

# PARLIAMENT OF THE REPUBLIC OF FIJI



## PARLIAMENTARY DEBATES

### DAILY HANSARD

**MONDAY, 25TH JULY, 2022**

[CORRECTED COPY]

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**MONDAY, 25<sup>TH</sup> JULY, 2022**

The Parliament met at 9.54 a.m. pursuant to adjournment.

MR. SPEAKER took the Chair and read the Prayer.

**PRESENT**

All Members were present, except the honourable Minister for Women, Children and Poverty Alleviation; the honourable Minister for Employment, Productivity, Industrial Relations and Youth and Sports; the honourable Ro T.V. Kepa and the honourable Adi L. Qionibaravi.

**MINUTES**

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

That the Minutes of the sitting of Parliament held on Friday, 15th July, 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.

**COMMUNICATIONS FROM THE SPEAKER**

Welcome

I welcome all honourable Members to today's sitting. I also welcome those joining us in the gallery and those watching the live proceedings on television and the internet.

Time Limit on Debate

At this juncture, I wish to inform all honourable Members that the Business Committee in its meeting on Monday, 11th July, 2022, and in due consideration of ongoing practice, unanimously approved the following:

1. The Shadow Minister for Economy, in delivering the response to the Budget Address, will speak for the same time as the honourable Attorney-General and Minister for Economy.
2. The honourable Attorney-General and Minister for Economy will be exempted from the ordinary speaking time limitations during his Right of Reply to the Second Reading of the Appropriation Bill.
3. Parliament will sit for extended hours and into the late nights.
4. Parliament will take limited breaks, including lunch and dinner at the discretion of the Speaker.

5. In the event that business for any given day is concluded earlier, that business be brought forward accordingly.

Vacant Seat - Hon. Ratu S. Matanitobua

Honourable Members, as alluded to on Friday, 15<sup>th</sup> July, 2022, I will now address the House on the issue of the vacant seat of the honourable Ratu Suliano Matanitobua.

Section 63(1)(d) of the Constitution of the Republic of Fiji expressly provides that “the seat of a Member of Parliament becomes vacant if the member ceases to have the right to be nominated as a candidate for election to Parliament under Section 56” of the Constitution.

Furthermore, Section 56(2) of the Constitution lists the criteria for who may be a candidate for an election to Parliament and inter alia provides under paragraph (g) that a person may be a candidate only if the person has not, at any time during the eight years immediately before being nominated, been convicted of any offence under any law for which the maximum penalty is a term of imprisonment of 12 months or more.”

Accordingly, since honourable Matanitobua has been convicted with one count of tendering false information to a public servant under section 201(a) of the Crimes Act 2009, and one count of obtaining financial advantage under section 326(1) of the Crimes Act 2009, honourable Matanitobua is, therefore, disqualified from being a candidate in the 2022 election of Members of Parliament. This is particularly so, given that the maximum penalty for the offences that he was convicted of, is a term of imprisonment of five years and 10 years respectively.

Please, take note that I had also written to the honourable Matanitobua on Wednesday, 13<sup>th</sup> July, 2022, to inform him that his seat in Parliament has become vacant pursuant to Section 63(1)(d) of the Constitution which, in this instance, became vacant on the date of his conviction being Wednesday, 6<sup>th</sup> July, 2022.

As such, the honourable Matanitobua’s seat in Parliament has become vacant pursuant to Section 63(1)(d) of the Constitution which, in this instance, became vacant on the date of his conviction being 6<sup>th</sup> July, 2022. A written notification of this was provided to honourable Matanitobua on Friday, 15<sup>th</sup> July, 2022, and the same was conveyed to the honourable Leader of the Opposition on the same day.

Honourable Members, pursuant to section 20(1) of the Electoral Act 2014, the Chairperson of the Electoral Commission has been notified accordingly. I had also notified the Chairperson of the Electoral Commission that pursuant to Section 64(3) of the Constitution and given that honourable Matanitobua’s seat has become vacant more than three years and six months after the first meeting of Parliament, following the most recent general election, the honourable Matanitobua’s seat so vacated remains vacant until the next general election.

Honourable Members, I thank you for your attention and we will now move on to the next item on the Order Paper.

**CONSIDERATION OF BILLS**

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

That the following Bills be considered by Parliament without delay -

1. Television (Cross-Carriage of Designated Events) (Repeal) Bill 2022 (Bill No. 39/2022);

2. Telecommunication (Budget Amendment) Bill 2022 (Bill No. 40/2022);
3. Illicit Drugs Control (Budget Amendment) Bill 2022 (Bill No. 41/2022);
4. Fiji National Provident Fund (Budget Amendment) Bill 2022 (Bill No. 42/2022);
5. Pharmacy Profession (Budget Amendment) Bill 2022 (Bill No. 43/2022); and
6. Medicinal Products (Budget Amendment) Bill 2022 (Bill No. 44/2022);

Mr. Speaker, Sir, pursuant to Standing Order 51, I move that the following Bills -

- (a) must pass through one stage at a single sitting of Parliament;
- (b) must not be referred to a Standing Committee or other Committees of Parliament;
- (c) must be debated and voted upon by Parliament immediately after the vote on the 2022-2023 Appropriation Bill 2022; and
- (d) that the time for the debate to be limited to ensure that the Bills tabled today are debated and voted upon during this week's sitting of Parliament.

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

HON. A. SAYED-KHAIYUM.- Mr. Speaker.- Mr. Speaker, Sir, these Bills are part of the overall Budget announcement that was made. Some were referred to specifically, some of the others were in the general objectives of the Budget which is to streamline processes, try and amend the laws to ensure that there is greater efficiency and also, any bureaucratic issues that may be facing the ordinary members of the public or businesses be actually removed to ensure that we have a lot more transparency and of course a lot more efficiency within the system.

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

HON. A. SAYED-KHAIYUM.- Thank you Mr. Speaker, Sir, we will be debating these Bills later in the week, so I would like to refrain from making any further comments. Just to highlight, Sir, there is a couple of more Bills as part of the Budget which we intend to present in Parliament tomorrow.

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

Question put.

Motion agreed to.

## **BILLS - SECOND READING**

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, I move:

That a Bill to appropriate a sum of Three Billion, Three Hundred and Twenty Million, Two Thousand, One Hundred and Eighty Four Dollars for the ordinary services of Government for the year ending 31st July, 2023, be read a second time.

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

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, as per convention, I do not wish to make any comments.

MR. SPEAKER.- Honourable Members, the floor is now open for debate. We will first hear the response from the honourable Shadow Minister for Economy, after which we will continue with the order

of speakers as listed on the Batting Order.

In line with that, honourable Members, I have had to make some adjustments to the Batting Order for today and tomorrow because of COVID-19, because of flu and because of bereavement. Bear with me - I will try to fit you all in and we will get through the debate.

I now call on the Shadow Minister for Economy and Leader of the Opposition, the honourable Ratu Naiqama Lalabalavu, to deliver his response to the National Budget. You have the floor, Sir.

### **DEBATE ON THE 2022-2023 APPROPRIATION BILL 2022**

HON. RATU N.T. LALABALAVU.- Mr. Speaker, Sir, I rise to deliver our response on the Budget that was presented by the honourable Minister for Economy, who is also the learned Attorney-General, on the eve of 15<sup>th</sup> July in this august House.

At the outset, I wish to pay respects in the presence of the honourable Prime Minister, honourable Ministers of Cabinet, honourable Assistant Ministers, honourable Government Backbenchers, Sir, not forgetting the honourable leader of the National Federation Party (NFP) and his colleagues and members of SODELPA in the Opposition, Sir.

Sir, there is no doubt that we are living in a period of uncertainty, an unprecedented volatility due to the current geo-political environment. There are lessons to be learnt from these extraordinary and unexpected events which has brought out the truth that things are not as buoyant as perceived by the Government of the day. Therefore, structural adjustments have to be made to ensure the long term survival of our nation. We must continue to be innovative in developing better measures and implement relevant and practical policies to cushion and address challenges facing the nation today, not only as a small and vulnerable nation, but as being part an integrated global community.

We must continue to be proactive and look at better practical ways that are sustainable, rather than being reactionary and business as usual, Sir, as practised by the FijiFirst Government whereby the Government continues with its unsustainable borrowing spree to finance Government expenditure, particularly on operating expenditure. Our focus should be on sustainable use of our resources, especially our resourced-based sectors through the effective and meaningful participation of resource owners. I will be revisiting the importance of participation of resource owners in the development of our resource-based sectors when discussing sectoral performance, Sir.

Sir, we all agree that COVID-19 pandemic is here to stay. Simply put, we are not out of the woods yet, especially with new strains identified on a regular basis, in addition to monkeypox which is spreading in some parts of the world due to the opening of its international borders, Sir.

On Sunday, 18<sup>th</sup> July, 2022, the Ministry of Health update stated we now have about 784 cases, after recording 59 new cases since Friday, 1<sup>st</sup> July, 2022. The spread of the virus continued to increase, Sir, and we only had 229 active cases on Tuesday, 5<sup>th</sup> July, 2022. This is a testimony and confirmation that COVID-19 is here to stay, in addition to other global and environmental challenges that we will continue to face. The unprovoked attack by Russia on Ukraine has further exacerbated challenges, Sir, of recovery after two years of stagnation and negative growth experienced worldwide, which has led to where we are today.

It is unfortunate that more and more of our people are facing hardship and are falling below the poverty threshold. This is despite the World Bank's assessment which has downplayed the poverty figures in the Household Income and Expenditure Survey (HIES) Report of 2019-2020, a period prior to the pandemic, that our poverty rate had decreased from 30 percent to 25 percent.

Sir, I find such adjustments by the World Bank quite contradictory and dubious because it also agreed that the National Poverty Line remains virtually unchanged. Sir, as a layman, if the National Poverty Line is unchanged, therefore, the poverty level remains the same. There are many studies that demonstrate that any change to the consumption basket would vary poverty line and thus, significantly vary the poverty rate which is visibly to what the World Bank has done.

Sir, a recent United Nations publication in 2017 has pointed out that inadequate data is a common problem and the use of the same poverty definition by using different equivalence scales or using income rather than or using income rather than consumption can produce quite different results both within and across the country. This to some extent can also affect policy decisions which we clearly see in the announcement of the Revised Budget on 24<sup>th</sup> March this year which made bold statements rather than taking a more targeted approach in some of the key policy measures announced.

The reduction of VAT on 21 basic food items will not only benefit the poor but the rich as well. At the same time, the increase of VAT on items such as footwear and textile, will make it difficult for an average citizen to acquire such basic necessity. Sir, I will elaborate on this later when discussing sources of government revenue.

For me, Sir, the real issue here is why the World Bank is making such an adjustment to follow international comparability when the more pressing issue is country specific. Today, we can confidently say that more than 40 percent of our population are living in poverty and an additional 20 percent are facing real hardship.

Sir, Fiji will not also be spared by the supply chain disruption and the increase in the price of petroleum products. Like any other Small Island Developing States (SIDS), the impact of these extraordinary events will be much greater because our economy is narrow-based and we very much depend on the importation of fossil fuel. More so, a fair share of our food products are also imported, compared to our large neighbours with broad economic base. The lack of vision and totally ignoring the reality of our vulnerability has made us more worse off than those countries that have taken a more cautious, pragmatic and practical approach in managing their economy. It is time that we must be united and all work together for the common good rather than being divided by our own personal ambition, party interest and narrow political agenda.

Mr. Speaker, Sir, after the General Election of 2018, the former Leader of Opposition, Major General (Ret'd) Sitiveni Rabuka on many occasions, has reached out and urged the Government that we should all work together through a bipartisan approach to map out the best and practical way forward in addressing socio-economic challenges facing our beloved nation. Basically, the suggestion is based on the premise of our vulnerability status and anticipation of future shocks, such as the regular occurrence and high intensity of natural disasters which continue to be experienced by our nation due to climate change.

I am sorry, Sir, that the FijiFirst Government, despite numerous calls made from this side of Parliament for genuine dialogue for bipartisan cooperation were totally rejected. On almost all occasions, Sir, motions, petitions and better alternatives recommended by this side of Parliament have been rejected outright or totally ignored. The truth is and surprisingly, many suggestions and recommendations from this side of Parliament in the last three years were key elements in the Revised Budget which was announced in March this year. The impact of these policies could have worked better and more effectively if they were implemented earlier rather than later. They were more relevant and cost effective then.

Mr. Speaker Sir, due to the unwillingness of the FijiFirst Government to foster partnership and consensus building, we are experiencing more social, political division and mistrust in the country which is very unfortunate and has indeed driven our communities further apart and led to disunity.

The results of fear mongering tactics and lack of transparency, the current Government has created division among our different communities which has led to the overall lack of confidence and disunity in the country. We must all continue to be proud and embrace the diversity within our multicultural and multiracial society which should be considered as our strength in moving the nation forward rather than as a hurdle or stumbling block.

HON. GOVERNMENT MEMBER.- Talk about the economy.

HON. RATU N.T. LALABALAVU.- Rather than embracing and promoting values and the richness of our diversity, the FijiFirst Government has tried to force cultural autonomy, integration and assimilation in our society which will never work or be realised.

HON. A. SAYED-KHAIYUM.- How does autonomy and assimilation go together?

HON. RATU N.T. LALABALAVU.- Our different communities are very proud of their unique identity and heritage in our multiracial and multicultural society. We must all continue to value, embrace and recognise that our differences are our strength and we must continue to nurture and build on them to have a united and cohesive society, rather than one dominating the other or allow the philosophies in the sunset clause to determine our destiny. I say this because the few rich who are cronies of the Government have become richer while the majority of our citizens are suffering and left behind. This is very much inconsistent with the current Government policy which normally claims that no one should be left behind.

This Budget, Mr. Speaker, Sir, as usual is indeed very well-articulated, convincing and full of promises which we know too well will not be realised at all. It is all about grand announcement rather than effective implementation. The reality of the matter, Sir, announcement does not fully reflect what has been claimed or the reality on the ground. The reality on the ground is totally the opposite.

In essence, the honourable Minister for Economy is trying to argue that something is not or basically faking the facts or twisting the truth and this is the very reason I call all previous budgets particularly the revised budget and this one as a smokescreen. All the budget presentations have been designed to disguise the real intention by quibbling with statistics to continue misleading the people of Fiji that everything is rosy but the fact of the matter is that it is not so rosy.

On consultation, you will agree with me, Mr. Speaker, Sir, that members of this side of the House represent almost 50 percent of those who voted in the last Election, despite the fact that almost 30 percent of our registered voters did not cast their votes. The claim that this is the first time in history the Ministry of Economy travelled to the rural areas of Vanua Levu for budget consultation is absurd. The real intention of the travel to Vanua Levu is to campaign and drum up support from the people of the upcoming Elections.

