budget. To improve the quality of care at our public hospitals, we will be outsourcing biomedical services. This will reduce operating expenses at our public hospitals, allow us to focus on our core responsibilities and maximise equipment performance and longevity.

By outsourcing the maintenance of medical equipment also, we will have immediate access to the highest-level technician for even the most sophisticated devices. The provider will have to ensure that qualified technicians are always available and there will be a requirement to have a certain percentage of up time. A half million dollars is allocated for this in the Revised 2021-2022 Budget.

Mr. Speaker Sir, as announced in the 2021-2022 National Budget, we are taking a two-pronged approach to ensuring affordable and equitable access to dialysis treatment in Fiji. First, we increased the subsidy from \$75 to \$150 per dialysis treatment for low-income patients; and second, we brought in Private Service Providers under the Kidney Dialysis Treatment Subsidy programme. Since the announcement of these changes to the Programme through the 2021-2022 National Budget, the Ministry of Health and Medical Services have engaged five Private Service Providers to supplement the Government-operated facilities in Labasa, Suva, Lautoka and Nadera.

Mr. Speaker Sir, to date, a total of 135 registered patients are receiving their subsidised kidney treatment under the Programme at six facilities across Fiji, with each patient receiving on average eight treatments per month. That support will continue in this revised budget with a funding of \$1.2 million.

Mr. Speaker Sir, medicine in Fiji was not free until we made it so in 2015, a move that has created an invaluable benefit to thousands of Fijians. The initial list covered 72 drugs that were available to low-income patients who could not otherwise afford them.

Since its launch, the list of free medicines has expanded to cover 140 items, comprising 136 medicinal products and four consumable items, mainly wound dressing materials. To qualify for free medicine, individuals have had to apply through the Ministry of Health and Medical Services or simply show they qualify for any of our many other social welfare schemes, such as the Poverty Benefit Scheme, Child Protection Allowance and Social Pension Scheme. As announced in the 2021-2022 National Budget, this initiative was extended to include patients served through the PPP General Practitioners Scheme. So, what is next, Mr. Speaker, Sir?

The Fiji Pharmaceutical and Biomedical Services Centre will launch an improved implementation model for the Programme in April of this year. Under the new model, participating private pharmacies will dispense listed medications from their own inventory and will be reimbursed by the Ministry of Health and Medical Services. This will improve efficiency and service. The transition from the old implementation model to new model will be done in phases, and will only be implemented with the consent of participating pharmacies. The Free Medicine Programme is funded at \$8 million.

Mr. Speaker, Sir, the newly upgraded Lautoka Hospital will hand over to Health Care (Fiji) Pte Ltd on midnight 31<sup>st</sup> March, 2022. Over a nine month transition period, additional staff will be recruited and trained. In addition, new systems and procedures will be implemented across all departments. From early May, open-heart surgeries will be available at the Lautoka Hospital — marking the first time in history that this procedure will be available all days of the year in Fiji. Other benefits will be added in the coming months including cardiac catheterisation, chemotherapy and renal dialysis.

Concurrently, work is being undertaken to build a new Lautoka Hospital or new wing at the current site with no interruption to services. Ba Hospital will move from Ba Mission Hospital on 9<sup>th</sup> April. All current services delivered at the Ba Mission Hospital will be provided at the newly upgraded Ba Hospital facility. But this is more than just a move, it is a wholesale upgrade of hospital services in the West. Two operating theatres will come online in the coming months, and the hospital will offer 24-hour cardiovascular surgeries, chemotherapy and other critical services. It will also give local doctors exposure and valuable training in these expert medical fields, where we want Fiji to excel.

Mr. Speaker, Sir we wish to give special thanks to the Australian Infrastructure Investment Financing Facility for the Pacific (AIIFP), which is willing to provide financing for this PPP and is also exploring the possibility of directly financing the project. Government is allocating \$13 million to operationalise the PPP arrangement.

Mr. Speaker Sir, the pandemic was also defining for digitisation. This Government has always seen connectivity as a key to economic growth and opportunities for our people. As a Pacific island nation separated from our neighbouring countries and even from our own fellow citizens by vast expanses of open ocean, we saw connectivity as a unifying force for society, government and business, and we have embraced it. We had already achieved nationwide connectivity which we relied on, during the pandemic to digitally pay out unemployment assistance through M-PAiSA and MyCash and to relay life-saving public health information. What is next is a national embrace of the rest of the digital revolution.

Our commitment is to provide equitable access — meaning high and reliable speeds to digital services everywhere in Fiji and to provide a digital payment option to all government services delivered to the public, all wages paid to civil servants and all assistance paid to the vulnerable. So civil servants who live in remote areas or who wish to have their salaries paid by M-PAiSA or MyCash, they can choose to do so. People on welfare - if they want their welfare payments to be paid on M-PAiSA or MyCash, they can choose to do so.

Mr. Speaker, Sir, more Fijians are becoming comfortable in online spaces everywhere. We have been personally to some of Vanua Levu's most isolated communities where we have established connectivity. We want to give a special thanks to those Fijians we met at Lutukina District School, Koroinasolo Village School, Qalitu District School, Dawara District School, St. Pauls Primary School, Wailevu East Primary School, Vunusalusalu Primary School, Volivoli Primary School, Lagi Health Centre and Dogotuki Nursing Centre who are able to stream this session of Parliament today as we speak.

As of now, 95 per cent of our people have access to high speed and low-cost internet across 3G, 4G and 4G+ networks. Now we are focused on connecting the remaining 5 per cent of unconnected Fijians. Mr. Speaker, Sir, last November, we connected 26 schools and 14 health centres in the Northern Division. Of these 40 sites, 26 have Wi-Fi hotspots that provide connectivity for the surrounding community. We have further identified 59 unconnected and poorly connected schools nationwide. We have allocated a budget to connect 10 sites in this financial year and undertake site assessments for the remaining sites to determine the appropriate solutions for each school and the surrounding community.

We are also working closely with the telecom companies to pinpoint the coordinates of the 317 unconnected or poorly connected sites we have identified, we can properly design innovative, cost-effective and sustainable solutions. In fact, this number has decreased because the telcos' infrastructure upgrades have increased connectivity in some areas. Under the infrastructure sharing model, 15 possible tower sites have been identified to connect at least 96 locations. The Universal Service Fund will then be used to install networks, provide services and cover operating costs in the universal service area, as provided under the law. We have allocated \$570,000 to undertake site assessments and identify the exact locations that have recently been connected.

Mr. Speaker, Sir, we have been consistent in our efforts to connect everyone to the digital television platform so that a person living in Southern Lau can watch the same programme on his or her television as the person living in Suva.

As a result, we had fully transitioned to the digital television platform by November 2021 for the areas from Pacific Harbour to Korovou and Nadi to Lautoka connecting over 130,000 households. We are now focussing on the areas from Pacific Harbour to Nadi and Lautoka to Korovou which will connect about 42,059 households by May 2022. Once completed, we can say that all of Viti Levu has migrated onto the digital television platform. We will commence with the digital switch-over activities for the Fijians living in Vanua Levu and other parts of Fiji in July of this year.

Mr. Speaker, Sir, given the recent global surge in COVID cases and as part of future-proofing our COVID-19 response efforts, we intend to roll out the Fijian Vaccine Pass (FVP) in the next few months. The first phase will be focussed on citizens and permit holders who have been vaccinated in Fiji and who need to travel overseas because overseas countries require proof of your vaccination. We have allocated a budget for the operational and technical components, including the set-up of FVP personalisation and issuance centres in the Central, Western and Northern Divisions.

The Fijian Vaccine Pass will be in both digital and paper format and contain an individual's profile picture for easier identification. It will be free of charge, safe and secure, and the vaccine certificates of all family members can be stored on one smartphone. It will also display negative COVID test results and issue a verifiable, secure and interoperable QR code that can be scanned and ingested by the Fijian Vaccine Pass app.

Mr. Speaker Sir, most economists and policy makers view unemployment assistance as a temporary measure, part of the social safety net that sustains people in hard times. That changed last year, when it became a vital economic, social and humanitarian tool. The assistance helped keep families afloat and injected cash into the economy. We know many people were grateful for it, and so were we. Every Fijian benefited directly or indirectly from unemployment assistance. The amount was less important than the fact that Government could be depended upon to maintain social stability and ensure that people did not become destitute and hopeless.

The Government in 2021 provided \$430 million through its unemployment assistance programme directly to more than 400,000 people in the formal and informal sectors. This programme was targeted at the population in Viti Levu because of the prolonged lockdowns and restrictions on the island. What is next, Mr. Speaker, Sir? While we can count on our recovery to deliver prosperity for Fijians, there is more we can do and we will do to heal the wounds of the pandemic.