Sir, genuine and regular consultation is a prerequisite to ensure that the need and interest of all citizens are taken on board in the formulation of laws and implementation of policies that will directly impact the daily lives and not just on the Budget alone. We noted with interest the extensive consultation undertaken on the proposed 2022-2023 Budget by the honourable Minister for Economy



personally, Sir, rather than the Officials from the Ministry, particularly in the rural areas around the country. This is unprecedented, Sir.

Sir, the motive of such extensive and exhaustive consultation is well-known because this is an election Budget. On many occasions matters of critical importance such as the passing of laws and the development of policies that have far reaching implications and very limited consultations were undertaken with stakeholders prior to the approval in this august House or in the implementation of policies.

It has been a norm and a common practice for the Bainimarama Government to undertake consultation after laws have been passed or policy announcements made. Such *modus operandi* creates uncertainty, confusion, resentment, reservation and an environment of mistrust to those who are directly affected, particularly the resource owners and members of the public. This is the very reason as to why questions have been raised on the real motive of the extensive consultation which is quite unprecedented. Is it genuine consultation or the real intention is just campaigning for the 2022 General Election which is quite obvious?

Sir, the findings of the Open Budget Survey 2021 carried out by the International Budget Organisation is quite compelling and revealing. It clearly shows that out of the 120 countries surveyed, Fiji and Papua New Guinea are ranked among the worst countries in terms of public participation in preparation for their respective National Budget. Such review confirms that consultations undertaken by the honourable Minister for Economy is just window-dressing and the real intention is just campaigning for the Elections, especially in the misuse of taxpayers' scarce resources.

Sir, time and again we hear the Government continue to boast and preach about the unprecedented growth achieved in the last 10 years or the "Bainimarama Boom" prior to the COVID-19. They do not tell us that but continue to deny that our economy was already in crisis in early 2017. Again when the Revised Budget was presented in this august Parliament on 24<sup>th</sup> March, the honourable Minister for Economy boasted that the nation is on the road to recovery and the forecast is that, I quote: "economy will grow around 11 percent in 2022 which is unprecedented in our history".

The latest economic review by the Reserve Bank of Fiji (RBF) at the end of June suggested that our growth forecast for the 2022-2023 has been revised upward from 11 percent to 12.4 percent. This is despite the fact that the global growth trend has been revised downward from 4.1 percent to 2.9 percent for 2022.

The International Monetary Fund (IMF) in its World Economic Outlook Report published in April 2022 clearly shows that the growth rate of our major trading partners will be much lower and has been revised downwards as follows:

- US Growth rate will be around 3.7 percent;
- Eurozone 2.8 percent;
- Australia 4.2 percent;
- New Zealand 2.7 percent;
- Japan 2.4 percent; and
- China 4.4 percent.

I believe that the expectations and projections that our economy will grow at 12.4 percent are based probably on the 12.4 percent growth projections for tourist arrivals. It is unlikely that we will achieve the 12.4 percent growth projections because of the challenges due to increase in the fossil

fuel price with the correspondingly increase in the cost of travel and most importantly, the high risk in the spread of the omicron variant and monkeypox.

The “Bula Boom” catch-phrase is very doubtful, Sir. The revision is based on the premise and I quote, “that the world economy today enters what is more likely an extended period of weak growth and high inflation”. This brings to question the impartiality and independence of the RBF in providing sound independent assessment of the state of affairs of our nation.

On many occasions, we were told that with the current growth trend experienced prior to the COVID-19, we will be in the same league with Singapore and better than Australia and New Zealand. It is so sad that we are trying to compare ourselves with Singapore, or to be better than Australia and New Zealand when those countries’ average GDP per capita is already over US\$40,000 mark (Australia is over US\$55,000, Singapore is over US\$59,000 and New Zealand is over US\$41,000) whilst our per capita is only around US\$5,000. Such comparison is a sick joke, Sir.

Mr. Speaker, Sir, it does not matter how high we leapfrog or punch beyond our weight, we will never be like Singapore or better than Australia and New Zealand, but there are lessons to be learnt from their experiences. Our effort should be directed at improving the standard of living of our people at our own pace, taking into account our God-given resources and our own internal capacity rather than trying to be like other well-developed countries.

It reminds me of a saying by the late Ratu Sir Lala Sukuna, and I quote, “*Meda vakusakusa ena vakasosolo vakamalua. Me da kakua ni vakusakusa vakatotolo*”. Basically, it means, let us make haste slowly, we should move forward cautiously but steadily rather than rushing and fail at the end which we are experiencing today.

Sir, rather than comparing ourselves with Singapore and to be better than Australia and New Zealand, let us compare ourselves with similar countries in terms of resource endowment and human resource capacity. We should be comparing ourselves with countries such as Papua New Guinea, Solomon Islands, Vanuatu and Mauritius, who are on the same development par and comparable to Fiji’s economy. It is interesting to observe that these countries have provided progress further than Fiji as indicated in the progress made in all areas of socio-economic indicators, whilst our nation continue to lag or fall behind.

(Chorus of interjections)

MR. SPEAKER.- Order!

HON. RATU N.T. LALABALAVU.- Even much smaller economies like Samoa and Tonga in the last 10 years, have made some substantial progress compared to Fiji. The growth rate in countries like Papua New Guinea, Mauritius, Solomon Islands and Vanuatu for the period 2009 to 2019 were much better, compared to Fiji because their respective Governments were more accountable and transparent in their operations. More importantly, there was confidence in these economies because of good governance and consistency of policies which boosted their respective level of investment compared to Fiji. The claim that there will be a 11 percent unprecedented growth as announced by the honourable Minister for Economy for this year which has been further revised upward to 12.4 percent is all wishful thinking and a straight-out lie which will not deceive the people of the nation again.

Mr. Speaker, Sir, the honourable Members of the Government side should seriously consider taking some time and review the Bureau of Statistic’s figure in its 2020 Annual Report, especially on Page No. 16 which provides our real GDP growth figures using 2014 as a base year, which we

are currently using rather than accepting lies by the honourable Minister for Economy as the gospel truth and let us look at the real growth ratio. In 1973, our real GDP growth was 12.7 percent, 1979 - 12 percent, 1989 - 12.9 percent and in 1999 - 8.7 percent.

Mr. Speaker, Sir, the claim that we are going to achieve an unprecedented growth of 12.4 percent is not true and misleading because the global trend has been revised downward from 4.1 percent to 2.9 percent, which means we have to make this necessary structural adjustments since we very much depend on the importation of petroleum products and a fair share of our food items are also important. In addition, we have to pray for the increase in imported inflation which we are now currently experiencing, Sir.

Mr. Speaker, Sir, our real GDP per capita in 2020 using the 2014 base is only around \$9,917.40 which is equivalent to around US\$500,000. Our per capita income, in fact, has declined from \$12,099.50 in 2018 to \$9,917.40 in 2020. This also implies that our purchasing power parity is also on a declining trend. On the claim that Fiji has experienced unprecedented growth in the last 10 years or so prior to COVID-19 is a straight-out lie and quite deceiving. If we review our growth trends in a 10 year period using the same data in the Bureau of Statistics Report of 2020, it clearly shows, Sir, the following:

- Between 1971 and 1980, our real growth rate was 4.85 percent;
- Between 1981 and 1990, our real growth rate was 2.46 percent;
- Between 1991 and 2000, our real growth rate was 2.44 percent;
- Between 2001 and 2010, our real growth rate was 1.36 percent and;
- Whilst our growth rate between 2011 and 2020 was only around 3.18 percent.

Sir, where is the unprecedented growth and the Bainimarama Boom as normally claimed by the Bainimarama Government when our growth performance were much better in the 1970s, Sir. They were totally better off in the 1970s that had a growth rate of 4.5 percent.

Even if we take a five-year growth period, the highest growth rate experienced in the country was between 1971 and 1975 with a growth rate of 5.36 percent, followed by 4.08 percent for the period 1986 to 1990, and only 3.64 percent for the period 2011 to 2015. In view of these compelling facts as clearly reflected in the figures provided by the Bureau of Statistics, I urge the honourable Members of the Government to take some time to confirm that the honourable Minister for Economy continues to distort information and mislead the nation.

Mr. Speaker, Sir, as I have said earlier, it is more practical and realistic to compare ourselves with similar countries rather than Singapore, Australia and New Zealand. Before giving a broad overview of the Budget announcement, I would like to congratulate the honourable Minister for Economy for his unprecedented two-and-a-half hour's marathon in his Budget Address. It is unfortunate that he spent more than 60 percent of the time in giving a lecture full of praising and campaigning to the people of Fiji. The claim that the 2022-2023 Budget is about the welfare of all the people of Fiji is a joke. He cannot deny the fact the truth that this is an electioneering Budget and it is all about buying votes.

I am sorry that I have to deviate from analysing the Budget figures at this point in time, because I am compelled to do so due to the numerous uncalled and childish accusations throughout the honourable Minister for Economy's Budget Address whereby he continues to play the blame game when things do not go right. He either blames previous Governments or some extraordinary events such as natural disasters, the pandemic or global events for Government's failure. The truth of the matter is that, the Government and in particular the honourable Prime Minister and his honourable Minister for Economy, have been in power for almost 16 years. Therefore, they should

take the 'bull by the horn' and address issues rationally with clear vision rather than just putting the blame on someone else. However, when they achieve some success, they never stop boasting and continue to claim that it is unprecedented. The only unprecedented achievement of this Government is inconsistency and manipulation of information so that they can look good in public.

Mr. Speaker, Sir, so much has been said about the lack of transparency, accountability and corruption during budget announcements by previous Governments and especially, this side of the House. We all understand that the real intention of such convincing presentation is to make the FijiFirst Government look good in the public domain as we move towards the General Elections.

Sir, the voters of this country are not naïve any more. They know the truth on how this Government operates. There are many glaring examples that are still fresh in the public's mind about the lack of transparency, accountability, corruption and cronyism in the last 15 years or so.

(Honourable Member interjects)

HON. RATU N.T. LALABALAVU.- You listen, honourable Prime Minister so it might remind you.

(Honourable Member interjects)

HON. RATU N.T. LALABALAVU.- One just has to review the Auditor-General's Reports in the last 10 years to confirm what I am saying. Three cases that are still fresh in the public's mind include:

1. The \$33 million digger scam at WAF, which is still under investigation by FICAC which has taken more than three years, whilst some minor selective cases are hurriedly investigated for political expediency.
2. The lack of transparency and secrecy in the way EFL shares were sold to a Japanese consortium. Questions are still lingering in the public's mind whether proper evaluation of assets were carried out prior to the sale, and why was the sale personally arranged by the honourable Minister for Economy while on medical treatment in Singapore.
3. Concerns have been raised by the public on the sale of Fiji Airways' shares to the workers superannuation fund, that is, Fiji National Provident Fund (FNPF). The general sentiments expressed is the secrecy and the lack of clarity in the sale particularly:
  - the lack of risk assessment associated with the sale, taking into account the substantial government guarantee;
  - how shares have been allotted, taking into account the shareholding position of Air Pacific in Fiji Airways; and
  - among other technical details which were not fully disclosed to the workers of this country.

Mr. Speaker, Sir, I will now turn to the proposed Budget for the 2022-2023 Financial Year. It is anticipated that the total expenditure will be around \$3.81 billion, with an estimated revenue of \$2.93 billion, which will attract a net deficit of \$872.2 million which is about 7.4 percent of GDP. If one looks at the proposed Budget holistically in the context of our total debt exposure, it would be around 108.4 percent.

Let me repeat that, Sir. That is the total debt exposure we have now let ourselves with. The Budget estimate for the next financial year both in terms of revenue and expenditure have been artificially inflated. This has been the norm since the current Minister took over the finance portfolio. He knows too well that our current pace of recovery will be much lower than anticipated due to the uncertainty in the global trading environment. This is a face-saving exercise - presenting a Budget that sounds good, look good and cover or hide all the weaknesses in the lack of transparency and accountability in managing our economy, particularly as we move towards the General Elections.

As I have said in my introductory remarks, this is just another smokescreen and an electioneering Budget. It is unrealistic and is quite an over-ambitious one. The revenue estimate of \$2.94 billion is over optimistic and unlikely to be realised, unless there is another secret sale of Government asset or shares of Government owned entity to cover the shortfall, so that we can pay our debt of about \$307.49 million for the next financial year.

The result, Mr. Speaker, Sir, of these over-ambitious and unrealistic Budget will lead to either delay in implementation, deferment of key projects or the shelving of others, as we have experienced in the past. The anticipated net deficit of \$872.2 million and a net deficit of 7.4 percent of GDP does not reflect the commitment of any fiscal consolidation. The Government continues to mislead the nation with its financial strategy in consolidation of Government finance but the truth is that, it continues to take an expansionary approach which will continue to increase our deficit and further increase our unsustainable debt level. The real intention is to portray and market the Bula Boom and by the end of the year, I hope it is not “*Election Kaboom or Moce Kaboom*”.

On the fiscal framework, Mr. Speaker, Sir, to fully understand and appreciate how realistic and the practicality of this Budget, one has to re-visit the Government Fiscal Framework which is now a requirement of the amended Financial Management Act 2021.

Mr. Speaker, Sir, I took a very keen interest in reviewing the Pre-Election Economic Fiscal Update that was released by the honourable Minister for Economy on 9<sup>th</sup> May, 2022. In the usual manner, the honourable Minister for Economy clearly stated and boasted that it is the “first-ever pre-Election economic fiscal update” and, of course, this is now a requirement under the amended Financial Management Act 2021. We do not really know its real intention, particularly as we move forward to the 2022 General Elections.

It has been a norm and a common practice for successive governments to provide a Fiscal Framework in its Supplementary Budget Document when presenting any budget. By convention, the framework ought to provide a realistic status of government finance in the short and medium term rather than just a look-good exercise which has been the practice in the last eight years or so. I do not see any reason to be boastful when it is the requirement of an amendment of the Financial Management Act that fiscal framework must be produced. One wonders about the real intention of the amendment before the election come 2022.

The Bainimarama Government has been in power for more than 15 years but no such amendments of this nature was made earlier. As usual, the honourable Minister for Economy will argue that it is all about good governance, transparency and accountability but the real intention is to hinder political parties making promises when campaigning for the 2022 Elections, which is around the corner and has been a common practice in the past.

To fully appreciate the practicality and how realistic the government framework is, one has to go back at least in the last five years to have a better appreciation and to see how true the picture is on, whether the government has been transparent on the status of public finance in the country. A fiscal framework since 2011 looks good and very convincing on paper but the reality of the matter is

that, there are a lot of inconsistencies and as usual a fiscal framework does not truly reflect the reality on the ground but provide a better and clear reflection of our future prospect in the short and medium, and long-term as well, Sir.