Although many areas in the Northern Division were not under strict lockdowns for long, many people suffered economic losses because of their direct connection to the Viti Levu economy. Not forgetting those affected in the informal sector, this budget has allocated \$13 million towards unemployment assistance for people in Vanua Levu. These Fijians will have the opportunity to apply for a one-off assistance of \$100. The specifics of this plan will be announced soon as to when it will open up. This programme also includes a one-off assistance of \$50 to all social welfare recipients in Fiji. The bus fare subsidy for the elderly and disabled will be increased from the current \$10 per month to \$25 per month at a total cost of \$6 million dollars benefitting close to 40,000 Fijians. This was a major request because as we know the borders have opened up, people are now travelling more to get to markets or visit friends and relatives.

Mr. Speaker Sir, housing is a basic need and a right of every person. Government seeks to create the proper economic conditions and regulatory framework to ensure an adequate supply of housing, and it steps in to help people at the bottom of the economic ladder to secure decent housing.

Mr. Speaker, Sir, the First Home Ownership Programme was launched in 2014 to provide affordable and quality housing for low and middle-income earners. Since its inception, the Programme has assisted approximately 3,400 Fijian households with a total funding of \$36 million. That, Mr. Speaker, Sir, is an enormous amount and we can say about the nature of this Programme and how it functions, but the simple mission of this initiative is to give Fijians faith that owning a house is possible. Home ownership gives people something worthwhile and rewarding to work for and save for. For most people, a home is a single largest investment they will ever make. It is something they can pass on to their children because for all the growth that we create for the economy, what makes that prosperity count is the faith it instils in young Fijians — the faith that they can benefit and build on our success. We are not just talking about that promise, we are actually funding it.

Payments for the First Home Programme are in excess of \$5 million for the current financial year alone. In the 2021-2022 Budget, a total of \$4 million was allocated, and the total allocation was paid out within the first few months only, assisting 211 families. In other words, the uptake was enormous. So, what is next? More homes and more hope for the first-time home buyers and builders.

To meet mounting demand in the Revised 2021-2022 Budget, Sir, the Ministry of Housing and Community Development is provided an additional \$5.9 million in funding this particular support.

Mr. Speaker, Sir, the Ministry of Housing and Community Development is committed to review the Social Housing Assistance Policy to introduce a more sustainable and climate resilient housing assistance programme. The 2017 Census had revealed that 46 per cent of rural housing structures are of poor quality, with 42 per cent of houses made with tin and corrugated iron. We have all seen the aftermath of the new breed of super storms that are striking Fiji with terrifying regularity and the intensity is quite amazing and shocking. The shocking sight of metal sheets strewn about communities. They are a serious hazard, as storm winds rip them from roofs at killer speeds.

The only moral answer to the question of “what is next” for these communities is greater resilience. The revised policy will support the construction of cyclone certified homes. It will also move away from the old one-third and two-third contribution model. Instead, successful applicants will receive \$10,000 grant assistance for the purchase and transportation of building materials (building materials for an approved housing model.) The Social Housing Programme has been allocated \$600,000 in the Revised 2021-2022 Budget to implement the revised policy.

Mr. Speaker, Sir, in 2009, the Ministry of Local Government, Urban Development and Housing together with the People’s Community Network (PCN) Charitable Trust signed a Memorandum of Understanding (MOU) for the Lagilagi Housing Project in Jittu Estate, Suva, for the construction of 153 affordable housing units.

The first phase was the construction of 33 units, completed at a total value of \$2.9 million. Mr. Speaker, Sir, to date, 117 units have been fully completed at the total cost of \$15.6 million. Mr. Speaker, Sir, PCN has acted shamelessly in what amounted to a fleecing of people who had put their hopes in this project and handed over their hard-earned savings in deposit.

In 2019, the Fijian Competition and Consumer Commission (FCCC) conducted an investigation on the Lagilagi Housing Project after receiving numerous complaints. The FCCC’s investigation revealed significant problems in governance and risk management and substantial financial irregularities. The PCN kept the deposits of eligible people and then sold units to people who were not eligible, some who were in fact also wealthy business people. Other money that was collected had simply vanished. The whole thing reeked of corruption and fraud, Mr. Speaker, Sir, and the matter will now be referred to appropriate authorities for further investigation and legal action.

Mr. Speaker, Sir, we, as a Government, we feel that we have a moral obligation to repay the hardworking Fijians who worked hard and saved for homes they were promised. With the assistance of FCCC, the Ministry of Housing and Community Development has identified 3,367 complainants, whose deposits amount to some \$2.2 million which till to date, Mr. Speaker, Sir, as you go to certain restaurants waiters and waitresses will come up to you and say “I gave \$10,000, I have got nothing in return.”

In the Revised 2021-2022 Budget, the Ministry is allocated \$2.27 million for the reimbursement of the victims of PCN’s scams. In addition, the Ministry is in consultation with the Solicitor General’s Office to ensure that the lease titles are transferred from PCN to the Ministry of Lands and Mineral Resources because it was Government’s land after all. In good faith we gave it to PCN, they have abused it, the Ministry of Lands has now moved in and will get back the title of the land.

Mr. Speaker, Sir, \$4 million was allocated towards the iTaukei Land Development Programme, which helps *iTaukei* landowners develop their land for residential and commercial purposes or subdivide their land. Currently, there are nine projects being carried out under iTaukei Land Development Programme. We have completed construction works in Saweni, Wairabetia, Nasoqela, Vuda 1 and Yadua Subdivisions. Once all the projects are completed, there will be a total of 308 lots available for leasing - 270 residential lots, 14 non-residential lots and 24 industrial lots with a total land area of 61.02 hectares.

The Yadua and Nasoqela Subdivision in Namata are climate resilient, with underground cabling by EFL and climate resilience upgrade and progress for the other two subdivisions in Saweni and Wairebetia, which will incorporate climate resilient designs. These lots are now already available and people have expressed interest to invest.

In addition, earlier this month, the Vuda Phase II and Tubalevu Subdivision in Tavua projects were awarded for construction. The construction works at these subdivisions will soon commence. These subdivisions will be climate resilient compliant also. The Saravi and Viseisei Subdivisions are now under consultancy phase, with the design scheme being completed and necessary approvals are being obtained from the relevant regulatory authorities.

Mr. Speaker, Sir, improving the nation's infrastructure has been a priority of this Government from the beginning. We have been busily rebuilding Fiji's network of roads and jetties and we have ambitious goals to provide electricity to every household by 2026, and clean water to every household by 2030. We think every Fijian can look back to the condition of our roads 15 years ago and be pleased with the vast improvements. We are simply better connected physically today than ever before, and that is good for families and businesses. Roads everywhere suffer damage from storms and heavy traffic, but today our roads are well maintained and quickly repaired.

Continued investment in Fiji's transport infrastructure has been a priority of the Government, precisely because it is necessary for economic growth and the general welfare of the country. Sustained investments into roads, bridges and jetties give people access to services, facilities and markets. So, what is next for our roads? In the 2021-2022 Revised Budget, a sum of \$338.2 million is provided to the Authority, and \$13.1 million will enable FRA to carry out its daily operations and \$325.1 million will finance important capital programmes. A sum of \$72.9 million is allocated for the maintenance of Fiji's transport network and road assets such as drainage, footpaths, railings, signage, lights and signals.

Changes to our climate, Mr. Speaker, Sir, of course contribute to the increasing costs of maintaining our transport infrastructure, and \$21.8 million is allocated for emergency restoration works to key infrastructure that suffered damaged due to *TC Cody* and other severe weather events. Due to the damages to non-FRA roads since January 2022, due to *TC Cody* and heavy rain fall, as we saw that received such heavy rainfall that parts of our highway between Sigatoka and Nadi had been washed away.

Mr. Speaker, Sir, FRA also has been receiving requests for the repair of non-FRA roads and other assets, mainly repair of community roads, crossings, culverts and clearing of drainage. An amount of \$5 million is allocated for the rehabilitation for non-FRA roads as a one-off funding. Under this allocation, priority will be given to those roads that provide access to hospitals, health centres, schools, settlements, communities, villages and markets. Our programme to replace dilapidated jetties in our maritime islands will continue so that we can further improve accessibility and the delivery of services to these islands. Mr. Speaker, Sir, \$60 million is allocated to FRA for the renewal and replacement of severely deteriorated roads, particularly, under the "Rip and Remake" programme which has markedly improved the conditions of the sealed road network. Mr. Speaker,



Sir, \$34.02 million is provided for maintenance and repair bridges, \$14.5 million will fund ongoing contracts under the Rural Roads Programme which aims to enhance transport connectivity for our rural communities.

A sum of \$102.1 million is provided for the ongoing Transport Infrastructure Investment Sector Programme (TIISP) to rehabilitate major roads along Queen's and King's Roads, and complete the designs for the 40 critical bridges and three jetties in Natovi, Savusavu and Nabouwalu.

Mr. Speaker, Sir, the Nadi River Flood Alleviation Project is pressing ahead, with physical works to begin on a drainage system in Nadi Town proper and design works for the widening of the Nadi River to reduce flooding that has long devastated communities along the river. The project has been delayed due to COVID-19, but all efforts are now put into place to expedite the works.

We are funding that effort through a renewed mix of commitments from grant funding from the Japanese and Australian governments along with \$3million in government funding. Discussions will also be held with the World Bank and the Asian Infrastructure Investment Bank to gauge their interest for the project funding for Project B or Part B, which included river widening, river deepening and construction of a dike and desilting of the river.