The honourable Minister for Economy may argue that the framework is just a guide or benchmark and there are variables that are unpredictable such as natural disasters, the COVID-19 pandemic and other extraordinary events. I would like to reiterate at this point in time a point that I made earlier that any fiscal framework produced must be practical, it must be realistic and consider our high vulnerability of index rather than taking a bullish approach in the management of our public finance. The result is the unsustainable debt level which the honourable Minister continues to claim and defend that it is sustainable. I will be discussing our unsustainable debt level later on in my deliberation.

Sir, at this juncture, I would like to share my experiences as a former cabinet minister on a number of occasions in the preparation of annual budgets. During my time in government, financial year was from 1<sup>st</sup> January to 31<sup>st</sup> December. I clearly recall that at the end of March or April every year, the then Ministry of Finance, in consultation with the key central agencies or the Ministry of Foreign Affairs' Strategic Planning Office, the RBF and the Prime Minister's Office with its key stakeholders in FRCS, jointly present a fiscal framework for the following year's budget.

This framework will be only approved by cabinet if it is confident that the rigorous due process of validation has been undertaken, Sir. The key feature of the fiscal framework is that any additional request or adjustment has to be made within the approved framework, Sir, rather than moving the goal posts by one minister. This is the very reason why variations and deficits does not deviate from the approved framework.

What we have experienced in the last seven years is the high degree of error and substantial variation which has led to unacceptable level in the deficit and unsustainable debt which now we are experiencing today, Sir. Based on a quick review of the Government fiscal framework since 2012, I have come to the conclusion that the honourable Minister for Economy's presentations are full of manipulation of statistics which, again, sound convincing, full of false hope and fake promises to make people better, but the reality on the ground is totally the opposite.

Basically, Sir, the following observations are very clear. On the revenue side, since 2014, the gap or shortfall between budget revenue and actual revenue continues to increase substantially and has reached unprecedented levels. For example, Sir, the 2014 revenue shortfall was only around \$350 million. In the 2017-2018 financial year, the revenue shortfall increased to \$613 million - almost doubled, Sir, whilst prior to COVID-19, that is, in 2018-2019, the shortfall was around \$1.1 billion. Such degree of error or variations is just unrealistic or unacceptable.

While on the expenditure side, there was an under-expenditure of \$160 million in 2014. Again, in the 2018-2019 financial year, there was an under-expenditure of over \$1 billion, Sir, which is almost half the total budgeted expenditure. In the 2019-2020 financial year, there was an under-expenditure of \$487 million. The reality here, Sir, is that the variations or margin of errors are too high which is unacceptable. It shows poor budgeting, poor forecasting and poor implementation of the Government development agenda, just to paint a rosy picture when the reality on the ground is totally the opposite.

To make it worse, Sir, on many occasions, the anticipated revenue from the sale of assets were not realised, which increased our deficit substantially. The Government knows too well that sales will not be realised, as we all know that the sale of assets is a one-off revenue stream. In the following year, there will be nothing else to sell. Today, there is nothing else left to sell, Sir. Therefore, our revenue will continue on a declining trend because it has been artificially overstated unless we continue with our

borrowing spree, which is the hallmark of this Government, or to increase our revenue through high taxes which is now a norm.

Such trend has led to commitments made in the annual budget, either not implemented at all, incomplete or deferred for later years. There are many cases highlighted in the Auditor-General's Report which clearly state that major capital projects were either incomplete because of cost overrun, deferred or not implemented at all. Some of the glaring examples are the:

1. Incomplete construction of a \$2.5 million swimming pool in Lautoka with a cost overrun of \$12.6 million. I believe, Sir, this is still under investigation by FICAC.
2. Anomalies in the major capital works carried out by the Municipal Councils, for example, the Reclamation of the Sigatoka River Bank Project and the incomplete Savusavu Market for more than five years now.
3. Limited progress in the upgrading and renovation of the CWM Hospital since 2018.
4. Construction of a new Nausori Hospital which has not commenced since 2018.
5. Ba Hospital which commenced construction in 2013 was not opened in the last year or so, some seven years after it was initially constructed.
6. Commitment in the 2015 Budget for the construction of the Vunidawa Sporting Complex which has not commenced yet.
7. Construction of a swimming pool and a sporting complex for Nasinu which was promised in 2019 and is still hanging in the air, among many other glaring examples of false promises which will be highlighted by my honourable colleagues on this side of the House in their respective portfolios.
8. Although funds have been allocated annually in the last three years for the construction of a new Prime Minister's Office, no progress has been made so far.

The unacceptable high level of variation in figures has totally distorted Government revenue and Government expenditure as a percentage of GDP. Therefore, Sir, I can confidently say that the Government framework is not worth the paper it is written on because it is not forward-looking and does not reflect reality.

The Government always argues that adjustments have to be made during the year because of unforeseen events such as cyclones and drought, amongst others. The sad reality is that, not enough resources are placed under Head 50 to address short term shocks and not to disrupt implementation of existing projects. Again, it is a sign of overambitious forecasting, bullish and poor budgeting with no consideration of our capacity to effectively implement projects, and our vulnerable position.

This is the very reason, Sir, that there is a lack of confidence by the private sector and both, local and foreign investors, in our country. The investment trend in the last 15 years or so, is a clear evidence that there is no confidence or appetite for investment in the country, particularly from the private sector. This is despite the claim by the FijiFirst Government that investment has continuously been buoyant and continues to increase.

Prior to COVID-19 pandemic in 2019, the total investment in the country was only 15.8 percent of GDP compared to 22.1 percent in 2002 and 21 percent in 2011. The current level of investment is

much lower than the required level of 25 percent investment as a percentage of GDP, that is the standard norm, Sir, because that is necessary to generate employment opportunities to support sustainable economic growth. Despite the non-availability of aggregate investment data since 2020, I am certain that investment as a percentage of GDP is well below the 10 percent mark.

Investors are reluctant to borrow despite the high level of liquidity and high foreign reserve and low interest rate. The declining trend of investment since 2013 clearly shows the lack of appetite or lack of confidence due to our poor human rights record and breakdown of law and order, inconsistency of policies and lack of transparency and accountability in the way this Government is running the country. There is no doubt, Sir, and we all agree that well-targeted meaningful investment for capital projects will generate income that will give people purchasing power to spend money and generate demand.

In the medium term, this will, in turn, increase the supply chain rather than driving the economy through consumption spending by giving handouts which is considered unsustainable in the medium term and long term.

HON. S. ADIMAITOGA.- It is not a handout!

HON. RATU N.T. LALABALAVU.- Mr. Speaker, Sir, we all may recall that when the honourable Minister for Economy presented the revised Budget in March in this august Parliament, he boasted about the beauty of the Keynesian model that has been used by the government for decades to create jobs and boost consumer demand. The argument is that, government intervention to the economic cycle through expansionary policy to speed up economic recovery is false. The sad reality, Sir, is the lack of deep understanding of how the Keynesian model works.

The FijiFirst Government has been taking an expansionary approach since 2017 which has crowded out the private sector investment opportunities through a consumption-driven approach by giving large sums of freebies or handouts, rather than productive investment. It is important that we understand all the variables in the model and how they are inter-dependent to stimulate growth. Consumption on its own does not drive growth, but productive investment that is supported by confidence and consistency of policy will provide the impetus for growth which has been missing from the FijiFirst Government formula.

A 100-level Economics student knows too well of the model and the environment and extent to which such a model will work. The down side of relying on such models in isolation is that our economy is small and narrow-based among other vulnerabilities such as climate change. Taking an expansionary approach and focusing on consumption rather than productive investment will lead to:

1. Increasing our deficit which, in turn, increases our debt to an unsustainable level which we are currently experiencing today. I will discuss the sustainability of debt later in my deliberation.
2. Borrowing to finance consumption through handouts or freebies that are not well targeted will make the cost of borrowing unfavorable through high interest rates and financial crowding out. When the interest rate increases, this discourages investment by the private sector which should be considered as an engine for growth rather than Government taking a lead role.
3. Another challenge of fiscal expansion by the Government in the medium term when the economy is recovering is inflation. Today, we are experiencing the high cost of goods and services which has been exacerbated by the disruption of the global supply chain.



It is quite clear today that the expansionary approach taken by the Government since 2014 has caused more hardship and poverty in the country in the medium and long term. Again, the latest IMF Report has warned that the Government should consolidate government finance to ensure we have the fiscal space to cushion future shocks. Sir, this is not the first time that our multilateral development partners such as the Asia Development Bank (ADB), World Bank (WB) and IMF have warned the Government.

In 2017, ADB and IMF warned that the country is facing headwinds and must consolidate Government finance to ensure the availability of space to cushion future crisis. Today, we just do not have any room to move because the Government did not take heed of sound, practical and professional advice. This advice fell on deaf ears and Government continued on a consumption-driven spending spree. Today, Sir, our debt is almost reaching the \$10 billion mark which is unacceptable for a small and narrow-based vulnerable country which is contrary to the claim by the Honourable Minister for Economy that our current debt level is sustainable.

Sir, I will now turn to the topical issue of unsustainable debt level which is a very big concern to all or most of us accept for the Bainimarama Government. Again, the Honourable Minister for Economy gave this august Parliament a convincing lecture to justify our high debt level and the benefits accrued to the nation, of concessional loans. The sad reality is that he did not tell us or the people of Fiji how unsustainable debt level will directly affect ordinary citizens and its associated risks.

For me as an individual who also borrowed for investment, I fully understand risks associated with borrowing. The difference between personal and Government borrowing is the volume and the capacity to mobilise fund through taxation. For the Government it is simply borrowing on behalf of the people of Fiji. The point that I would like to make is that it does not matter whether it is concessional or interest free loan, debt has to be repaid, Honourable Member.

HON. A. SAYED-KHAIYUM.- Not all of it. You do not understand basic economics.

MR. SPEAKER.- Order!

HON. RATU N.T. LALABALAVU.- Multilateral agencies, such as the World Bank, ADB and the IMF have warned the Government of our unsustainable debt and the lack of fiscal space for future shocks. Today, our average debt per capita has increased from \$2,500 in early 2000 to over \$10,000 today and there is a high risk of defaulting as debt servicing obligation increases. The downside risk of high unsustainable debt include:

- As national debt per capita increases, there is a strong possibility of default. Therefore, the Ministry of Economy will have to raise the yield of newly issued treasury securities to attract new investors.
- Increase in debt reduces the amount of tax revenue available to be spent on Government services because the first call on Government revenue is payment of its principals and interest. This means the lower standard of living we are experiencing today.
- Once the rate of treasury securities increase, investors will increase their purchase of these new securities. Therefore, they have to raise the price of their goods and services to meet the increase in the cost of their debt service obligation. Over time, this will cause people to pay more for goods and services resulting in inflation.

- Increase yield in treasury security will increase the cost of borrowing to individuals to purchase homes. This exacerbated further due to short term contracts for civil servants which made it difficult for them to purchase a home which is a basic need.
- Risk investment such as corporate debt and equity investment will lose its appeal.
- The crowding out effect tends to encourage the growth in the size of Government and simultaneously reduces the size of the private sector. It defeats the whole purpose of any reform agenda in the right sizing of Government.
- The high risk of default as debt obligations increase, the country loses its social, economic and political power which will become a national security issue, as experienced now in Sri Lanka.

In 2005, our total debt stock stood at \$2.4 billion accumulated since independence - that is well over a 30 year period. Today, within 17 years down the line our current debt is almost reaching the \$10 billion mark which has increased more than fourfold.

Most of us believe that the current debt level is unsustainable in the medium and the long term. If the Government does not consolidate our public finance in the short term, our debt will surely continue to increase. Our total debt stock consists of 68 percent of domestic debt and 32 percent of external debt as at 30<sup>th</sup> May, excluding an additional US\$100 million provided by the World Bank to support Social Protection and COVID-19 Response and System Development Project.

Mr. Speaker, Sir, at this juncture, I would like to revisit the response made by the honourable Minister for Economy to honourable Adimaitoga's question (Question No.128/2022) in the last Parliament session asking him to inform Parliament on "Why Fiji's debt remains unsustainable and cannot be compared to the Sri Lanka Crisis". Sir, such a self-serving question prepared by the Government to cushion concerns raised by the public of our unsustainable debt level will not take away this fact. I would like to reiterate and echo the recommendations by the IMF that the Government needs to consolidate its Government finance and provide fiscal space for future shocks.

The honourable Minister for Economy was quite witty in his response and continued to paint a picture or argue as usual that everything was hunky-dory - that our debt is sustainable, while the situation in Sri Lanka is worse. Before responding to the question raised by the honourable Adimaitoga, the honourable Minister for Economy first ridiculed people like the honourable Professor Prasad, who is the honourable Leader of the National Federation Party in Parliament, Professor Wadan Narsey and the *Fiji Times* for raising issues regarding our unsustainable debt level. He should have taken such comments from experts constructively and positively and look at ways in reducing our debt rather than ridiculing and criticising them for raising their genuine concerns.

Mr. Speaker, Sir, it is common knowledge that Sri Lanka does not have adequate foreign reserves. While he continues to boast that Fiji has over 10 times more revenue available to service its debt, he also claimed that lenders have stopped lending to Sri Lanka, while our lenders have recently been lending five times more than they were lending before. The truth of the matter is that, previous Governments took a more cautious and responsible approach in borrowing and only borrowed for capital formation rather than consumption, which has become a norm for this Government because there is always a shortfall in revenue collection.

It is important that we should look at the issue in its proper context and perspective. There is no doubt that our foreign reserve is quite high and currently hovering around \$3.6 billion which is equivalent to 8.4 months of retained imports of goods and services. The truth is that our foreign

reserve includes grants, budget support and loan funds. There is nothing to be excited about the high level of foreign reserves because our reserve was not earned through the sale of goods and services abroad, but has been artificially increased by budget support, loans and grants. What happens when all the grants, budget supports and loans are fully exhausted?

As usual, the Government will continue its borrowing spree without due consideration for the long term consequences. The long term consequences that will be putting pressure on our future generation to pay our debt and disadvantage them from borrowing for future inspiration. To claim that the lenders have stopped lending to Sri Lanka is a straight-out lie and manipulation of facts without any due respect to a Sovereign Nation in crisis.

The fact of the matter, Mr. Speaker, Sir, based on the latest information available is that:

1. The World Bank is lending US\$600 million to Sri Lanka;
2. India has committed US\$1.9 billion and will lend another US\$1.5 billion to support import when the need arises;
3. The G7 countries (Canada, France, Germany, Italy, UK and US) have committed to provide help to Sri Lanka;
4. Sri Lanka is working with China for the reconstruction of its loan portfolio; and
5. The IMF also stands ready to bail the country under certain conditions as normally done for countries that are facing debt crisis.

Sri Lanka is not the first country to face debt crisis. A number of countries in Europe, such as Greece, Italy, even Pakistan and Laos among others, face similar challenges in the past. To claim that no lenders is willing to lend to Sri Lanka is an outright lie and mischievous. The claim that Fiji has 10 times more revenue available to service its debt and our current revenue is over \$3 billion is deceiving the people of Fiji.

Sir, if we have 10 times more revenue available then why are we still borrowing?

(Chorus of interjections)

MR. SPEAKER.- Order!

HON. RATU N.T. LALABALAVU.- If we have sufficient revenue, we can finance all public expenditure and have a surplus budget, but our deficit continues to increase exponentially. The argument that we borrow just because it is concessional (that is what the honourable Minister is saying) is ridiculous, to say the least, with no consideration of its consequences in the medium and long term.

Sir, on 9th May, 2020, the World Bank just provided us with an additional loan of US\$48.9 million for our social-protection on COVID-19 Response and System Development project. This is to complement our earlier loan of US\$50 million for the same purpose. I believe the complementary funding is to support handouts given to the people of Vanua Levu. The timing of the payment of freebies is questionable since we are on the eve of elections.

Again, Sir, the claim that current revenue is now over \$3 billion and that our revenue during COVID-19 was high, is straight out misleading, deceiving and dishonest. Based on the data in Fiscal Framework, the actual revenue collected in the 2021 Financial Year was only \$2.1 billion and it is anticipated that revenue to be realised in the 2021-2022 Budget is around \$2.3 billion. This is short from the \$3 billion claimed by the honourable Minister for Economy, whilst actual revenue collected was only around \$1.6 billion.

Sir, Sri Lanka is in the same league as Fiji and they also have access to concessional loans. His claim that we only borrow for capital expenditure is not true at all. Today, we have received over US\$100 million of unemployment support which has been given out as handouts or freebies rather than for any capital formation which I will deliberate on later.

As a layman, not an economist, my understanding is that, government debt is the people's debt. The simplest way to compare our debt is that with Sri Lanka is to look at the ratio of debt on per capita basis. Sri Lanka has a population of around 22 million and their debt is around \$50 billion. Whilst, Fiji has a population of around 900,000 and our debt is hovering around \$9 billion.

HON. A. SAYED-KHAIYUM.- One is Fijian dollar and one is US dollar.

MR. SPEAKER.- Order!

HON. RATU N.T. LALABALAVU.- On per capita basis, each citizen of Sri Lanka owes \$4,500, whilst every Fijian citizen owes at least \$10,000. With this simple illustration, we can clearly see that on per capita basis, we are more debt-ridden and worse off than Sri Lanka. Sir, the honourable Minister should stop hoodwinking, misleading and deceiving the people of Fiji because they know the truth. At the same time, the honourable Minister for Economy should show some respect to our friendly nations and respect their sovereign right of self-determination.

Mr. Speaker Sir, on the US\$100 million for employment support, during the crisis it is commendable but we are not against it because the intention is noble, particularly during the crisis. However, there are better programmes and effective means in helping our people in the short-term through better targeting in the use of this US\$100 million. It reminds me of the old proverb which says, "It is better to teach a man to fish rather than giving him fish". Basically, the moral of the proverb is that if you should give a man a fish, he will only survive for a day but if you teach the man to fish, you will feed him for a lifetime.

The Government is creating an environment where people are forced to be dependent rather than being innovative. On a number of occasions, I suggested to the Government that they should consider Cash for Work Programme to those who really need our support. The Cash for Work Initiative in the public sector has worked well in many developing and least-developed countries during the crisis and is considered the most effective and sustainable approach in a crisis situation.

The biggest challenge for the Bainimarama Government is that they remove the Public Sector Investment Programmes (PSIP), a three-year rolling programme which contains well-developed projects that are ready to be implemented immediately when funds are available. Projects in the PSIP have gone through very vigorous consultation process and vetting which is consistent with priorities of the Government, drawn from its medium term plan. In the absence of a PSIP, this Government continues to take an *ad hoc* approach in the identification and implementation of capital projects, which has led to the delay in implementation, cost overrun and increasing cost. I have elaborated on some of these projects earlier.

A better option is to target those who need assistance through food stamps when the need arises. I believe we have the machinery in place to implement such programmes effectively. The current direct cash grant assistance through M-PAiSA and My Cash has failed miserably because it is not well targeted and is a waste of limited resources. A fair share of those who receive this money spent them on alcohol and purchase of mobile phones and other items.

We are reliably informed that during pay-out periods, there were liquor outlets that ran out of stock and taxi drivers were having a windfall from our youth who have spent the money on alcohol.

This US\$100million employment support would have gone a long way if it was better targeted for those who really need them.

Mr. Speaker, Sir, the honourable Minister for Economy, as usual in all his Budget Addresses, always emphasise and continue to be boastful on the Government's success in the implementation of its reform agenda. In announcing the Revised Budget on 24th March, 2022, he boasted and I quote:

“Several big picture reforms 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 down with bureaucracy, that favoured a privileged few or that no longer serve a purpose”.

The honourable Minister should be ashamed of making such a grand statement in the success of Government reform agenda which generally has failed miserably and had cost the taxpayers millions and millions of dollars. In addition, the Government reform agenda has brought about more favouritism and favoured privilege few which is totally contradictory to his claim. The people of this country know too well and there are strong evidence that suggests that the Government has failed miserably in its reform agenda and there is a trend of consistency in favouritism and nepotism to the selected few in the implementation of major public sector reforms.

Mr. Speaker, Sir, there are too many announcements without any action. Reforms are not well thought out before announcements are made. It is unfortunate that most of the initiatives implemented are on ad hoc basis, which has become costly and failed on many occasions. The key to success in the implementation of any reform agenda is harmonisation and the sequencing of activities taking into account the existing capacity. People who are directly involved in the reform must be consulted first so that they can take ownership of the reform and it must not be forced upon them. This is the very reason why most of the Government reform agenda have failed miserably because stakeholders were not consulted and they do not take ownership of the reform.

In the health sector, the IFC, a member of the World Bank Group in its Country Private Sector Diagnostic Report titled, “Creating Market in Fiji” clearly stated that Fiji's healthcare system has challenges in its entire value chain from inadequate infrastructure for early screening and diagnosis of diseases to the availability of medical supplies and pharmaceuticals and disposal.

Strengthening Fiji's healthcare system will address the growing burden of Non-Communicable Disease (NCDs). Around 95 percent of deaths in 2019 were due to NCDs. They estimated that by 2040, the rising number of premature deaths caused by NCDs will cost Fiji's economy roughly 10.9 percent of its current GDP, which is estimated to be around \$10 billion annually. This is very much contrary to the claim that Government is modernising and continues to improve our health system. The initiative to improve private-operated GPs in rural areas will not work because it is not viable for them.

With regards to urban development, little progress or headway has been made because the Government wants to continue to control municipalities. Garbage is not collected, streets are in poor conditions, the lack of affordable housing in our urban centres around the country and regular street fights, Mr. Speaker, Sir, by our youths are regular occurrence, especially in our major suburban areas. The biggest challenge is that the municipalities are still centrally controlled, very much heavily centrally controlled. Election should be allowed so that the ratepayers can organise themselves better and decide the best way forward in their respective municipalities rather than have control which defeats the whole purpose of any reform agenda.

In the public service, OMRS has failed because it is a disincentive to our locals who could

easily take up positions rather than bringing in expatriates. They do not last long because of political interference from the Government. Today, at least 13 positions of Permanent Secretaries are vacant, honourable Prime Minister. How can an organisation run without a leader?

In agriculture, the reform in the sugar subsector has failed miserably despite substantial injection of public funds and subsidy. Production continues to decline, more and more farmers are leaving, the mills continue to be inefficient and Tonnes of Cane to Tonnes of Sugar (TCTS) has not improved at all. I will be elaborating on the failure of Government reform agenda when discussing each specific sector, Sir.

It would be interesting if the honourable Minister for Economy can inform this august House the actual cost of public fund paid out in the implementation of its reform agenda in the transportation sector, particularly in the establishment of FRA and the reason why they were terminated halfway through the reform programme. Despite the substantial amount of funds allocated annually to FRA for the upgrading of our road network and infrastructure, very little improvement is visible. There is little improvement in the conditions of our road, particularly in the major urban centres and access roads in our rural areas.

When the honourable Minister presented the Revised Budget on 24<sup>th</sup> March, he sounded optimistic and very positive by saying and I quote:

“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 collection, import of consumption goods, sales of both new and second hand vehicles, retail sales and consumption spending and business activities are roaring back to life and have recorded strong growth in the last three years.”

As usual, the honourable Minister for Economy continues to misguide the people of Fiji by painting a picture of false hope which is quite deceiving. The people of Fiji know too well that this is not the case and recovery will take some time to kick in because there are serious structural challenges facing the nation and there are still people looking for jobs and ordinary citizens of the country are facing difficulties in putting food on the table or at least making it possible to provide two decent meals a day.

Sir, the fact of the matter is that, our macro indicators suggest mixed signals. Although consumption has marginally increased, it does not truly reflect the challenges faced by more than 60 percent of our population who are struggling to make ends meet.

The economic review at the end of June suggests otherwise. It clearly shows that the global growth is expected to be lower than anticipated, which will surely trickle down to Fiji and its impact will be much greater. This is, indeed, totally contradictory to what the honourable Minister for Economy has boasted about that because of the spread of the omicron variant in our source market, the arrival from Australia is down by -33.3 percent.

Key indicators that drive the domestic front clearly show that the recovery will be very slow. Electricity production fell by -4.2 percent in February, showing the decreasing demand. Although aggregate demand has slightly improved, it is still far below the pre-pandemic level. The sad reality is that, the increase in consumption is driven by high inward personal remittance which increased by almost 4 percent and consumption-related loans which increased by 121.3 percent.

Therefore, we can confidently say that the economy is still driven by consumption rather than productive investment. More attention should be directed at productive investment to provide

employment opportunities so that ordinary citizens can earn a sustainable level of income in the medium term.

The over-optimistic outlook and manipulation of information given by the honourable Minister for Economy, knowingly that it is not. This will give the wrong signal to investors and consumers alike since they do not have the confidence and that they do not trust the Government due to the manipulation of data and misleading information. Investors do not have the confidence and faith in the Government and continue to take a very cautious approach, especially a ‘wait and see’ approach.

The artificially high foreign reserves and high liquidity clearly shows that investors do not have the appetite for investing in the country. The high level of keen interest shown by registered investors as claimed by the Government, has not translated to real investment on the ground. As I have said earlier, investors are playing a wait and see game because of the volatility in the global trading environment, inconsistency of policy on the domestic front, poor human rights record, breakdown of law and order and lack of transparency and accountability.

I will now revisit the performance of key sectors of the economy and the anticipated impact of the proposed Budget to them. First, our resource-based sector, in particular, is agriculture. In my introductory remarks, I made it very clear that we are living in difficult times.

There is an environment of uncertainty and unpredictability due to the war in Ukraine, which has disrupted the supply chain in the supply of grains around the world, accompanied by the unprecedented increase in the price of fossil fuels.

We, as a nation, must focus and direct our limited resources to sectors that will surely give us the competitive edge and ensure there is food security so that we continue to have a competitive advantage in terms of our export, if we want to achieve the Bula Boom, Sir.

Our Agricultural Sector, as we all know, can be divided into two major subsectors which is sugar and non-sugar. First, our sugar subsector is important because a fair share of our population depend on it for survival. More than 250,000 of our citizens either directly or indirectly very much depend on the sugar subsector for survival.

Sir, the sad reality is that the sugar subsector continues to be heavily subsidized by the Government, compared to non-sugar agriculture. Many studies have been carried out after the events of 2006. First, the *Deloitte Report* recommendations in the early 2010 were implemented which included the privatisation of one mill, in addition to the overhaul of the Fiji Sugar Corporation (FSC).

In addition to the *Deloitte Report*, there were many other reviews and studies that followed. Despite such effort, the sugar subsector continued on a declining trend, whilst Government on an annual basis continues to inject substantial taxpayers’ money to revitalize the sugar industry.

Key indicators suggest that the sugar industry has not responded to reforms or the additional substantial injection of taxpayers’ funds. These include the following:

1. The sugarcane production continues on a declining trend. In 2006 the total cane produced was around 2.8 million tonnes. In 2020 only 1.8 million tonnes of cane were produced a reduction of almost 1 million tonnes.
2. The number of active farmers have not improved. In 2006, there were around 15,730 active farmers. In 2020, the number of active farmers dropped to around 11,622, a

reduction of 41 percent.

3. The TCTS has not improved at all and it is hovering around 10:46 whilst the best ratio should be below 9. This is the tonnes of sugar produced.
4. Sugar production has also been on a declining trend in 2006 sugar produced was around 288,911 tonnes. In 2020 sugar production is around 168,703 tonnes, a reduction of about 120,208 tonnes of sugar produced.
5. Export of sugar including molasses declined substantially from as high as \$224 million in 2006 to around \$87.3 million in 2021, a reduction of more than 50 percent despite substantial increase in government subsidy.

These indicators clearly show that the reform agenda implemented by the Bainimarama Government to revitalize the sugar industry has failed miserably. The solution, Sir, is to look at other alternatives rather than continue to pour taxpayers money with no results at all. Some of us in this august House may recall the initiative by the Qarase Government in the implementation of the “Alternative Livelihood Programme” with the commitment of all our local stakeholders and support from our development partners. This Programme involves diversification within the sugar subsector. The European Union committed over \$300 million in grant to support the implementation of the Programme which was withdrawn due to the event of 2006.

It is unfortunate that the Programme was cancelled in 2007 by the administration led by the honourable Prime Minister. The Programme took a holistic approach whereby all stakeholders’ vis-à-vis government, private sector, industry players and development partners working in partnership to revitalize the sugar industry. I believe this Programme still has some merit and should be revisited by government with adjustments taking into account the changing environment and at the same time encourage the effective participation of all stakeholders.

The importance of non-sugar agriculture has come to the forefront due to the COVID-19 pandemic when those that lost their jobs turned to agriculture particularly home gardening to sustain their livelihood during the crisis. Despite opportunities available in the non-sugar agriculture subsector very little attention has been given by the government in its development.

The implementation of the Rural and Outer Island Development Programme has not been given the prominence it needs in providing food security and the potential opportunities for export. The Government should pay more attention to alternative high valued crops as substitute for the ailing sugar industry rather than continuing as business as usual. There are greater potential and opportunities in other resource-based sectors such as forestry and fisheries which should be given priority and given the necessary resources.