Mr. Speaker, Sir, we have a water problem in Fiji, there is no doubt about that. A massive rural-to-urban drift and the increase in informal settlements in between Lami to Nausori corridor has placed a massive strain on ageing water infrastructure that we are urgently addressing. Some 310,000 Fijians now reside in the Lami-to-Nausori corridor (one third of our population), which is one of the many reasons that has caused intermittent water supply. Adverse weather conditions such as cyclones and heavy rainfall also cause flooding and high turbidity.

Moreover, the ageing infrastructure that makes up the reticulation system was built during our Colonial times and currently presents major challenges for both capacity and maintenance. There was no replacement or preventive maintenance programme for the ageing infrastructure, of course, some of which has been said was put in place during Colonial times or even indeed in the early years of our Independence.

The Revised 2021-2022 Budget for the Water Authority of Fiji is \$195.2 million of which \$80.7 million is for operating expenditure and \$114.5 million is for capital investment in our water and wastewater network. Some of the projects include emergency water tanks in communities where water supply is unreliable. Because while urgent work must be undertaken, communities cannot wait it out with an intermittent supply of water.

An allocation of \$6.3 million, Mr. Speaker, Sir, is provided to address the water disruption issues in the Suva-Nausori corridor, Nadi, Lautoka and Labasa. To date, 34,385 households have benefited from Government's free water initiative at a cost of \$475,000. This will continue to expand in this financial year.

The Government will be now bringing back, given the economy bouncing back the Rainwater Harvesting Programme whereby we provide a subsidy of 70 per cent for rainwater harvesting systems in rural areas. Applicants are required to construct the base for the water tank and gutter system. An amount of \$1 million is allocated in the Revised Budget to cover those applications pending at Water Authority of Fiji since 2019 and delayed due to the COVID pandemic.

The Viria Project will reduce the number and extent of water disruptions and other woes in the greater Suva-Nausori corridor, and an amount of \$40.9 million is allocated for it in the Revised 2021-2022 Budget. Despite delays as a result of COVID-19, construction is well underway and

expected to be completed by the first quarter of next year (2023). The total cost of the project, Mr. Speaker, Sir, is around a whopping \$270 million.

This is one of the largest water infrastructure projects ever undertaken in Fiji. Once completed, the project will increase the capacity of the Water Authority of Fiji in the Suva-Nausori area by 40 million litres per day with the plant designed for an additional capacity of 40 million litres per day.

Mr. Speaker, Sir, the Government has funded to the tune of more than \$187 million since 2012 to carry electricity to homes in our peri-urban and rural areas. This can only improve standards of living and increase economic opportunities and the investment reflects Government's commitment to provide affordable, reliable, modern and sustainable energy services for all Fijians with over 100 per cent national coverage by 2026.

A total budget of \$9.7 million has been allocated for the Housewiring and Grid Extension Programme; \$3.65 million of that total is for the complete installation of proper wiring in homes that will connect to the EFL grid system which will benefit 42,486 Fijians; \$6.1 million has been allocated to extend the grid to communities that are not currently served.

The extension of EFL grid networks will benefit the rural areas that do not currently have access to electricity. A total of 48 schemes will be implemented with more than 5,000 Fijians who will benefit from the programme - 13 in the Central Division, 29 in the Western Division and 6 in the Northern Division.

Mr. Speaker, Sir, during the next three financial years, the Fijian Government will be allocating a sum of around \$20 million to fund a total of 177 schemes for which survey and quotations have been completed by EFL.

I have got a long list here, Mr. Speaker, Sir. I mean in the interest of time I will not read out all of them but this will actually benefit more than 10,000 Fijians living in all parts of Fiji and this list can be published later on, Sir.

Last but not the least, the Government will also ensure that the households in the Central Division that do not have access to electricity in areas such as Korovou, Tailevu, Namosi, Naitasiri, and Serua will also be connected to the grid.

Mr. Speaker, Sir, agriculture was one of our most consistent drivers of growth through COVID. Some obscurantists deny the investment we have made but they sound silly when you see our record. With the full support of their Government, Fiji's farmers set a record in agricultural exports in the year 2020. Our objective is for that trend to keep rising exponentially if possible. That starts with recognising where consumer demand is headed and harnessing technology to step-up our scale, particularly in opportunity-rich niches.

Mr. Speaker, Sir, in order for our agriculture sector to develop, grow and adapt to new markets, social and climate conditions will need to adopt new technology. Government is supporting the Farm Mechanisation Programme with funding of \$500,000 and the Commercial Agriculture Development Programme (CADP) through procurement of small farming equipment, irrigation kits, and other agricultural machinery.

Many large scale livestock farmers essentially have been on their SELF. Mr. Speaker, Sir, SELF which is a new initiative called Successful Entrepreneurs in Livestock Farming is about those who are already big but have hardly received any or no assistance at all but we want to assist them

to grow now even bigger and get more cattle, pigs, sheep and goats. With some assistance, they will be able to increase the number of animals under their production and care and build larger livestock businesses.

We have farmers up in Keiyasi, across the river on the Kavanagasau side, they can only access through the West Bank but there are farmers there with 300 herd of cattle, 200 goats, 100 sheep with no assistance but they have done it on their own. These are the people we must actually carry forward because they will increase the food capacity of this country.

Mr. Speaker, Sir, by providing some assistance to them we will be able to increase the number of animals under the production and care and build larger livestock businesses. This will expand the market for meats, eggs and other animal products, introduce more competition in the market, and lead to higher quality and lower prices in the long term. By helping the “big boys” and “big girls”, now we can empower them to become even bigger producers - \$350,000 will be allocated to get this Programme off the ground.

Mr. Speaker, Sir, so far, despite huge price increases for fertiliser and almost all food, the price of sugar has remained remarkably and stubbornly stagnant, globally speaking. We have committed to pay growers \$85 per tonne, and we will honour that commitment, Sir. We understand that many cane growers want to plant different crops that have greater upside potential, especially small-scale growers. In fact, Mr. Speaker, Sir, many people would not tell you this, 43 per cent of sugarcane growers cut less than 100 tonnes per year but these growers are rightly concerned that if they plant other crops, they will lose their leases. They are simply holding on to their sugarcane leases because if they do not grow sugarcane, they will lose their leases, lose their homes.

We, of course, Mr. Speaker, Sir, should not allow this to happen. We have people who are unproductive farmers who are still continuing with the sugarcane industry simply because they will become landless or they will become squatters if they no longer have their sugarcane lease. We, as a Government, Mr. Speaker, Sir, Prime Minister as the Chairman of iTLTB do not want this to happen. So, Government is allocating \$500,000 to support cane farmers who seek to convert their sugarcane leases to agriculture leases to plant other crops or even just have a residential area.

The average age of a cane farmer is 59 years old. There are some older farmers who also want to give up farming and retire or move away from sugarcane farming into other more lucrative crops. They also will have the option to use a portion of their land and apply for a residential lease. Mr. Speaker, Sir, we will facilitate and work with the landowners through iTLTB and the farmers to help them obtain new leases and other assistance to have lucrative livelihoods and have peace of mind through residential leases. They will no longer be hostage to a system that keeps them chained to the cane industry even though they do not want to be part of the industry.

Mr. Speaker Sir, still on sugar, the global spike in prices is not affecting food and fuel. It is also affecting the price of fertiliser which is a global commodity with a price that can be influenced by multiple market factors beyond the control of producers. Some 44 per cent of all fertiliser materials are exported, which makes it highly sensitive to events and conditions anywhere in the world as well as transportation costs.

On 15th October, 2021, Mr. Speaker, Sir, the Chinese Government imposed restrictions on the export of nitrogen and phosphorus-based fertiliser until June 2022. The ban on phosphorus fertilisers has caused chaos on the international market, since China is the world’s largest exporter of DAP fertiliser, the world's most widely used phosphorus fertilizer. International sanctions on Belarus propelled spot prices of GMOP fertiliser, or muriate of potash, to almost double. And, of

course, Mr. Speaker, Sir, shipping rates have risen exponentially. Pre-COVID fertiliser was about \$45 per bag, now it is more than \$80 per bag.

It would crush our cane farmers to bear this burden without their Government's support. So we are stepping in to cover that entire price increase. That means, despite all this volatility, farmers will still pay \$20 per bag of fertiliser and the Government will pay the remaining \$60 through an additional \$9.7 million provided to the Ministry of Sugar Industry under the Fertiliser Subsidy Programme to support the procurement of fertiliser by South Pacific Fertiliser Limited.

HON. GOVERNMENT MEMBERS.- *Vinaka!*

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, it has long been this Government's philosophy to create an environment that allows people and communities to use their land in ways that best benefit them. Land is an asset that should be cherished and used wisely. Where possible that asset should become a cash-generating vehicle for our communities.