Mr. Speaker Sir, now I will highlight allocations to key agencies. In doing so, it is interesting to note that operating expenditure has increased by \$198 million and a reduction of \$105.1 million in capital expenditure compared to the revised 2021-2022 Budget. These are very important figures, although the government continues to claim that this Budget is about investment but the sad reality is that they have reduced capital expenditure by \$101 million.

Sir, with regards to FRA, its allocation has increased by \$38.5 million from \$338.2 million to \$376.7 million. What surprises me is that the announcement made grand statements regarding the work to be carried out by FRA, including the four lane highway from Suva to the West. The question Mr. Speaker, Sir, is how realistic is this amount for FRA to achieve all those targets?



The allocation given to FRA in the 2022-2023 Budget is less than the budget allocated for roads in 2005 and 2006. Interestingly, the FRA continues to be on a declining trend from \$653million in 2015-2016 Financial Year and continues to decline. Taking into account the substantial allocation to FRA from 2015 to 2019-2020 for the last five years averaging \$500 million, Sir, there was very little improvement in our roading infrastructure. With the current level of funding, it is unlikely that the conditions of our road will improve.

Sir, there was a lot of excitement and euphoria from the Government side when the announcement was made that a study is going to be undertaken as pointed out by the Honourable Minister for Economy just a while ago. I would like to inform this august House that this is nothing new. There were two studies carried out for the transport sector in early 2000. Key recommendations of the studies suggest that it is not visible and viable to construct a four lane highway because the traffic count was low and the loading was not adequate to justify the construction.

Rather than funding a totally new study, a review of the transport sector study carried out earlier would suffice to determine the viability of such undertaking. The study also considered the construction of a light rail system between Suva and Nausori and the finding suggests that the volume is not enough to warrant the construction of such project. Sir, the point I am trying to make is that Government should stop trying to reinvent the wheel and review previous work undertaken to ensure cost effectiveness.

On rural electrification, I have noted that a sum of \$19 million has been allocated under Head 50 to be paid out to EFL. The amount allocated for rural electrification is quite substantial and very little work has been carried out. In Savusavu, Sir, if you drive along Buca Bay West Coast and the Hibiscus Highway not forgetting that in the northern part of Taveuni you will see power poles along the way since 2017 but no electricity supplied. As of today, nothing has improved.

In addition, the capacity in Savusavu to generate power has not increased and the town experience, at least, four to five blackouts in a day. I believe this is similar to other parts of the country. My concern is the issue raised in the Auditor-General's Report regarding rural electrification where funding has been transferred to shareholders account and not used for its intended purpose. A review should be undertaken as to how much of this funding has been utilized for its intended purposes.

The EFL is a natural monopoly with an overseas shareholder. The need for a major reform to ensure cost effectiveness and transparency is necessary. This could be easily achieved through separation of functions. We need to separate the production side from distribution and also ensure an independent regulatory body.

The Government continued to claim that the health and medical services are very important in the country. This is also confirmed by the Country Private Sector Diagnostic Report known as "Creating Markets in Fiji" clearly stated that Fiji's healthcare system has challenges in its entire value chain, as I have stated earlier from inadequate infrastructure for early screening and diagnosis of disease to the availability of medical supplies and pharmaceuticals and disposal.

Despite the claim by the Government and the finding of the report, the Ministry of Health and Medical Services has decreased by \$11.5 million from \$406.6 million in the Revised Budget and only \$395 million in the 2022-2023 Budget. This clearly reveals the hypocrisy of this Government in saying something but doing the opposite.

Last but not least, most of the increases in the Ministry are for Operating Expenditure rather than Capital Works, such as the increase in the:

- Republic of the Fiji Military Forces' budget by \$8 million;
- Ministry of Commerce, Trade and Transport increase by \$10.5 million;
- Ministry of Economy increase by \$13.4 million;
- Ministry of Housing and Community Development by \$10.2 million; and
- Ministry of Women, Children and Poverty Alleviation by \$9.2 million.

In conclusion, Mr. Speaker, Sir, I am sorry to say that we, on this side of Parliament, are not in a position to support this 2022-2023 Budget basically for the following reasons:

- It is very clear in our mind that this is an electioneering Budget and does not address the deep rooted structural challenges facing the nation today.
- The honourable Minister has lied and deceived the nation that fiscal consolidation for the Government medium-term fiscal strategy. The focus will be on reducing deficit and growing the size of the economy by enticing new investment and economic diversification. The fact of the matter is that, there has not been any real effort or commitment for fiscal consolidation. This is reflected in the increase of our net deficit to a whopping \$872.2 million which is around 7.4 percent of GDP.
- Government's total exposure is over 106.4 percent, I think, this is a very important point for us honourable Members. The total exposure is 106.4 percent of GDP which is unprecedented and unacceptable for a small and vulnerable country like Fiji. The total exposure includes \$8.6 billion of Government debt and \$1.7 billion of contingency liability. Majority of our contingency liability are considered high risk.
- There is very limited attention given to strategies to stimulate growth as we are going through a volatile recovery period.
- The reduction of Government capital expenditure by \$105.1 million (this is another interesting point) is a concern. Therefore, capital works in major resource based sectors and the upgrading of key social infrastructure will not be realised or probably be deferred as usual.
- The manipulation of figures and the bullish forecast for economic growth is unacceptable and gives the wrong signal to investors both, domestic and foreign. They are fully aware that realistically, we will not be achieving the 12.4 percent projected growth because of uncertainty volatility of the global trading and geo-political environment.
- The Bula Boom is unlikely to be achieved just like the Bainimarama Boom. What is clear on the horizon is an Election Kaboom.

I thank you, Mr. Speaker, Sir.

MR. SPEAKER.- I thank the honourable Leader of the Opposition for his contribution to the debate.

Honourable Members, on that note, we will now suspend proceedings for a break and we will resume in half-an-hour.

The Parliament adjourned at 11.48 a.m.

The Parliament resumed at 12.29 p.m.

MR. SPEAKER.- Honourable Members, we will continue with the debate.

HON. J.V. BAINIMARAMA.- Mr. Speaker, Sir, let me first acknowledge the extraordinary achievements of our sportswomen by congratulating the Fiji Pearls on qualifying for the Women's Netball World Cup next year in South Africa, the Fijiana for winning the Pacific Nations Cup and our Fiji Girls Soccer Team (the Kulas) for advancing to the semi-finals of the OFC Women's Nations Cup after last night's victory against the Cook Islands, a win I was proud to witness first-hand.

Mr. Speaker, Sir, winning at the highest level is all about preparation. It demands consistent practice to deliver an effective game time strategy. That is true in sports. It is also true in Government.

Our game plan is the National Budget we put before the people. When we consider the totality of the pandemic, the strength of our recovery, the stability and certainty that our people and businesses needs at this time, I believe this is the most important budget that we ever presented in this Parliament.

Sir, families need more support and they need it now. This Budget gives it. The private sector needs stability, certainty and long-term consistency. This Budget delivers that in spades, and this Budget broadens and lengthens the causeway to recovery we established from day one of the crisis.

Its expenditure has been called balanced, disciplined and responsible. Its social support has been called fair and compassionate. Its policies have been called pro-active and pro-growth, Mr. Speaker, Sir. That is all true. This was all possible because when Fiji needed a clear vision and decisive leadership, my Government supplied it. When we called on the Fijian people, they stood with us.

Even in the early days when we understood very little about the virus and what we knew was changing daily, we began readying Fiji for a recovery. Everyday, we worked to get back to the FijiFirst forged path towards an economy that was diversifying, digitising and delivering resilient infrastructure in our communities and breaking records for growth - an economy that was connecting our most rural communities to clean water and reliable energy, relocating communities at risk to sea level rise and lifting people out of poverty and the policies that were driving up investment, driving down unemployment and empowering our landowners. You do not mess with the fundamentals of our winning record like that, Mr. Speaker, so through the pandemic, we preserved business institutions and industries like tourism that helped to make it all possible.

We secured vaccines and deployed them for free for all eligible Fijians in all parts of the country. We repatriated more than 45,000 Fijians and adapted best practices in COVID-19 management from our national carrier - Fiji Airways, which obtained some of the highest possible recognitions in COVID-safety to our airports and our hotels. Through the pandemic, our strategy and confidence did not only distinguish ourselves from our opponents, we distinguish Fiji among nations.

We made Fiji the number one country in tourism readiness in the entire Asia-Pacific. Our policies and our people did that. Together, we made Fiji the most COVID-safe tourism destination in the most populous region of the world. Mr. Speaker, Sir, I then promised that Fiji would be opened by Christmas, but some critics said that that was a fantasy. We re-opened our border well before that date and proved that small minds cannot comprehend bold visions.

We are now surging out of this once-in-100-year crisis. Our economic growth this year will break records. Yes, of course, that reflects recovery from the pandemic-induced decline, but it is a valid indicator that our business sector is resilient and our economic fundamentals are strong enough to create a Bula Boom in tourism and economic activity. While countries like Samoa and Tonga still have not

fully opened their borders, Fiji has been opened and recovering for nearly seven months - creating jobs, paying wages and attracting investments.

That is what decisiveness delivers, Mr. Speaker, Sir, and those are all good news, but no one in Government believes that Fiji is free of its challenges. There is still a war going on and we cannot turn away from it. Aside from killing thousands of civilians, the Russian invasion of Ukraine has decimated the global supply of wheat and seed oils. A fragile agreement was signed just two days ago to increase grain exports out of Ukraine, but that is far from guaranteed to actually happen. Vital supplies of fuel are being cut-off to the world as well. This has all made lagging pandemic shortages and supply chain disruptions even worse and sent prices even higher.

We responded earlier on by dropping customs duties to zero or near-zero on over 2,000 items. We responded again by raising the national minimum wage which, let us not forget, this Government introduced. We responded further by removing VAT on 21 essential food items. We are also the Government that freed the lowest-earning Fijians from paying any income tax at all and that subsidises electricity and provides free water for low income families. We are also the Government that covers fees for market vendors and that covers the licence renewal fees for taxi drivers, carrier drivers and bus drivers. We are the Government that covers the fees for members of the public seeking their birth certificates or police clearance to fill out job applications. We also cover the fees for fishermen to get their licences and we have extended all the support for another full year.

All through this Budget, Mr. Speaker, Sir, we will become the Government that responds with compassion once again through a new \$60million inflation mitigation package. It includes cash support to families paid out per child - \$1 per day or \$7 a week or \$30 a month. It is not a fortune by any means, but it is a difference maker for many needy families. It certainly will be for a mother of four who will receive \$720 in direct cash support between the start of August and the end of December. One-off payments of \$180 will also go to tertiary students, people on Government pensions, in aftercare and the social welfare recipients. The situation is extremely volatile, which is why we will review our response in six-month's time. If more support is needed, it will be given.

I am deeply impressed by the balance achieved in this Budget, Mr. Speaker, Sir. We have delivered the support while also committing to the path towards fiscal consolidation that the honourable Attorney-General has assured us we would embark upon once our recovery gained steam. During the crisis itself, we had to deal with the choices that were before us, not the choices we wish we had. We had to choose the best option for our people and our businesses because the perfect option did not exist, so we acted as governments are supposed to do. We borrowed as in we, the Government, borrowed so that families could put food on the table and businesses do not have to shut down forever.

Let me be crystal clear on that, Mr. Speaker, Sir, if our people had not been given access to the unemployment benefits we rolled out in the pandemic and the social support which we never cut through the pandemic, families would not have been able to feed their children and keep their homes. Businesses would have been forced to borrow much more at much higher rates to simply survive, if they had been able to borrow at all. The bottom line is that our borrowing protected families and businesses, and that was the right call. Our recovery is the proof.

Mr. Speaker, Sir, I love to hear all the positivity and excitement this Budget has created - our honourable Attorney-General and his Ministry for Economy team deserve those accolades. Though I would say the most telling commentary comes from our opponents. They have all called this Budget an "elections budget" - that is their funny way of admitting that it is a damn good budget for the people. They said the same thing four years ago and it provides some insight into their thinking, since they have no guiding philosophy of government or economic management and only seem to be driven by the desire to be elected to office.

Let me let them in on a secret, Mr. Speaker, Sir; elections are decided by the people and I answer to the people. So, when my political opponents call this an ‘elections budget’, they really mean it is a people’s budget and so is every budget that we have passed before it, because we do not work towards an election. Mr. Speaker, Sir, we work for the people. When you serve the people, the people support you; it is not complicated. They say our support and service to the people is “freebies”. With one silly word, Sir, they expose their own intellectual bankruptcy, because a response like that is designed to cut off discussion, not engage in it.

So, Mr. Speaker, Sir, I ask what would they prefer? Should we force the most vulnerable Fijians to pay the full price of Russia’s war? Should we demand the most vulnerable Fijians to front the full cost of rising bus fares? Should we abandon those who need their government the most?

HON. GOVERNMENT MEMBERS.- No!

HON. J. V. BAINIMARAMA.- Mr. Speaker, Sir, only a politician seated in the comfort of an office would ever dare to call social support a “freebie”. Government is not holding a “buy one, get one free” sale on new television sets. We are providing security for those most vulnerable in society.

Mothers do not call money they can spend buying food for their children, a freebie. No one calls free medicine they need to survive, a freebie. No one calls the free education they can provide for their children, a freebie. No one calls the roads they rely on to travel to their jobs or to the market, a freebie.

Our people need this support and our opponents are too blinded by political ambition to see it. In fact, Mr. Speaker, Sir, I think they have become bitter and twisted. Let me remind them, especially the NFP - bitter and twisted. Their personalisation of politics and the economy could not be more different from our sober, visionary, and rational decision-making. It is the differences Mr. Speaker, Sir, between tweeting and leading. It is the difference between policy-making and power-seeking. I have been to communities, Mr. Speaker, Sir, and spoken with the people - I know the difference this assistance makes for families, children and for those most vulnerable.

All that our political opponents have offered the nation, are insults. They cry and howl like a pack of wolves in public, but behind closed doors they are more like a flock of timid sheep searching in vain for a shepherd, or maybe even a sheep dog - anyone who knows anything about economic statecraft and has the courage to propose strategies that will lead them out of their confusion and stupor into a safe political meadow.

They have had 10 days to provide any credible alternative policies and we have heard nothing from them but schoolyard tantrums. I still wonder what our opponents hope to accomplish by these attacks, not for themselves because we know the answer to that, but for the people of Fiji. What kind of economy would they envision in these troubled times and what difficult choices would they summon the courage to make; we do not know because they do not propose. They just whinge and criticise, and say no.

HON. A. SAYED-KHAIYUM.- So true!

HON. J.V. BAINIMARAMA.- I trust the people to tell the difference between those working to serve them and those who could not even be bothered to present them with an alternative budget.