To ensure that international benchmarks are respected and best practices followed in land valuations, both the Ministry of Lands and the iTLTB shall outsource valuations to ensure that the landowners and the lessees get the true market value of the land. This will result in efficient and impartial valuations by sector experts and ensure that landowners get the appropriate valuations on their land. So many times we have seen that so much of *iTaukei* land has been leased out without proper valuation. We have seen the discrepancy with the *iTaukei* land with developing Yadua. We valued it – two-acre lots at \$750,000. Just 20 metres away, five acres of land has been leased out, 99-year lease at \$350,000. Mr. Speaker, Sir, so getting independent valuers will help the landowners and also help the lessees.

Mr. Speaker, Sir, the lengthy delays that people have experienced in the survey process before leases can be finalised is unacceptable and the economy has suffered needlessly for these inefficiencies. We have set up a working group with the iTLTB, the Ministry of Lands, Department of Town and Country Planning and the Ministry of Economy to address the backlog of surveys and streamline processes moving forward. A Memorandum of Understanding among these entities was signed today to establish a common purpose and commit the four agencies to cooperate fully and share information. These key agencies will be connected to the iTLTB's Land Development Vetting (LDVC) portal, allowing surveyors and the development authorities to connect through a digital platform to check the status of each survey. We will be allocating \$50,000 for the Facilitation of Resolutions to Lease Complaints by the Working Group. They will send teams to go out on the ground to attend to your complaints on lease matters and ensure we solve lease issues efficiently.

Mr. Speaker, Sir, an additional \$100,000 is being provided to the Plan Assessment Unit of the Ministry of Lands and the Department of Town and Country Planning respectively to provide additional staff solely focused on assisting the working group to clear the backlog of surveys and address all complaints.

Mr. Speaker, Sir, iTLTB has recognised that some of its subdivisions were not carried out professionally in the past. In a number of cases, lots sold became landlocked since they had no access to roads in the subdivision. There are tenants with agreements who have been languishing for years as a result. To ensure landowners get proper lease returns and get the full value and tenants get proper lease documents and tenants get proper leases, we will be providing an allocation of \$1 million to iTLTB for the development of access roads and to connect more than 200 tenants to public roads. This will possibly affect subdivisions such as Batiki and Wailase in Naitasiri, Vunivetau and Nailago in Dravo, Navitilevu in Korovou, Natokia and Vatia in the North and in places like Sabeto, Mr. Speaker, Sir, and many others.

This is a sign of things to come. Sir, iTLTB will now be moving into pre-packaging comprehensively-schemed subdivision lots. This will again increase the value of the *iTaukei* land. The development of comprehensively-schemed divisions and access roads will fully involve outsourcing of services by iTLTB for civil work contractors, engineers, surveying, valuation and planning for selected subdivisions and working closely with the Town and Country Planning Office.

Mr. Speaker, Sir, a further \$1 million is being provided to people with disabilities and low income families facing financial hardships to pay for residential and agricultural arrears. This will allow those in need to clear arrears and be in a better position with iTLTB and the Ministry of Lands where lease renewals are considered. Sir, iTLTB will also provide those individuals facing financial difficulties the option of a payment plan for lease renewals and lease offers. To further assist those in the agriculture sector, in this budget we are allocating \$500,000 to fund the cost of surveying of agricultural leases. We have not forgotten those facing financial difficulties with residential leases also and will also provide \$500,000 for the surveying of residential leases. This was all through the joint cooperation of iTLTB and the Ministry of Lands to ensure that we unlock land, provide more returns to landowners and expedite much needed economic recovery.

Mr. Speaker, Sir, we have spoken of some of the reforms we need in rural land leasing and development, but people in towns and urban centres often have the same ambitions, anxieties and frustrations over land use and development as rural dwellers and those in the cities too have faced the same anxieties as the rural dwellers. Our regulations have long placed unnecessary obstacles in the way of people who wish to develop urban property or lease rural land. Whether you are an entrepreneur who wants to build apartments in Nadi or a subdivision in Lautoka, or an aging cane farmer who wants to retire on his leased land, you will encounter the same headwinds. We are removing those headwinds.

Mr. Speaker Sir, as our recovery progresses, it is vital that we create opportunities for development by quite simply making it easier to invest, build and construct in Fiji. We also have to recognise important ways that the pandemic has changed our society and changed the regulations to give steam to some of the positives of the pandemic.

The Town Planning Act which was enacted in 1946 has procedures and processes in place that were relevant in that period. But some of these decades-old processes have unsurprisingly become redundant and outdated. These archaic provisions in the Act have delayed, and many times stopped development projects from progressing. This is particularly true of the provisions in the Town Planning Act dealing with changes to the town planning scheme, or the rezoning of individual lots or areas.

The amendments proposed will reduce the bureaucracy around the notification and objection period. By reviewing the notification requirements, we are reaching out to more Fijians to have a say on the proposed rezoning. Since we are using a wider mode of transmitting the notification to the public—that is, websites, widely used publications, and all forms of media, the notification and objection period has been reduced to 14 days with the ability to lodge an appeal to the Permanent Secretary on the decision of the Director of Town & Country Planning.

Mr. Speaker, Sir, our towns and cities have evolved significantly over time, however, the Town Planning Schemes governing the planning and development of our towns and cities have not changed a bit in nearly two decades. For example, the Toorak area was mostly residential in the late 1970s, but today most properties are zoned as Commercial. It only makes sense that the remaining properties follow the natural extension and be rezoned as Commercial. This will reduce the need for property owners to apply for amendments on an ad hoc or case by case basis and be subjected to an unnecessary and cumbersome process each and every time.

Having block rezoning will cut out the unnecessary bureaucracies and enable the proponents to immediately commence with the lodgement of their building plans and get their developments going on the ground. We have consulted closely with the Director Town and Country Planning, the municipal councils and relevant stakeholders and identified areas to be blocked-rezoned to Commercial in several locations, including Suva, Nasinu, Lautoka, Ba, Sigatoka, Nadi, Savusavu, Nausori, Rakiraki and Tavua.

By way of amendment to the Town Planning Act, the Permanent Secretary responsible for town planning will immediately approve block rezoning of those areas. This blanket Commercial zoning will be applied over the properties that fall within designated areas. However, we will not disadvantage any residence within the area. If any affected property owner wants their property to remain zoned Residential or has a residential dwelling on site, he or she will continue to pay the Residential Town/City rate until such time the property is converted for Commercial development. This is a win-win situation for property owners. First, the property owner will fetch higher rental because the property value will increase. And if they wish to engage in commercial activities, they will not have to go through the process of rezoning.

Mr. Speaker, Sir, we announced a new incentive package to encourage investments in subdivision projects for both residential and commercial lots in the 2020/2021 National Budget. Any profits derived from the sale of these new lots are tax exempt along with customs duty waivers for construction inputs. This incentive was due to expire on 31st July, 2022. This will now be extended for another 24 months until 31st July, 2024. Subdivision of land is a lengthy process, and a large number of investments were delayed due to COVID, so it makes sense to continue this assistance.

Mr. Speaker, Sir, since the beginning of the pandemic, a number of Fijians who lost their jobs took their skills home and began operating home-based businesses, some in catering services, some in bakeries, some as hairdressers or as consultants in the area of expertise and some of these entrepreneurially-minded Fijians are not looking back. They do face challenges, such as being required to rezone to commercial before operating the business. This requirement is so onerous that it has pushed some micro, small and medium entrepreneurs out of business.

Through amendments to the Town Planning Act General Provisions for Schemes and Areas, we will allow home-based businesses to operate from residential areas without going through the rezoning process, provided they meet set conditions of operations that are in keeping with the residential nature of the area. These would include restrictions on noise and equipment, signage, traffic, hours of operation and storage of hazardous materials. We can allow these businesses to operate in a neighbourhood so long as they do not make that neighbourhood less quiet, peaceful, and liveable.

Mr. Speaker, Sir, as per the 2021-2022 Budget announcement, the Town Planning General Provisions 1999 were to be amended to remove the stringent planning requirements for zoning and building-permit applications. These 23-year-old requirements are badly out of date with our modern development needs. For example, single dwellings were once constructed in a 1,000 square metre property. Now, space is at more of a premium and the developers prefer to maximise the use of the site by building higher.

The review process has been conducted and amendments to the Town Planning General Provisions 1999 will include simplified zones to reflect modern classifications, as currently used in places like Australia and New Zealand, reduction of setback requirements for multi-storey buildings, and increased density for unsewered residential lots. This will reduce the ad hoc requests that need to be put to the Director Town and Country Planning's office for approval.

Mr. Speaker, Sir, in order to counter inflationary pressures and support our vision of empowering Fijians with their first property, we will be regulating the commission charged by real estate agents on residential properties. This will also ensure that transactions occur in a fair and transparent manner and that we weed out unscrupulous agents. There have been serious issues of price gouging in the real estate market and instances of collusion that are driving up the prices of homes everyday that Fijians are looking to buy.

We have seen commission rates as high as 8 per cent. And today as we know, a real estate agent can simply take a photograph of your house on their phone, put it on *Facebook* and the cost of them advertising is practically zero and then they come and claim 8 per cent from the person for whom they sold the house or 5 per cent or 3 per cent.

This is actually pushing up the price of real estate in Fiji and the ordinary Fijians are actually being priced out of this. There is general consensus amongst stakeholders such as Real Estate Agents and Licensing Board, property developers, architects and engineers to regulate the commission rates. Below a certain price threshold, which will be finalised in the regulations, we will be limiting the commission charged by real estate agents on what we call “low income residential properties” to no more than 3 per cent of the sale value. We are looking at this moment properties that are \$1.5 million or less.

Mr. Speaker, Sir, Fiji needs to invest in more skilled and educated people, and we will need more and more of them in the economy of the future. This has to be a priority to provide opportunities for our young people to gain skills and education they can put to work here in Fiji. We already face a shortage in the trades, particularly the building trades. Fiji needs programmes and incentives for our people to gain both the skills and the education they will need to fill important roles across the economy and there is no better moment than our recovery to make those investments in our people.

Mr. Speaker, Sir, that commitment begins with young people in Fiji. The past several years have heaped anxiety on young Fijians. During the pandemic, our primary and secondary students lost months of in-person learning. New job-seekers entered the worst market for jobs ever and recent hires were often the first crop to be made redundant or sent home. Meanwhile, the climate emergency can make their future feel untenable, with every cyclone serving as a traumatic reminder of how serious this crisis has become. To the young people of Fiji, we understand how difficult all of this is for you. We have heard from you, many of you first-hand and the bulk of the initiatives in this mini-budget are designed for your benefit, because you deserve a secure future where your hard work can guarantee a rewarding life, and we know you have the ability to make that possible for yourselves.

We invested in your education for years by paying school fees, subsidizing transportation to school and paying for your textbooks. We have invested in your access to digital tools and technology. We have promised you that your future would be determined by your skills and qualifications and not by your last name or family pedigree. Now your generation which is the most skilled, the most unified, and the most hopeful in history is entering higher education and the workforce. As you do, the commitment from your government could not be stronger.

First, to all those in universities, all those preparing for universities and colleges, you will be supported to realize your dreams. Every ambitious and talented young person should be able to complete education through either loans or scholarships. That is rock solid commitment. This commitment is about you. But more so it is about our country. Our recovery, our enterprise and industry and our economy cannot be sustained, if we do not invest in you, especially young people, across all the skills and capabilities that are needed for a modern economy. Mr. Speaker, Sir, in the 2021-2022 Budget, a new quota system was introduced for TELS, and the entry mark increased from 250 to 280 and to 300 for Year 13 in areas where there was an oversupply of graduates.

This new quota system in TELS was introduced to balance funding between the areas of high priority and skills shortage and manage the areas of possible oversupply. The situation significantly changed after the announcement of the 2021-2022 Budget. The second wave of COVID-19 had a significant impact on the education of students, and we completely understand how that has affected their performance in the recent examinations.

The Government has considered a one-off temporary measure to reduce the TELS entry mark to 250, except for the Commerce category where the cut-off mark will remain at 280 with a quota of 850 due to oversupply of graduates. In other words now, for TELS, if you get 250 you will be eligible for TELS. Programmes in the Commerce category will still require an entry mark of 300. The quota for TELS for degree programmes will now be increased from 2,000 to 2,942 with increased attention to areas such as Medicine and Health, Engineering, Science and Technology.

The Accelerated Repayment Incentives (ARI) for TELS students was introduced in the 2018-2019 Budget to offer TELS students heavy discounts for the early repayment of loans. For this initiative, the determination of the repayment period for discount eligibility will exclude 2020, 2021 and 2022 because a lot of them lost their jobs, some went on part-time work, so again obviously, we cannot expect them to continue with the repayments. So 2020, 2021 and 2022 will not be counted as the three years.

Mr. Speaker, Sir, we also recognize the contribution made by the nurses in our health sector. The quota for nursing was set for 100 students for 2022 new intake, but this may not be sufficient given the fact that many nurses are resigning, either leaving the profession or relocating. To fill the gaps created by resignations and migration of nurses, the TELS quota for Bachelor of Nursing will be increased to 350.

Mr. Speaker, Sir, as part of the 2020-2021 Budget announcement, funding for the MBBS programme was suspended under NTS and TELS. This decision was based on the fact that Fiji had met its stated goal for the doctor-to-patient ratio and that we had graduated more doctors than there were vacancies in Fijian medical facilities, in particular in the public health system. Times, of course, Mr. Speaker, Sir, have changed since then. Our experience with COVID-19 brought on the engagement of General Practitioners to improve access to medical services, as we mentioned earlier. This creates more employment opportunities for graduate doctors in both public and private hospitals and private clinics. Furthermore, private sector investment is burgeoning in the medical sector, which will create space for Year 6 clinical attachments and employment opportunities. We are also going to put more doctors in rural public medical facilities given this shift and we will be making some policy announcements in that. Generally, now we have nurses, we will be putting in doctors in some of those areas.

Given this shift, Mr. Speaker, Sir, the Government will also provide 20 MBBS and 5 Bachelor of Dental Surgery awards to new students who have completed Year 13 with a mark of 340 in 2021 through National Toppers Scheme. Those students who are registered on the TELS Online Portal for 2022 intake can apply or change their programmes to qualify. To accommodate private MBBS students of 2021, the NTS scheme will change to include those who did Year 13 in 2020, had marks of 340 and above, a GPA of 3.0 and above in 2021, and combined parental income of less than \$100,000.

Mr. Speaker, Sir, in the 2021-2022 National Budget, the Government allocated funds for MBBS students who had privately enrolled and met the criteria for a one-off \$10,000 Government Grant. In February this year, 42 students were selected and can use the grant to clear off the fees for 2021. Government will now provide full-time scholarships under the National Toppers Scheme



effective from Semester 1, 2022. This will amend existing scholarship regulation to include the students who did Year 13 in 2020.

Mr. Speaker, Sir, young people in Fiji understand why climate change is such an important issue. They see through the denial of the past generations who have caused this crisis and they are vital to Fiji's leadership on the world stage. But we know, Mr. Speaker, Sir, young Fijians do not just recognise the problems, they want to know what they can do about it. They want to become the experts, they want to be the leaders and it is our duty to give them that chance by becoming a hub for the world's climate policy research, especially on climate adaptation.

Australia's Monash University is keen to establish a joint "Monash-Fiji National University Pacific Climate Change Research Centre" that offers high quality research opportunities that produce world-leading climate change mitigation and adaptation issues and high quality training and capacity building for policy makers in the Pacific. This collaboration will benefit Fiji through engaging with one of the leading global universities. The collaboration will give its students and researchers' direct access to major funding partners like DFAT, JICA, AusAID, NZAid, EU, ADB and others. It will produce Pacific experts who help the world meet this challenge because it should be Pacific people who lead on an issue that impacts us more severely than anyone in the world.

The Research Centre will be funded initially through the seed funding from Monash University to fund and host the Centre Director. Other fundings will be secured from donors such as DFAT, AusAID, NZAid, JICA and the Fijian Government.

Mr. Speaker, Sir, once our young people complete their education, they should find a market for jobs that is brimming with opportunity, not only for careers but for companies they may wish to start. And not only in traditional sectors, but in the world class and highly sustainable green and blue Fijian economy that we are building. We urge here, Mr. Speaker, Sir, to the young people, we may say "pursue opportunities that our country will need for that." This may include anything from sustainable forestry, to marine conservation, to green shipping, and oceanography to sustainability. All industries will need these skills. Society will need these skills and indeed, Mr. Speaker, Sir, the world will need these skills.

The Ministry of Environment launched the Jobs for Nature Rehabilitation Programme (J-NR) in June of last year focusing on protection, restoration and rehabilitation of the natural environment; 76 projects from Ba, Tuva, Rewa, Labasa and Tunuloa catchments have been awarded the J-NR grants through the Fiji Ridge to Reef Programme which is being managed by the Ministry of Environment. The projects have received their first disbursement of 60 per cent of the \$45,600 allocation. The remaining 40 per cent or \$30,400, will be disbursed after monitoring and evaluation is completed.

Mr. Speaker, Sir, Fiji is investing \$83 million over time in the world class Fiji Airways Aviation Academy. The Academy reduces the high cost of training that was incurred by Fiji Airways and allows us to train more local pilots, thus reducing the need for foreign pilots and producing savings of around US\$10 million a year. We trained pilots from other airlines during the pandemic, and the demand by other airlines to use our facility is growing. Every day the Academy is helping put Fijians in the cockpit including women. These are great jobs that often were going to expatriates when they should all be held our people and the Aviation Academy is making that happen.

The Academy, Mr. Speaker, Sir, also kept our pilots ready to fly through the pandemic. There is no question we would not have been ready to re-open the border on 1st December without it. The Academy is also used for cabin crew training, some of which was previously done in Australia and Singapore. This produces about savings of around \$10.3 million annually.