HON. J. USAMATE.- Very poor!

HON. A. SAYED-KHAIYUM.- Shame!

HON. J.V. BAINIMARAMA.- Those who could not even be bothered to complete their terms in Parliament.

HON. A. SAYED-KHAIYUM.- True!

HON. J.V. BAINIMARAMA.- And those who cannot be bothered to tell the truth to the public, Mr. Speaker, like the missing honourable Professor Prasad.

HON. J. USAMATE.- He has left us.

HON. A. SAYED-KHAIYUM.- Shame!

HON. J.V. BAINIMARAMA.- It took honourable Professor Prasad a number of days after the Budget to begin lying to our cane growers. Despite the A-G's total assurance that we would pay the full \$85 per tonne, honourable Biman Prasad said we would not be paying that guaranteed price.

HON. A. SAYED-KHAIYUM.- Shame!

HON. J.V. BAINIMARAMA.- That is an outright falsehood; our growers will get the full \$85 per tonne as we promised they would.

HON. A. SAYED-KHAIYUM.- Hear, hear!

HON. J.V. BAINIMARAMA.- I am seriously concerned that honourable Professor Prasad does not understand the most basic premise of our support growing programmes for cane growers. Government funds a top up on the world market price for sugar, which means that when the world market price goes lower, we step in to cover the difference to grant our growers certainty, and when the world price rises, we do not have to spend as much.

The world price of sugar is rising, so Government does not have to subsidise as large of a difference as it did in previous years to reach the \$85 price floor. The budget allocation reflects that. If the professor cannot comprehend those basic maths, he should go back to school.

(Laughter)

HON. A. SAYED-KHAIYUM.- Very poor!

HON. J.V. BAINIMARAMA.- In fact, he should go speak with his old colleague, Dr. Rup Singh, who has said clearly that Fiji's debt levels are sustainable, by the way. That is real analysis, Mr. Speaker, from a brilliant professor who still believes in objective truth, who has not sacrificed his academic credentials on the altar of political ambition.

HON. A. SAYED-KHAIYUM.- Shame!

HON. J.V. BAINIMARAMA.- Leaders do not lie. Leaders solve problems. Leaders create solutions. Honourable Professor Prasad and his new bed-mate Rabuka only know how to paint the worst possible picture of the country through conjecture, pessimism and fabricated theories.

They do not speak the truth and that is the truth. Honourable Professor Prasad, your new National Bank destroying buddy nearly turned our Fijian dollar into used serviettes when he was in government. He devalued our dollar by more than 50 percent without the help of a pandemic. We kept our dollar strong during the entire crisis.

HON. J. USAMATE.- Hear, hear!

HON. J.V. BAINIMARAMA.- That is the truth. Too much dancing, I guess.

What is also true, Mr. Speaker, is that this Government supplies ideas. We supply policies and purpose that the Fijian people deserve from their elected representatives. We have strategically delineated \$3.8 billion worth of expenditure. We have written a roadmap for delivering sustained growth. We have sensibly reduced public spending to allow businesses in the private sector to step forward and drive our recovery. We have committed to keep taxes low for three years at least, Mr. Speaker, Sir. That is consistency that businesses and the Fijians they employ can count on.

Across my portfolio, the Immigration Department will use its allocation to continue its reforms then make it more technologically savvy for the benefit of our citizens and visitors. That includes a complete online permit processing and payment system, and I welcome the extension of the business visa duration.

On sugar, the guaranteed price of \$85 per tonne will be paid, Mr. Speaker. We have again allocated a \$25 million budget to ensure that our growers continue to pay \$20 per every 50-kilogramme bag of Blend A, B and C fertiliser they will procure, despite the skyrocketing price of the commodity globally.

The Ministry of iTaukei Affairs will continue to implement policies that reflect the philosophy that our landowners should be financially empowered by the constitutionally-protected assets they own. The Ministry's budget has been increased to survey more unsurveyed land, preserve and revamp our iTaukei records, and host more roadshows, leadership and cultural awareness trainings.

Our opponents have already embarked on their usual campaign of lying to landowners about threats to their land and security. They said the same thing about the 2013 Constitution. They said the same in the 2014 Elections, they said we would sell Kadavu to the Chinese and they had said the same thing about Bill No. 17, which is now Act No. 21. Of course, no land has been lost, no landowner has not been consulted but on the contrary, iTaukei land is only rising in value. No rights have been infringed, instead, iTaukei landowners have been emboldened and empowered to seek development opportunities and earn more money in lease payments.

Lastly, Mr. Speaker, the Ministry of Forestry's \$17.7 million allocation will fund the steady development of a greener Fijian economy, creating sustainable livelihoods that our people can count on for generations. That is what we are in the business of doing – creating long-term solutions that support long-term recovery.

Mr. Speaker, during the entire pandemic, our opponents have tried to shrink the nation's ambition. They have tried to make this about them, versus us. The real fight has been the Fijian people against the virus and the global pandemic and economic crisis it created. That is the fight I have been focussed on for the past two-and-a-half years - that is the fight that matters and that is the fight we are winning.

When you look at how they act and little they have told us about how they would lead, it becomes clear, Mr. Speaker, that our opponents are among the greatest risks facing our recovery. When we consider future threats, like conflicts overseas, climate change and COVID-19, we sadly must consider the remote possibility of our opponents entering Government. Their incompetence rises to the same level of risk as the other crises we face, because their indecisiveness and inability to craft meaningful policies would make us far more vulnerable to every other threat on the horizon.

Vision does not unite them, policy does not unite them, and neither does common sense. They are married by nothing but bitterness, spite and pessimism. God forbid, if they ever entered Government, they would spend years trying to figure out who would lead them, much less make any policy that improves people's lives.

Mr. Speaker, this Government is united, not by hatred towards anyone but by principles and by ambition for Fiji. We want what is best for Fijian families. We want what is best for the hardworking people and the businesses and industries they rely on. We want what is best for Fiji today and what is best for our children and grandchildren tomorrow.

I wholeheartedly endorse this Budget as our game plan to deliver that vision for all Fijians. Mr. Speaker, it is, indeed, a winning recipe.

HON. M. BULANAUCA.- Mr. Speaker, Sir, this is an election budget. It pleases the people for the next six months until election time - after that, they will remove or substantially reduce that. But people are not as ignorant or fools as the FijiFirst Government or Party. One might say, "You can fool the people some of the time but you cannot fool all the people all the time".

People do not vote for the FijiFirst Government or Party, nor do they vote for the honourable Prime Minister or the honourable Attorney-General and Minister for Economy. Why? It is because the FijiFirst Government or Party is led by them; one is a *coup*-maker and an alleged murderer. The honourable Prime Minister supported Speight's *coup*, then as Commander, could not protect the President then, the late honourable Ratu Sir Kamisese Mara, and shifted him to a boat out in the sea, and then *couped* Speight again after the *Muanikau Accord*.

Honourable Bainimarama is also an alleged murderer either or both physically and spiritually murdered the CRWs and no justice being made under his leadership since. I would have thought a budget is set aside for a Court or Justice Commission clearing his name before he is unceremoniously elected out of Parliament this year. He then *couped* the Military Counsel for his contract renewal in 2004, *couped* the late Mr. Laisenia Qarase and Soqosoqo Duavata ni Lewenivanua (SDL) Party in 2006 after having lost all his independent candidates in the General Election. His *coup* was for personal reasons to save his skin. Shame on him and also shame on the Fiji Military Forces for supporting such a selfish personal motive.

The other, honourable Aiyaz Sayed-Khaiyum, is a bomb-maker and a terrorist. Without a budget for a Court of Law to hear his case, although may be ignorant until proven guilty in the eyes of the public, he is a bomb-maker and a terrorist, Mr. Speaker, Sir.

They both have also *couped* the iTaukei people from their rightful place of cultural leadership in their own land and country. They removed the Great Council of Chiefs (GCC), took away the iTaukei rights, benefits and interests in what they own through the 17 to 23 Decrees (now Acts), stole from the iTaukei landowners to give others those benefits, therefore, they also become racists. They robbed Peter (iTaukei) to give Paul (other races). There should be a budget set aside for a Commission of Inquiry to inquire into those for justice to prevail. It is important for the Budget to include all that, Sir.

Mr. Speaker, Sir, the honourable Prime Minister has often boasted that iTaukei ownership of land is safe under the forced 2013 Constitution. While ownership under the entrenched Acts in 1970, 1990 and 1997 Constitutions were intact, there was further protection under the Parliamentary setup of the House of Review (Senate) by two-thirds majority in both the Houses, including two-thirds majority of GCC Senate representatives.



While the iTaukei is locked under the forced 2013 Constitution, Mr. Speaker, Sir, blinded, dumped, lamed and with no mind by 17 Decrees (now Acts), the iTaukei Lands Trust Act, iTaukei Lands Act and the iTaukei Affairs Act setup are exploited, forced and rushed through under Standing Order 51 in Parliament by a mere 51 percent vote, for example, Bill No. 17.

The honourable Prime Minister and honourable Minister for Economy have successfully shifted the right of policy decisions over iTaukei land from the landowners to a politician or foreign thinking. This was done by shifting the chairmanship of iTLTB, FAB, et cetera, from the President of Fiji who is a landowner by recommendation of GCC to the Prime Minister, a foreign political agent - shame!

The iTaukei is just witnessing the effects of that dramatic change of leadership and decision making over iTaukei resources. Please, all iTaukei, do not vote for the FijiFirst Government or FijiFirst Party. This is your only chance. The FijiFirst Government claims that it is a responsible budget but from proven record, Mr. Speaker, Sir, the FijiFirst Government revenue estimates or budget is normally on the high side, to look attractive and good. So, this is another look-good Budget. The expenditure estimates on record for the FijiFirst Government is normally on the higher side too, to throw out a profitable or smaller deficit outcome - again to look good. The FijiFirst Government is smart in producing look-good budgets as for this one too.

The actuals or variance for the FijiFirst Government record is normally the opposite. Revenue is lower and expenditure is even lower, resulting in a bigger or higher deficit. Note, actual deficit shows a steady rise from 2 percent in 2014 to about 14 percent in the 2021-2023 Estimates. The reality is different, worse off, particularly for 2022 which is election year, and many unexpected irresponsible expenditures will go into buying of votes or freebies for the FijiFirst Government. Total revenue trend as to actual and variance widened since 2013 so as the expenditure trend. How can this be a responsible budget?

On 10-year intervals (1971-1980), the late honourable Ratu Sir Kamisese Mara, a 4.8 percent of GDP but for this Government only 3.18 percent GDP from 2011-2020. On five-year intervals, the late honourable Ratu Sir Kamisese Mara, GDP was 5.8 percent compared to -2.32 percent from 2016-2020 for the FijiFirst Government. So the target of reducing 13.8 percent to 7.4 percent as proven track record may and will end up in 20 percent deficit if we are lucky – worse off.

Debt benchmark for developed countries is around 60 percent of GDP and a developing country like Fiji is around 40 percent, but Fiji is around 80 percent. Including contingent liabilities, we are about 106 percent. Debt is ever increasing and is out of control. Why can you not reduce it? We will, by creating more productive revenue earning areas or initiatives. Other Pacific nations with even smaller or bigger economies (Tonga, Samoa, Solomon Islands, Papua New Guinea, et cetera) are doing better than Fiji. Shame, Mr. Speaker, Sir! As a result, each member of Fiji's population owes or has to pay a debt now equivalent of \$10,000; an increase from \$8,000 to \$9,000 in 2018. Mr. Speaker, Sir, it is a very irresponsible Budget, particularly now when they want to save their own skins.

The introduction of low tax regime, attractive tax incentives, improvement in business processes; why only low tax regime and attractive tax incentives in the election year? To buy votes? Sorry, you will not get those votes. We have been preaching about these for the last four to eight years. Low and attractive tax incentives to include business people and entrepreneurs to pursue profitable and sustainable productive initiatives available in Fiji, particularly in the primary industries and manufacturing areas for increased exports to reduce imports. Why only this year? It is too late for you. We will do it and continue with it, Mr. Speaker, Sir.

Yes, I totally agree that we improve business processes (Ease of Doing Business initiatives) in cutting down cost of doing business and delay in decision making. This had greatly affected the productivity in the timber industry where in one instance the processing of logging renewal licence which took almost eight months, backdating effective date of renewal to eight months ago when the application was only received four months to expiry and applying for annual renewal again.

What is now the position of reducing log prices from mahogany logs by 20 percent due to COVID-19? The Prime Minister as Chairman of the Mahogany Industry Council has approved but is still sitting with the Minister for Economy today - why the delay? Who is the Chairman of the Mahogany Industry Council? Is it the Prime Minister or the Minister for Economy? The Minister for Economy and the Prime Minister are racist against the mahogany landowners; the *iTaukei*. There has been lack of decision making to forge the mahogany industry ahead with increased production and export for more revenue, for production had been well below 20,000 cubic metres with potential for 8,000 cubic metres. Many are left behind, in particular the *iTaukei* landowners, Mr. Speaker, Sir.

Remittances is number one revenue in times of pestilences when tourism is vulnerable to external factors. Why not provide tax incentives for investment remittances to encourage more investments in productive areas of business, in particular to primary industries and manufacturing?

While I support the assistance to children, students, youth and the aged, why only for six months? So these are to buy votes for FijiFirst Government - unfortunately, it will fail. People will not vote for the FijiFirst Government, they have burnt their fingers in the last four years, they will accept the gifts or assistance, they will say, "thank you for doing your responsibility but they will vote for Opposition parties." It is time to go for you.

Where are the jobs for TELS and Toppers students? How can they pay loans? We will free them from these debts. Where are the technical schools for skills training, FNU cannot cater for them, many will miss out in skills training necessary for wholesome or holistic livelihood. Many are left behind again, Mr. Speaker, Sir.

On poverty, 40 percent are below poverty line with an additional 20 percent bordering that line. Of the 40 percent, 75 percent of that is *iTaukei* according to the Fiji Bureau of Statistics' figures. So many of the *iTaukei* on poverty are left behind. That is the result of racist policies of the FijiFirst Government such as in this Budget; a racist Budget.

On tourism, while we continue to encourage tourism, we must not lose focus on growth in our primary industries.

On agriculture, our food import is increasing at a faster rate than our exports, in particular food, crops, vegetables, meat, et cetera, that we can grow here. We must take the lead role in encouraging people to go commercial and produce for export rather than remain at subsistence level. Assistance to Fiji Agro Marketing, subsidy to agricultural lease rentals, commercial farmers equity package, mechanisation and hired machines on 50:50 basis are not enough to revolutionise agriculture.