Mr. Speaker, Sir, we want to apply that same academy-based educational model to other sectors including in shipping. This is a booming sector for Fiji's budding blue economy and one that will increasingly help to drive our net-zero commitment. Construction to modernise the facility and provide a better learning environment are partially completed, which allowed the Fiji Maritime Academy to open its doors for the 2022 academic year. As of 21st March, 2022, the Academy had opened its doors to start the new academic year, with a number of short courses and from July to August this year, Mr. Speaker, Sir, a Bachelor in Nautical Training in the Marine Academy will be available. This is, Mr. Speaker, Sir, has got IMO certification.

Mr. Speaker, Sir, the Maritime Academy is now becoming a regional academy. Now, we have got students coming from Papua New Guinea and various other Pacific Island countries. We wish to put on record the training and the partnership with CINEC that allows us to get the IMO certification which also helped Maritime Safety Authority of Fiji (MSAF).

In the 2021-2022 Budget, Government announced a 20-year tax holiday incentive for Business Process Outsourcing (BPO). Government continues to assist the BPO sector, and will set aside 300 awards for BPO Training under TELS for TVET at FNU which has an existing allocation of 5,000 awards. Mr. Speaker, Sir, as noted in Parliament previously, this is the only sector in Fiji during the COVID period in the last two years that grew 3,000 jobs.

Mr. Speaker, Sir, means-testing criteria was introduced in the 2021-2022 Budget and combined parental income exceeding \$100,000 is tested against the number of dependents and extenuating circumstances. Business owners will be required to submit the latest tax assessment showing business profit and business net worth. The new means-testing criteria will require applicants to have a combined family income of less than \$100,000 or business net worth of less than \$100,000 unless extenuating factors apply. This will be effective from 2023.

Mr. Speaker, Sir, Government will provide funding for development of Fiji's 10 Year Human Capital Development Plan. The Plan will provide prudent guidance for planning and investment in tertiary education. The TSLS will host the Secretariat and lead the coordination, and will be funded \$80,000 for this project for the remainder of the financial year.

Mr. Speaker, Sir, to date the Fijian Government has assisted a total of 100 Fijians under the Reskilling and Retraining Programme announced last year, with another 500 students currently undertaking courses and more expected to apply in the near future. Given the success in the Reskilling and Retraining Programme, offered through FNU, the Government has included an additional seven short courses that are in highly sought areas, including Caregiving, the Fundamentals of Baking and Patisserie, Cooking, Food and Beverage, Screen Printing Artwork and Designs, Household and Sanitary Plumbing and Domestic Electrical Installation. A budget of \$1 million has been allocated for this programme.

Mr. Speaker, Sir, our recovery is an opportunity to accelerate towards net-zero emissions within the legal framework of our Climate Change Act. The activities and requirements we must now advance under the Act all support mutually beneficial outcomes for communities, the private sector and public services. On the whole, the Climate Change Act will create cost-savings for our economy, as it is designed to help us best prepare for and avoid climate risks and impacts.

Mr. Speaker, Sir, we have proposed an electric shuttle bus project that not only makes good economic sense for an urbanising country, but which aligns well with Fiji's global climate leadership. We need clean and efficient urban mass transportation, and we are pleased to report that the project is progressing well. The technical analysis on the electric-shuttle-bus ecosystem has been completed, and that will be trialled with the construction of a suburban Shuttle Terminal in Valelevu later this

year. The electric shuttle bus will facilitate transit between commercial centres. Shuttle buses with 22 seats will run every five to ten minutes along 23 new routes. We have identified the first routes to be tendered and electrified for the pilot. The charging infrastructure to service these routes will initially be housed at the Valelevu Shuttle Station. This means cleaner transportation that decreases pollution, noise and increases comfort for its riders. Further shuttle terminals will be coming to Nakasi and the Tavakubu area in Lautoka.

Mr. Speaker Sir, Government takes seriously the need to manage our solid waste and end littering and the proliferation of plastic waste and other debris into our waterways and oceans. To develop a strategy, we will allocate \$45,000 for a consultancy for the development of Fiji's Container Deposit Regulations (CDR). The intention of the proposed regulation is to minimise environmental pollution by establishing a container deposit scheme that will incentivise recycling behaviour in Fiji. A consultant has been identified to develop the CDR and will conduct a review to identify implementation issues from Pacific and other countries that have adopted container deposit regulations.

Mr. Speaker, Sir, court hearings were limited during the COVID-19 pandemic for safety reasons, which caused new cases to accumulate and remain unresolved. Now that we are in a post-pandemic era, the Judiciary has positioned additional judges and magistrates around the country to hear the pending cases. We recognise that justice delayed is justice denied, so \$600,000 is provided to supplement the Judiciary's operations. The Government also continues to strengthen the services of Fiji's judicial sector through the construction of the new Nasinu and Ba Magistrates Courts, for which an additional \$2 million is allocated. The new courts will address the backlog of cases, lack of space for breast-feeding mothers attending family court and congested staffing spaces.

Currently, Mr. Speaker, Sir, a person only needs to be lawfully present in Fiji for 10 out of the 15 years prior to lodging an application for naturalisation. We will be increasing the requisite aggregate period to 15 out of the 20 years to protect and enhance the value of the Fijian citizenship. While citizenship is becoming more difficult to obtain, we are adopting a more liberal approach for those looking to obtain work permits and investors seeking to establish permanent residency.

Mr. Speaker, Sir, as we all know, taxis play an important role in providing accessibility to many Fijians, because they give us flexibility, and yet the system we now use limits the very flexibility that people require from a taxi service. Fiji will now do away with the Base and Stand system and adopt the Open Taxi Ranking System (OTRS). For the taxi industry, this is the most important change in 33 years. Fiji has over a total of 4,222 valid taxi permit holders who will now operate from one of the 453 open taxi ranks - 264 existing ranks and 135 new ones. Mr. Speaker Sir, the OTR System is designed to ensure that service is efficient and reliable while giving the taxi operator more opportunity. The OTR System allows taxis to operate from any rank within their designated areas of operation on a first-in, first-out basis on a rotational basis. So, all taxi operators can pick up passengers in a fair and orderly manner and avoid illegal operations, particularly, private vehicles operating as public service vehicles. The framework also allows taxi drivers to operate as and when they wish to. The system will be effective from 25th April, 2022.

Mr. Speaker, Sir, we should note that this policy does not apply to the private taxi bases, which are a commercial arrangement between the taxi operators and the base owners. But taxis operating from the private taxi bases will not be allowed to pick up passengers outside of their private base of operation or from any of the 453 open taxi ranks.

The introduction of the open taxi rank system has meant the removal of paid Bases and Stands in Fiji. You do not have to pay the base stand fees. The fees formerly associated with bases and stands

will be replaced with an annual PSV levy to be paid at the time of annual vehicle registration at the LTA. Sir, LTA will soon announce the amount of levy and as to when it will commence.

Previously, driving instructor licences were issued for five years per subject to annual renewal. Driving schools permits were issued for three years but subject to yearly renewals. We will be removing the requirement for annual renewal. These changes will remove the unnecessary burden of yearly renewals in terms of licensing requirements for existing Driving School and Driving Instructors Permit (DIP) holders.

The idea is to promote self-development among Driving School and DIP holders and reduce bureaucracy. The LTA recognizes the important role Driving Schools and DIP holders play in moulding the skills and mindsets of future drivers. Through this amendment, Government is expressing its trust in the responsibility and trustworthiness of driving schools and licensed driving instructors to give sound instruction and comply with regulations.

Mr. Speaker, Sir, the Government will continue to pay for the police clearance report fees for those who need it as a job requirement or for obtaining a PSV Driving licence, that is for taxi drivers, bus drivers, mini bus drivers and carrier drivers.

Given that police clearance is also an essential LTA requirement for both PSV drivers, for example, employment opportunities from 14<sup>th</sup> April, 2022, police clearance will be obtained from all LTA offices. It will be a "one stop shop" and the Fiji Police Force will have a Memorandum of Understanding (MOU) with LTA to implement this initiative. At the moment if you were, for example, in Tavua to get your police clearance you have to come to Suva, Lautoka or Nadi. Now you will simply be able to go the application at the LTA office and then you will get the Police Clearance from there once the police actually gives you. So, it stops all the funding that is required for you to get your clearance.

Mr. Speaker, Sir, in order to keep local trading activities and businesses afloat, an allocation of \$500,000 has been set aside for Trade Enhancement. This programme is essentially a lifeline of \$500 will be provided to successful applicants who are recovering from the impact of COVID-19 and aim to kick start their businesses.

For instance, Mr. Speaker, Sir, we met a lady in her 50s in Nadi who was a spa worker at one of the resorts. During the pandemic she was laid off so she took the spa home and started her own business from Nadi. Her reputation earned her customers all the way in Suva particularly among expatriates. So she would hire a vehicle, grab her spa table and take it to Suva, a costly process. The costs were eating up her profits and leaving her with nothing to support her family.

So she asked the Government to help her buy a second hand table that could be kept in Suva. That allows her to hire a smaller vehicle and keep more money in her pocket. That is the sort of initiative we would like to see and are happy to support. There are many tradespeople who want some start-up tools. They do not necessary will go and get a loan but just with a few things they will be able to start up their own business and we have seen that evolution take place in the workplace environment. Mr. Speaker, Sir, this start-up cash programme will be administered through the Ministry of Commerce, Trade, Tourism and Transport, and more details around this programme will be announced soon.

Mr. Speaker, Sir, we overcame the pandemic together through the everyday heroism of civil servants, members of the private sector and our development partners who stepped up when Fiji needed them most. We particularly want to thank the governments and people of Australia, New Zealand, India and the United States for their support in particular the vaccines support.

We have allocated \$250,000 towards a civil service recognition programme whereby these development partners, private sector partners and civil servants who served the nation during COVID-19 pandemic will be recognised for their outstanding courage, compassion and commitment.

Mr. Speaker, Sir we are also going to further engrain that spirit of service and patriotism in the culture of the civil service. We have already placed merit at the centre of the civil service at every level, and our civil service has responded. Some, of course, have responded far better than others and we need to be able to ensure that we marshal these resources and ensure efficient Government services. The highest performers are setting an example and creating a culture of pride and higher standards. The next step is to put measures in place to build on the better services we offer the public.

A Customer Service Guideline for the whole of civil service has been drafted that consolidates all aspects of processes and activities to provide services to the Fijian public. This Guideline will reinforce the policies and procedures already in place by providing standard tools that our civil servants will use to ensure that our citizens receive timely, reliable, effective and impartial services. The Guideline sets standards of performance, with emphasis on face-to-face and virtual modes of engagement and provides guidance on managing complaints, feedback, surveys, form design, customer relationships and risk.

Fijians who use Government services should expect to be treated with respect as a baseline. Our civil servants need to be courteous and need to be empathetic. Our civil servants should feel that questions are taken seriously and answered honestly and promptly. When they need to provide information to the Government, it should be easy to do through forms that are appropriately designed. Our service areas must create a welcoming environment and place customers at the centre of service delivery. We want to encourage feedback, including complaints, because that will help us improve.

Our citizens need to be addressed as Mr., Ms., Madam or Sir. These guideline is user-friendly and provides detailed steps that can be easily incorporated into each Ministry's work processes and adapted by the frontline civil servants on duty.

The Government Mr. Speaker, Sir, is conducting a thorough civil service salary review to determine appropriate competitive remuneration, that is, salary and benefits for positions we know that require scarce skills and personnel that we need to retain. We have seen this continuously, highly sought-after civil servants get posts by multinational agencies and other regional agencies. There will be a review of the civil service salaries for retention and scarce skills. An allocation of \$50,000 has been provided for this exercise.

The position, for example, Mr. Speaker, Sir, of Principal Veterinary Officer is a good example. The 2017 Job Evaluation Exercise determined that the skills required for that job did not exist in this country, let alone in the civil service. Taking into account remuneration data from the private sector and benchmarking against several other positions, the position's remuneration package was reviewed so that we could attract and retain possible candidates. The same has been done for several other positions in Government. This study, Mr. Speaker, Sir, will allow for a more comprehensive review, in lieu of ad hoc application of Job Evaluation Guidelines. Mr. Speaker Sir, for the teachers, we are allocating an additional \$2.7 million to appropriately remunerate 312 teachers who have taken the initiative to upskill their qualifications.

Mr. Speaker, Sir, with the economy recovering and the projected increase in revenue collections, we will be able to roll back certain expenditure control measures that were announced in 2020.

Effective from 1st April, 2022, overtime will be reinstated for all civil servants on Band E and below. Overtime will also be reinstated for registered nurses on Band F. Other officers on Band F and above will be entitled to Time Off in Lieu of overtime pay. This was as per the past practice and this of course always excludes teachers. The Ministry of Civil Service, Mr. Speaker, Sir, will be issuing a circular in the coming week. Meal allowances will now be increased from \$10 to \$15.

Mr. Speaker, Sir, we will also be bringing back rural and maritime allowances with an allocation of \$1 million. We recognise the extraordinary efforts by dedicated and committed civil servants who work in remote locations. With immediate effect, civil servants will be paid maritime allowance and following the reconfiguration of the definition of rural, as a lot of previously rural areas are now peri-urban, those in deep rural areas will be paid an allowance also.

HON. GOVERNMENT MEMBER.- Hear, hear!

HON. A. SAYED-KHAIYUM.- Mr. Speaker Sir, the last Wage Review was held in 2018 and was due for review in 2020. It would have been indefensible and quite cynical really to review the minimum wage rate during a pandemic that put more than 100,000 people out of their jobs or on reduced hours. We focussed instead on providing assistance, as was right.

As things are normalizing, we have conducted the review that was planned for 2020 through Dr. Partha and we are able to consider new pressures, like imported inflation.

For weeks, we have held extensive and productive consultations with employers, employees and other stakeholders about wages. Every consultation was open to the public, but regrettably the unions and their representatives and political parties who were watching from the sidelines never bothered to give contributions or even show up to the public consultations. And in fact, Mr. Speaker, Sir, as was required only a few of them turned up to the Employment Relations Advisory Board (ERAB) meeting. Of course some of the others did not. No matter that, Dr. Partha was able to speak directly with the people who will be most affected by a rise in the minimum wage, both in the formal and informal sectors. These are not the privileged or unionists who drive in their Pajeros, they are people we encounter every day in restaurants, convenient stores and petrol stations. They may tend gardens or clean offices or they are what we unfortunately in Fiji call “house girls”. They do much of the work we take for granted every day and their wages should rise as the prices of food and other essentials increase.

Mr. Speaker, Sir, we will increase the minimum wage to \$4 an hour in stages over a one year period from its current level of \$2.68. The revised minimum wage rate will be implemented in four tranches, starting at \$3.01 from 1st April, 2022, \$3.34 from 1st July, \$3.67 from 1st October, 2022 and \$4 from 1st January, 2023.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, we are doing so because we do not want the employers to get an immediate shock. From all the other 10 wage sectors, the minimum wage rate will also rise in tandem with the new rate and topped up by the relative difference between the current national minimum wage rate and the sectoral wages. However, we also need to review the existing 10 sectoral job classifications. The current classification for the 10 sectors is decades old and does not reflect the modern economy and indeed modern day work practices. Take for example the printing industry. The sector has changed dramatically in this century through automation and digitisation but the job classification has not changed at all. In fact, it does not even recognise that there is digitisation in the printing sector. We have to recognise these shifts and align sectoral wages

with market realities to ensure that people are paid wages for the jobs they perform. Mr. Speaker, Sir, \$50,000 has been allocated to carry out this review.

Mr. Speaker, Sir, Government has also allocated funding of half-a-million dollars to adjust the wages of civil servants who are hourly paid because of the new minimum wage.

Mr. Speaker, Sir, we have to also remember there is still a lot of folks in Fiji who work for themselves in the informal sector who do not make set wages. A responsible rise in the minimum wage can benefit them indirectly because higher wages mean more spending and that is certainly good news for someone selling roti parcel or *lovo* packs or selling boiled *ivi* by the side of the road or the many thousands of other Fijians working in our informal sector.

Mr. Speaker, Sir, however, a rise in wages must also signal a rise in productivity and we must reward rise in productivity where they happen and root out areas that limit Fiji's productive capacity. Unfortunately there has been a troubling trend of workers being repeatedly absent on Mondays with the excuse of family care leave. This impacts productivity and the overall profitability of businesses, many of which barely survived the pandemic. We have decided to put family care leave on hold given the announced rise in wage rates. As a further measure to ensure we make the most out of the next few months and in fact the year, at least, paternity leave is also now going on hold.

Mr. Speaker, Sir, higher productivity must be a good thing for employers and employees alike. So, we are going to further ensure that every hardworking wage earner trusts that their role in improving the nation's productivity is not only acknowledged but rewarded with further increases to their wages. By better assessing productivity, wages can keep rising. It is that simple.

To ensure that we are accurately assessing productivity across the economy, we have allocated \$50,000 for the establishment of a National Productivity Commission based on the Australian model to measure productivity across all the wage sectors and provide advice to the Government on improving productivity. This Commission will not work in isolation. It will be a partner to employers and employees to address issues and complaints as they arise and identify where further wage increase can make the most difference for the economy.

Mr. Speaker, Sir, we now get on to tax reform. We announced an entirely new tariff structure in the 2020-2021 National Budget that was centred around liberal trade and simplicity with a special focus on making life more affordable for ordinary people. Duty was reduced on more than 2,000 lines of items mainly goods that were not manufactured in Fiji. Those duty reductions will all remain.

As announced in the 2021-2022 Budget, from 31<sup>st</sup> August, 2022 the fiscal duty on imported liquid milk, full cream powdered milk, yogurt, cheese and butter will be reduced to 5 per cent from the current 32 per cent.

In line with this policy, Mr. Speaker, Sir, the fiscal duty rate on lunch boxes with a thickness of 1.8 millimetres or more and which are not manufactured locally, water bottles, wheelie bins, meat patties and chicken nuggets, both raw and cooked will be reduced from 32 per cent to 5 per cent. Import excise of 15 per cent will also be removed from lunch boxes, water bottles and wheelie bins.