We need to increase funding here, Mr. Speaker, Sir, and ensure growth in all areas in demand. We need to set up Growth Centres to further develop co-operative efforts and infrastructure to decentralise to farm gate levels - processing, value-adding niche export products and commodities at rural growth centres, for example, storage and cooling stations in identified *tikina* and districts. Provide these centres with clean water and appropriate infrastructure in clean power/energy, roads, et cetera. Substantially, increased expenditure is needed here for increased production for exports and to fulfil local demands to reduce imports.

We need to demilitarise Fiji. Why keep increasing Military budget for nothing? Who will want to invade Fiji? Who is going to fight a war with Fiji and for what reasons? We should have a military just enough to continue with peace keeping and security for our nation at any point in time. While I am not advocating the disbanding of the Military but reinforcing the institution with productive aspects of life and while we continue to recruit, train the youth for three to five years in positive discipline of productive life, they are released to various schemes each most suited or excellent in, whether in agriculture, business, engineering profession, et cetera.

Of course continuing education and training refresher military courses are to continue. We would, therefore, need to open up areas for agricultural subdivisions to accommodate our military agricultural and business schemes. We can even issue up-to 99 years agricultural leases but with proper consultation, consent and clear benefits to *iTaukei* landowners. We do not need high class expensive, unproductive premises such as we have in Black Rock in Nadi, et cetera, a waste of money and resources which can be better utilised in other productive areas.

We should not be more concerned on fighting enemies with guns and bombs to kill but an army to evangelise and win for Christ Jesus and God the Creator who is mightier, our fortress, is safe or everlasting by the end of the day with Christ Jesus. Fiji will succeed and win - Fiji the way the world should be.

The crime rate should be reduced but how can that come about? Nip it in the bud - at the source. People will follow rules or laws when they see meaning in life. Crime cannot be reduced with increasing budgets to serve increasing number of prisoners. A clear FijiFirst Government mindset is depicted by the picture of small health centres and huge police stations at Nakasi and Valelevu – leadership priorities should be on the health of its population, particularly in dense populated areas of Nasinu and Nakasi.

Crime can only be reduced when people or the population finds the truth in leadership and meaning in life – we have not found that in the FijiFirst Government. Therefore, education and training must be maintained at home. Family as an institution or Government must be given priority to build up Fiji as a nation – strong families, a strong nation. Increased budget and funding need to be re-diverted to institutions that nurture and nourishes godly family values and principles.

While I agree with top budget for education, I do not agree with education focussing on Knowledge Based Education for it is only the education of the head. People or population or workforce based only on theory qualifications will bring about chaos and life without meaning at all. They will just enjoy grog drinking whole day, according to the honourable Minister of Education.

The Budget, therefore, must be given more emphasis in funding institutions that also educate both the heart and hands. Where has our technical schools, students and teachers gone to? Sir, FNU cannot accommodate them. Budgets for institutions such as Montfort Boys Town, Tutu Rural Training Centre, Navuso Agriculture School, CATD Nadave, et cetera, must be increased and such institutions need to be replicated all over the country to promote more productive people. By the way, we will immediately pay USP Grant, despite the independent investigation to be carried out.

On health, apart from necessary medicine and equipment, Mr. Speaker, Sir, maintenance of premises and quarters. More budgetary allocation needs to be poured out in the preventative healthcare system. Focus needs to be made to promote healthy living, even to a point of encouraging, promoting and regulating what we should eat and drink for an improved health and immune system to prevent us from pestilences, such as COVID-19, monkeypox, et cetera. This is better than regulating for compulsory vaccination in untested and non-experimental vaccines.

The FijiFirst Government or Party took away all our rights here to force everyone to be vaccinated and it is still going on despite new evidences of deceitful manipulations of science by the World Economic Forum, WHO, UNICEF et cetera, for depopulation in infertility through these untested and non-experimental vaccines. The FijiFirst Party will continue to take away our rights, your rights, children's rights, parent's rights, youth's rights, women's rights, adult's rights and even rights to justice and fair trials and decisions with courts in Fiji. Any court decision found to be politically-motivated will be reversed.

People, more of your rights will be taken away because we are being led by the Government that wants to be God and will force us to serve and worship it as God. Fiji must now stop the FijiFirst Party from further leading us into the evil gut side of life through dictatorial leadership. We must remain with our Lord Christ Jesus, God the Creator, source of freedom once and for all at all times because at the end of the day, we will be blessed with eternal blessings.

As for the rich, urban and educated population through the use of technology and knowledge, particularly benefiting businesses and the *iTaukei* is excluded by design. I recall the honourable Prime Minister stated that in early 2006, the rich of this country called him to a dinner and they blackmailed him about the Qoliqoli Bill to be returned to *iTaukei* owners. The rich influenced the honourable Prime Minister to stage the *coup* or they will take their money and leave and the honourable Prime Minister followed, obeyed, bought and surrendered to that corrupt, racist demand. The honourable Prime Minister, therefore, is a racist against *iTaukei*. Why did you not tell the rich, "take your money and leave?" He has been bought. Shame!

I want to tell the rich that if you want to take your money elsewhere, it is up to you, that is your freedom but just do not meddle with the *iTaukei* resource ownership. Fiji does not need your money, we need our resources that the Lord Christ Jesus gave to us - that is all we need. This Budget is a continuation of the rich people's demand on resources and *iTaukei* people here in Fiji. All *iTaukei* people must vote other Opposition parties, do not vote for the FijiFirst Government or Party.

Mr. Speaker, Sir, the FijiFirst Government has done only a few things, like the development of \$10 million now reduced to \$2 million, the equal shares in lease money, et cetera, but they forgot about the many things previous Governments have done for the *iTaukei* people - education scholarships, reserved business ventures with 51 percent; businesses like backpackers in tourism, shareholdings in Fijian Holdings, Real Estate buildings around here in Suva and in all urban centres like in Suvavou, Rewa, Tavua, et cetera.

Fiji Pine Forest Plantation: Have you ever established any plantation in Fiji? No! Mahogany Forest, Fiji's 10 percent shareholding is taken away and no 20 percent for log price for COVID-19.

Village/Settlement Housing Scheme: They have done nothing to date, compared to what was done previously.

On education funding for secondary and higher tertiary institutions, we will continue to extend that. *Qoliqoli* surfing area agreements, we will continue to do that as well as the State and Native Land swap because the landowners will benefit more. The Great Council of Chiefs Complex in Rewa, what is being done with it? The *iTaukei* Trust Fund, what is it being used for that? Those are questions the *iTaukei* are asking.

Mr. Speaker, Sir, for forestry, just to conclude, it is important that the reversion of business for landowners for pine and mahogany increase value adding to exports because there are more than 50 percent of exports on sawn timber. We need to have more exports on value adding.

Also, the Nabouwalu township in conjunction with economic developments will create manufacturing business opportunities, employment and increase population to create demands. First, create tax free zones in Dreketi, Nakadrudru and Nabouwalu and build up infrastructure, water, et cetera, and an international airport for all that.

Mr. Speaker, Sir, on infrastructure, to conclude, we will tarseal the roads from Nabouwalu to Nabalebale, 10 metres from each road each year and within four years, it will be completed.

With those, Mr. Speaker, Sir, thank you very much indeed for your time.

HON. S. ADIMAITOGA.- Mr. Speaker, Sir, the honourable Prime Minister, the honourable Attorney-General, fellow Cabinet colleagues, honourable Members of Parliament and to the thousands of Fijians watching this on the Fijian Government *Facebook* page; I rise today to contribute to the discussion on what has been a smart and innovative Budget and one that empowers grassroots Fijians, protecting the vulnerable.

Mr. Speaker, Sir, I would like to thank our honourable Minister for Economy and his hardworking team for yet another amazing Budget. This Budget assists multiple sectors that are critical to Fiji as a country and also protects everyday Fijians from the devastating impacts of the Russian-Ukraine war.

Mr. Speaker, Sir, the cash support provided to families with children of about \$30 per month per child may not seem like much to the privileged but for many people, it will make a world of difference. University students will also receive \$180 over a six-month period, not forgetting that these are added benefits to existing initiatives, such as the Free Education Grant, the National Toppers Scheme, Tertiary Education Loan Scheme, Water and Electricity Subsidies and countless other initiatives. This is a sign of a good Budget and a good Government as it creates opportunities for all citizens. For example, the hike in fuel prices due to the Russia-Ukraine war has forced an increase in bus fares and our response is to subsidise 10 percent of the bus fares across the board.

We understand that many Fijians rely on buses for transportation and thus, we cannot let the industry die. However, there needed to be some cushion for Fijians on the impact of inflation and thus, we now pay 10 percent less on bus fare across the board. Mr. Speaker, Sir, the situation in the world right now is that there is a war raging in Eastern Europe which is causing the prices of everything to go up.

Fiji is a small nation and we are often impacted by global events that we have not caused nor can influence. The only way we will survive as a small island nation is through unity and looking out for one another. Unfortunately, Mr. Speaker, Sir, it seems that irresponsible politicians have decided that this tough global situation is their opportunity to gain political power. While we have seen the good side of the vast majority of Fijians, we have also seen the worst from people like honourable Professor Prasad, his new leader Mr. Sitiveni Rabuka and many other failed politicians like Ms. Lynda Tabuya.

Mr. Speaker, Sir, you can go on social media where they say and I quote, “Take the freebies and vote them out”. What an irresponsible thing to be telling our people and teaching our children, honourable Professor Prasad and honourable Tikoduadua.

Mr. Speaker, Sir, these power-hungry politicians are encouraging people to take more than they need as if it is some funny joke, as if assistance for people is a political tool for them. There are Fijians to whom assistance that you call “freebies” provide the opportunity for a better life. Free Education is not a freebie, it is the pathway for our young ones to get an education and make our

country a better place for generations of Fijians to come. Free access to doctors and medicine is not a freebie and could mean the difference between life and death for many Fijians.

Mr. Speaker, Sir, I have not heard once, honourable Professor Prasad and our political opponents say that the Russian-Ukraine war is causing all of the prices to go up. We have not heard them once tell people that factors beyond our control are causing prices to rise around the world. Why do you think that is Mr. Speaker, Sir? Because, they want to mislead everyone. They want to lie to our people, Sir, instead of helping their country and helping our people they are creating more problems. They are trying to create anger in society, and they are directly harming many people with their lies.

Mr. Speaker, Sir, TELS has been a revolution. It is assuring to see that TELS will continue to provide students with the opportunity to work hard and get an education. We owe it to our children to ensure that TELS and Toppers are there to provide them with education and this Budget has done this. Every Fijian child on TELS and Toppers has accessed and will have access to this.

We will never go back to the days when parents had to choose between which of their children to send to school and university, while on the other hand, Mr. Speaker, Sir, honourable Professor Prasad and honourable Gavoka are demanding that we release the money to USP. They are asking us to take taxpayers money (our money) and give it to an institution without getting a proper account of how this money is used.

HON. J. USAMATE.- Hear, hear!

(Honourable Member interjects)

HON. S. ADIMAITOGA.- Listen!

Sir, USP has been asked to look into our serious financial concerns which every Fijian taxpayer, parent and student has the right to have. Instead of doing a simple and fair investigation, they are taking to the media along with Opposition politicians. Is that what honourable Professor Prasad wants - taxpayer dollars given without accountability? That may be the way for PAP, NFP and SODELPA as we have seen many times before and how Rabuka had run the NBF into bankruptcy. But those days are gone, Sir.

Mr. Speaker, Sir. NFP called this Budget a *saqamoli* budget. Those are the words of someone privileged enough to visit Treasure Island, honourable Qereqeretabua. For the everyday Fijian, this Budget is the relief we needed. It is the FijiFirst Government that is supporting female business leaders by subsidising loans for women-led businesses through FDB.

HON. J. USAMATE.- Hear, hear!

HON. S. ADIMAITOGA.- During the lockdown when many Fijian men had lost their jobs or were working on reduced hours, it was these women, Mr. Speaker, Sir, that became the much-needed providers for their families through their small businesses. Now, it is time for those businesses to grow and their government has got their backs. We want all our citizens to succeed and initiatives to support Fijian business owners such as this - show the world that we care about every Fijian no matter their background.

Mr. Speaker, Sir, I commend the Budget on expanding the free Dental Practitioners (DP) and General Practitioners (GP) Scheme. We have successfully beaten the COVID-19 pandemic under the leadership of our honourable Prime Minister. Now, our Government has taken its approach to every Fijian's health further by providing free medical services in partnership with private medical

practitioners. We have raised the standard of health services accessible to low-income households. We have ensured that no one will be denied quality healthcare simply because they cannot afford it. We are committed to bettering the life of every Fijian.

Mr. Speaker, Sir, the Fijian Government will allocate \$7 million to provide mechanised agricultural equipment to Fijian farmers. As a farmer, I know first-hand how much this will truly help many farmers. Our farmers feed the nation and support like this comes at a time when we are ready to grow further. We have already seen our farmers benefit from the many initiatives of this Government. Last year alone our Fijian agriculture sector grew by 8.1 percent and I hope Lynda Tabuya is watching this so that she can get her facts right next time before misinforming our people about the agricultural industry. With this new assistance to access better equipment, I know that our farmers will sleep easier, knowing that their Government is supporting them.

I am a proud Lauan woman, Mr. Speaker, Sir. I know how difficult it is to travel from one place to another when there are no reliable forms of transport available. We are thankful to the SEA subsidy which has enabled many Fijians living in maritime areas to travel to school, be able to expand their businesses and access other services. But I am more grateful that in this Budget, the SEA subsidy is being expanded to Fijians living in the most isolated coastal areas of Viti Levu and Vanua Levu.

Mr. Speaker, Sir, FRA's Viti Levu cross-country highway will connect Fijians throughout the most remote parts of Viti Levu to business hubs, like Nadi, Lautoka, Sigatoka and Ba. Better road infrastructure means that more homes can be built further away from cities and Fijians throughout the nation will have greater ease in doing business. The nation's social fabric and economy both depend on a modern transportation system. More homes mean a better quality of life. A better quality of life means more Fijians will have the ability to start a business and thrive. Suddenly, the value of land in the interior of Viti Levu will shoot up. This project will bring opportunities for success to Fijians throughout the island and create greater access to markets for businesses. If a business in Rakiraki could reach 10,000 people before, it may be able to reach 20,000 and more after this cross-country highway is completed.

Mr. Speaker, Sir, Fiji is a diverse and vibrant country with many talented people. We have a growing arts industry and this Government is taking on the responsibility of ensuring that these talents are not wasted and given the recognition and support they deserve.

In line with this responsibility, the Government has doubled tax deduction for hotels, restaurants and other similar businesses to hire local craftsmen, dancers and musicians. Mr. Speaker, Sir, 300 percent is how much of a tax deduction a restaurant down the street or a hotel would get for hiring a singer or a local *meke* group to entertain their guests. The entertainer benefits, the restaurant benefits and our people benefit.