Mr. Speaker, Sir, to make wheelie bins affordable in Fiji, the Government, of course, as I said, will reduce the duty. The high duty is a result of wheelie bins being classified under plastics. The reduction of duty will make wheelie bins affordable and will ultimately lead to people using bins to keep our environment clean.



Mr. Speaker, Sir, we also have some new reforms to announce to simplify our tax system. We will raise the VAT on 21 non-essential items to 15 per cent. The increase in VAT to 15 per cent will cover goods and services that previously attracted ECAL such as prescribed services, white goods and certain motor vehicles, and will apply to all turnover in excess of \$100,000. So, previously there were certain things that attracted 9 per cent VAT and 5 per cent ECAL which was 14 per cent. Now, it will just simply be VAT and will go up to 15 per cent. In other words an increase of 1 per cent.

Mr. Speaker, Sir, to be clear about this, in a nutshell ECAL will be removed and replaced by the adjusted VAT rate of 15 per cent for these items. So tax on an item that carried 9 per cent VAT and 5 per cent ECAL would increase only by 1 per cent. The additional list of goods and services to be taxed at 15 per cent VAT now will include alcohol, tobacco, textiles, clothing & footwear, perfumes, jewellery, watches, stereos and sound systems and other electrical equipment, and professional services such as legal and accounting, management and consultancy, architectural and engineering, scientific research and development, advertising and market research, veterinary activities and other professional, scientific and technical activities.

The ECAL on personal income will also be removed but the 5 per cent rate will be added to the Social Responsibility Levy with the tax burden unchanged for the taxpayer. The ECAL on plastics and super yachts will also be removed and replaced with a plastic levy and a super yacht levy at the same rates. A proportion of VAT return charged on prescribed services will now be directed towards Environment and Climate Adaptation Projects previously funded by ECAL through the Trust Fund.

Those are not the only tax reforms we are announcing tonight, Mr. Speaker, Sir. As we explained at the start of the announcement the “why” behind the painful rise in the prices of food and essential items. We are not only raising wages in response, we will be reducing the price of food for everyday Fijians in the most direct possible way that we can. There was a time when six basic food items in Fiji were zero-VAT rated and these were what they were called “basic food items” like flour, tea, powdered milk, cooking oil, rice and kerosene. We subsequently lowered VAT across a wider basket of items that Fijians were purchasing more often, a move that lowered the overall cost of living.

Mr. Speaker, Sir, however, this price increase crisis demands that we go further by sending VAT back to zero, not on six basic food items but on 21 everyday essentials.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, in other words dropping the cost of these items by 9 per cent overnight. From 1st April, 2022, sugar, flour, rice, canned fish, cooking oil, potatoes, onion, garlic, baby milk, powdered milk, liquid milk, dhal, tea, salt, kerosene and cooking gas are all going to become VAT zero-rated.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. A. SAYED-KHAIYUM.- However, these are not the only items. There are other household essentials that people buy on a daily basis and these include soap powder for washing, toilet paper, sanitary pads for women and toothpaste; these will also be zero-rated. In total, this reduction in VAT will send \$163 million in tax revenues back to the Fijian people. The Government will lose \$163 million but it will go back to the Fijian people and alleviate the cruellest burden that the pandemic and the Russian war have placed on our people’s backs. We will continue to review



the price of food and other essentials as time goes on, the war could get worse or, God willing, peace will win out. Either way, we have to maintain a flexible policy posture.

And Mr. Speaker, Sir, to alleviate the sharp rise in fuel price due to the conflict in Ukraine, we will remove the current 20 cents fuel tax.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. A. SAYED-KHAIYUM.- This will cost the Government approximately \$56 million. Prices remain volatile, and we will continue to monitor global crude oil prices and the events that are affecting them, such as the war in Ukraine. In the same way, should crude oil prices stabilize, we may be able to reconsider this reduction.

To assist the Textile Clothing and Footwear (TCF) Council and their industry with rising import freight costs on top of the new increase to the sector minimum wage rates, the Government, for the next three years will provide TCF Council a marketing grant of \$100,000 a year to allow them to secure markets to expand. In addition, the TCF sector will be waived for a customs entry for commercial consignments below \$1,500 by FRCS.

Overall Government will also provide for the next three years a 200 per cent tax deduction to those employers who will be paying maternity leave for their staff; a move we highly encourage for the sake of the mums of Fiji.

Mr. Speaker, Sir, and lastly, the interest on bank accounts totalling less than \$1,000 in a year will be exempt from the Resident Interest Withholding Tax. This exemption covers more than 75 per cent of holders of interest-earning bank accounts. People with low bank deposits, recipients of social welfare funds, senior citizens and students will benefit from this exemption and they will not be required to apply for a Certificate of Exemption.

Mr. Speaker, last year, there were two moments that lifted our spirits when they needed lifting most and those were the Olympic Gold and Bronze victories for our men's and women's Sevens sides. Sport, of course, has a special place in Fijian life, none more so than rugby. So tonight we have saved a special final announcement about what is next for the game that means so much for our national life.

Our *Drua* have landed in Super Rugby and made an immediate impact, putting eyes on Fiji globally. We will all be able to see them in action around this time tomorrow evening in Melbourne (hopefully Opposition will not make us stay too long here) against the Rebels. We want to make sure that Fiji secures its permanent place in Super Rugby, and we know that that will depend on more than just the skill and heart of our athletes. It requires a full financial commitment.

To support the Fiji Rugby Union and the Fijian *Drua* in meeting the New Zealand Rugby Union's (NZRU) financing requirements for Super Rugby Pacific, the Fijian Government will invest \$6 million for 51 per cent shareholding in the Counter Ruck Pte Limited or CRL, which was established by the Fiji Rugby Union to own and operate the Fijian *Drua*. The FRU had requested a grant, but Government is unable legally to give a grant to a private company. We can, however, take a share in the company and divest it at a later stage.

Through this revised budget, the Fijian Government will allocate the first tranche investment of \$3 million for 25.5 per cent shareholding. The second tranche investment of an additional \$3 million will be undertaken by December 2022 to secure the total 51 per cent. By December 2022, the Fiji Rugby Union will own 49 per cent shareholding while the Fijian Government will own 51

per cent. The FRU will maintain the management control of the company, and Government will consider divesting its shares once an opportunity arises. Additionally CRL will be granted a 13-year income tax holiday and will be provided a waiver for customs duty on goods imported specifically for Fijian *Drua*-related venues and High Performance Base from 1st July, 2022 to 30th June, 2023. Additionally, any sponsorship above \$250,000 made to the Fijian *Drua* will receive a 200 per cent income tax deduction.

The support to the Fijian *Drua* has two main purposes. First, it will ensure that we realise the significant benefits the team will have on the growth and development of rugby in Fiji. Second, it will allow us to capitalise on our great competitive advantage in the sport, our people, who are naturally gifted athletes and rugby players. The Fijian *Drua* provides an avenue for Fijian players to pursue a professional sports career right here in the Pacific which will further strengthen grassroots rugby. Home matches played in Fiji will become important sports tourism events. They will create jobs, attract large numbers of tourists and generate a great deal of economic activity, a spirit very much in keeping with the budget we announce tonight.

Mr. Speaker, Sir, most of these changes are coming into effect from 1st April which just so happens to be April Fool's Day. Let us be perfectly clear that the only fools in Fiji on that day will be those who oppose these meaningful measures to aid our people, create new opportunities and build on our recovery. The only fools will be those who oppose VAT going to zero on 21 everyday items; those who oppose the reductions of fiscal duties on fuel, the rise in wage rates and the assistance heading for the people of the Northern Division. Only fools could oppose a budget that widens high quality healthcare access for our people. Only fools would oppose the maintenance of civil service salaries and the return of their overtime pay, the increase in meal allowances, the reinstatement of maritime allowances and the increase in TELS Loans and Topper's Scholarships. Only fools would say no to clearing the backlog of land that should be surveyed and the new assistance to those looking to build or buy their first home. And truly only a fool would deny the opportunity to become a shareholder of the *Drua* and become part of the future of Super Rugby.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, the question on the mind of the nation is, "what is next?" and this budget is the answer. We look forward to getting this budget and its policies over the line at tomorrow's parliamentary session. The Fijians who need our help cannot wait and we cannot waste a minute in seizing the opportunities created by our strengthening recovery.

MR. SPEAKER.- Honourable Members, I thank the honourable Attorney-General and the Minister of Economy for the presentation of the 2021-2022 Revised Budget Address. Pursuant to the resolution of Parliament passed tonight, the honourable Attorney-General and Minister for Economy has now completed his part and tomorrow the response from the Shadow Minister for Economy will be the next part of this Budget Address which is an important part of this process.

Honourable Members, copies of the revised budget documents have been circulated to all for your necessary preparations for tomorrow's proceedings. On that note, honourable Members, we come to the adjournment. I thank all honourable Members and Parliament is now adjourned until tomorrow at 9.30 a.m.

The Parliament adjourned at 11.41 p.m.