Mr. Speaker, Sir, 1,000 homes in remote communities that do not have access to Energy Fiji Limited's main grid will benefit from solar home systems. That is why I say that this Budget is innovative. Our Government has gone out of its way to ensure that every Fijian, no matter their education and skills, benefits from our Budget.

Mr. Speaker, Sir, we all saw for ourselves the transparent consultations process that the honourable Attorney-General and Minister for Economy's team undertook to ensure Fijians were heard in this Budget, while the Opposition have been hiding and holding secret meetings.

While the FijiFirst Government has been on the ground working hard to help our people, NFP and PAP have been trying to scare Fijians by comparing Fiji to Sri Lanka. But did you know, Mr.

Speaker, Sir, we all know that, that is something that honourable Professor Prasad's partner, through a signed MOU, has been advocating on *TikTok*. I wonder why honourable Professor Prasad has not called Lynda Tabuya out or told her to stop that nonsense. Maybe, Rabuka is the boss in that relationship. Perhaps, honourable Professor Prasad does not care about the economy and only wants so desperately to become a minister. The funny thing is that, the policies of the PAP-NFP Alliance is what put our economy in danger, while they attack our policies.

Mr. Speaker, Sir, it is an election year. That means, many politicians will make false promises and do anything for a vote. My plea to Fijians is to be smart - value actions over words. Look at the progress you see around you. Look at how far we have come and how easy it is for your children and grandchildren to get an education.

I support this Budget, as presented by the honourable Attorney-General and Minister for Economy.

MR. SPEAKER.- Honourable Members, time moves on. We will now take a break for lunch and we will resume in an hour's time.

The Batting Order has now changed and this is the order of the first eight speakers after lunch:

1. Honourable V.R. Gavoka;
2. Honourable A. Jale;
3. Honourable V.K. Bhatnagar;
4. Honourable Dr. S.R. Govind;
5. Honourable I. Kuridrani;
6. Honourable S.S. Kirpal;
7. Honourable Dr. Ratu A.R. Lalabalavu; and
8. Honourable Cdr. S.T. Koroilavesau.

Those are the first eight Members to speak after lunch. Be ready to speak when you are called upon. Remember, your batting time is 20 minutes. We now break for lunch.

The Parliament adjourned at 1.28 p.m.



The Parliament resumed at 2.54 p.m.

MR. SPEAKER.- Honourable Members, we will continue with the debate. You now have the amended Batting Order on your table, we will be following that now.

HON. V.R. GAVOKA.- In my contribution to the debate on the Budget, Mr. Speaker, as a Christian, I wish to base my contribution in a *Bible* verse that has always challenged me. This is from the Book of James 2: 15-16, and I quote:

“Suppose a brother or sister is without clothes and daily food. And someone says to him, ‘Go, I wish you well; keep warm and well fed,’ but does nothing about his physical needs, what good is it?”

We can all relate to this, Mr. Speaker. As individuals, many of us will give the shirt of our back to clothe someone or give food to the hungry.

The challenge is more pronounced for us politicians and Parliamentarians, as our calling is on a national scale and we are charged to look after our people, or as we say in SODELPA, *lewenivanua*. As some may put it, we do not leave anyone behind.

We know of a woman who could no longer afford dialysis. When she went for the last time, there were tears from the staff members at the facility who knew she would not last and, indeed, she was gone shortly after. We know of a young lady, educated through TELS who cannot find employment and unable to pay TELS and is now selling her body. My grandchildren have a friend in primary school who is from a family of 16 living in one room. What can we do as leaders to ensure no one goes home to die because she could no longer afford dialysis, or that a young woman resorts to selling her body or that housing is so bad, families live in congested homes? As the Bible admonishes us, we cannot say, “Go, I wish you well.”

Mr. Speaker, it all comes down to funding and we cannot continue to say that we do not have the funds. We can raise the funds, if we are smart with our taxation or rather, if we strictly align the funding of Government to the needs of our people. We are already doing that in some ways but not in a manner that places our people as paramount. Put very simply, Mr. Speaker, our taxation is giving too much away to businesses and short changing the *lewenivanua*. In short, there is too much favouritism. Let me highlight some examples, including the changes being proposed with the Income Tax Act and indirect tax measures.

The first one is concessionary rates of tax for regional or global headquarters. This facility, Mr. Speaker, was set up in 2013 to entice foreign companies to move their headquarters to Fiji. Only one company has done that...

HON. A. SAYED-KHAIYUM.- Two?

HON. V.R. GAVOKA.- ...the ANZ Bank.

Corporate tax was reduced to 17 percent and 150 percent tax deduction on capital items acquired for the relocation. The proposed change is to increase corporate tax to 20 percent, but says nothing in the 150 percent tax deduction.

Mr. Speaker, corporate tax was 28 percent in 2011 but reduced in 2012 to 20 percent for resident and non-resident companies - 17 percent for those moving their headquarters to Fiji and 10 percent for

those listed in the South Pacific Stock Exchange (SPSE). Sir, SODELPA proposes to take corporate tax back to 28 percent for resident companies and 33 percent for non-resident companies.

Comparing our rates, Mr. Speaker, in Papua New Guinea, the corporate tax is 30 percent; in Samoa, it is 27 percent; in Sri Lanka, it is 24 percent; in Tonga, it is 25 percent; in Jamaica, it is 25 percent; in Australia, it is 30 percent; and in New Zealand, it is 28 percent. The non-resident average corporate rate for the five developing countries is 31.6 percent.

Including that, Mr. Speaker, tax collection on corporate tax with PAYE was \$403,823,900. By 2018-2019, it was down to \$121,771,500. We do not have the breakdown between the Corporate Tax and PAYE but certainly an increase to Corporate Tax will increase the tax collected.

The second, Mr. Speaker, Sir, is on the Corporate Tax Rate for the South Pacific Stock Exchange listed companies. This was introduced in 2014 to reduce tax to 10 percent to incentivise more companies to list, but only four companies took the initiative during 2014 and 2021.

To create a level playing field, Mr. Speaker, SODELPA will increase Corporate Tax to 28 percent for all listed companies. Sir, SODELPA raises the question whether Capital Gains Tax exemptions and Income Tax exemptions will still apply for shareholders who trade in the SPSE? They trade for gain and engage in schemes or arrangements. It derive huge profits from the disposal of their shares. They are sources of revenue SODELPA will realise for the *lewenivanua*.

The third, Mr. Speaker, is the Electric Vehicle Charging Station Development Package. This Income Tax concession was introduced in 2016 with a minimum investment of \$3 million. This was reduced to \$500,000 in 2017-2018, reduced to \$100,000 in 2018-2019 and now reduced to \$50,000. Sir, SODELPA asks the question, are there no takers? This Income Tax concession can be open to abuse, especially by those companies with more than one income streams. They can load this concession into one of their businesses of income stream and not pay tax. Sir, SODELPA will not allow this to happen and will keep the minimum investment at a higher level.

The fourth, Mr. Speaker, is Non-Resident Withholding Tax refunds. Sir, when you see this, it is an indication that Fiji was not upholding the Double Tax Agreement (DTA) in accordance with Section 1409 of the Income Tax Act 2015. What happens, Mr. Speaker, if you uphold the DTA of December 2022? Sir, SODELPA knows that Fiji is not upholding the DTA when it comes to dividend distribution. The DTA provides Fiji the taxing rights to tax dividends paid to non-resident shareholders, even though we have excluded the taxing right of dividend from our domestic law. Sir, the DTA overrides domestic law and Fiji is letting go of revenue it should collect, SODELPA will rectify this.

The fifth, Mr. Speaker, is Special Capital Gains Tax on sales of shares. Sir, SODELPA questions the difference between the resident person and a Fiji citizen. The Fiji citizen is now part of this Act but in the Income Tax Act, it defines a person as an individual, company partnership, trust, Government political subdivision or a Government or international organisation.

Fiji citizen, Mr. Speaker, Sir, is not defined in the Income Tax Act. A Fiji passport holder is treated as a Fiji citizen and if residing overseas and paying tax overseas, that citizen is also eligible for capital gains exemption and upon disposal of their shares, they will remit and declare the proceeds to the tax jurisdiction overseas and Fiji loses out on tax revenue it direly needs. There are a number of scenarios, Mr. Speaker, that can be developed and SODELPA will make sense of all these.

Mr. Speaker, SODELPA will ensure that we stay only with Fiji residents in the Act and do away with the provision on Fiji citizens. It is very confusing and it can be subject to abuse. A question that

comes up is, how we treat shares and what type of assets are there in the Income Tax Act 2015? Also, will Income Tax apply for the sale of shares acquired prior to May 2011?

Capital Gains, in general, the rate today when disposing capital assets is 10 percent. This encourages lots of tax planning, while the Income Tax of 20 percent apply.

Tax planning, Mr. Speaker, is that process that ensures all elements work together to allow you to pay the lowest tax possible. Sir, SODELPA will increase the Capital Gains Tax of 28 percent similar to Corporate Tax to avoid tax planning.

The sixth, Mr. Speaker, is VAT extension on disposal of residential dwellings. In 2010, the VAT Act was amended that if you would to earn residential rent above \$100,000, then you would be able to register for VAT, that is, to claim VAT on all your construction works and charge VAT on your rental. In 2020, this was repealed and section 23(9) was introduced, allowing those with residential flats to deregister from VAT.

Mr. Speaker, VAT works on a credit offset mechanism. If you claim VAT on purchase of goods, you will declare VAT on sales of those goods. Section 23(9) had allowed those who claimed VAT on their purchases not to declare sales on deregistration from VAT. We are allowing those selling their properties, even though they had claimed VAT on purchases, not to declare sales on selling their properties - those that built between 2010 and 2020 and claimed VAT returns. One can only imagine the loss in Government revenue in that VAT refunds claimed as construction expenses and Government will not collect on deregistration or selling of properties. Mr. Speaker, Sir, SODELPA would repeal section 23(9) and ensure the credit offset mechanism is maintained to protect revenue.

The seventh, Mr. Speaker, is VAT rate. There are three VAT rates - zero for basic items and all exported goods, 15 percent for normal supply of goods and services and 9 percent for other goods and services. These three rates, Mr. Speaker, brings about inconsistencies and difficulty in application in both taxpayers and FRCS alike. Sir, SODELPA will have a single rate for VAT at 10 percent for normal supplies of goods and services and zero percent for export and basic items stipulated in the second schedule of the VAT Act. This fosters tax compliance, ease of facilitation by businesses, easier policing by FRCS and hence, increase in revenue.

The eighth, Mr. Speaker, is dividend withholding tax. Dividend withholding tax used to apply at 9 percent to non-residents and 3 percent to residents. All these were repealed in 2017 and there is no longer any dividend withholding tax in Fiji. In 2014-2015, Government collected \$71,728,000 in dividend tax. In 2016-2017, it came to \$120,038,000 tax. Sir, SODELPA will bring back dividend withholding tax for non-residents of Fiji. When Fijians are crying out for help, we cannot be forgoing this revenue to please certain people.

The ninth, Mr. Speaker, is branch profit tax which was introduced in 2008 and known as branch profit remittance additional to normal tax. The rate was 15 percent on branch profits remitted to overseas head office and we used to collect some \$70 million to \$80 million annually through this tax. This was repealed in 2015 which was strange as we were taxing income derived in Fiji. Sir, SODELPA will bring back the branch profit tax and will only be fair as we also intend to bring back non-resident withholding tax.

The tenth, Mr. Speaker, is stamp duty. The stamp duty, Mr. Speaker, was one of the oldest Acts in Fiji and goes back to the 1930s. It was repealed in 2020. In 2018-2019, it fetched the Government \$85,170,000. In 2019, it brought in \$66,323,000. Sir, SODELPA will reintroduce the Stamp Duty Act. We cannot be deaf to the cry of our *lewenivanua*, claiming there is no money when we abolish sources of revenue such as stamp duty.

I am just wondering, Mr. Speaker, when this proposal came up from the leadership in FijiFirst, did the people say, “Look, we are going to be losing \$80 million, do not do it. We are going to lose \$120 million, do not do it”? I am just amazed that no one spoke up when this kind of revenue was being lost in Fiji because of an ill-thought tax proposal. They need to speak up, Mr. Speaker, I cannot believe this.

Mr. Speaker, Sir, there are some tax policies that need to be gazetted. The Non-resident International Shipping Income Act was legislated in 2016, yet today it is still on the shelf and yet to be activated. For six years, we are not realising income on this taxation that was legislated. There is a presumptive income tax legislated in 2016 also sitting on the shelf, not being activated. We are losing revenue because we are not activating this. The mining entities, Part 6 of the Income Tax Act, 2015 is specifically for mining operations. Implementation of Part 6 can create revenue as it cuts out leakages in the tax revenue, but it needs to be activated; sitting on the shelf, legislated. Hello FijiFirst, are you awake here? Why are we not activating these sources of revenue?

Mr. Speaker, Sir, there are tax revenues to be legislated, the VAT re-write. Professor Lee Burns is reviewing this Act which is currently in its seventh draft. He is an Australian and has identified best practices across countries which would minimise VAT refunds and increase VAT revenue. Two areas that are so potential that supply of remote services through an electronic market places in the likes of *Netflix, Alibaba, Amazon*, et cetera. Imagine that we can tax these people for the content we view in this country and this is happening globally, and we need to work on it and move very quickly. Please do not put it on the shelf, FijiFirst.

Creditable acquisitions which stipulate the tax credit can only apply to what is acquired as consistent with the tax activity of the person. Both have potential for government revenue and SODELPA will have them legislated.

On zero rating, Mr. Speaker, Sir, the VAT re-write has also been revised and this allowed a lot of services related to export of goods; this will minimise VAT refunds and increase revenue. They are some tax policies that need to be abolished. One is debt forgiven, multinational and business tycoons who lend money to their businesses here and claim tax on it. They use to pay tax on it but it was repealed in 2020 and again it is money down the drain for the people of Fiji.

The other one is the VAT refund for film production companies. Section 70(c) was implemented in the Act in 2016, entitling film production companies to claim refunds on its qualifying expenditure under Income Tax Regulation. It will not declare income but will be entitled to claim VAT on all the expenses borne in Fiji. Consequently, film production companies have received huge refunds. Mr. Speaker, Sir, SODELPA believes that income tax rebates offered to these film making companies is sufficient and section 70(c) should be removed from the VAT Act.

There are some tax policies to be reviewed. One is the ring-fencing on salary income. This provision was part of the COVID-19 recovery where someone paying PAYE could take in his losses from other business to reduce his tax. I think COVID-19 has gone, it should go back to this and ring-fence the salaries.

The domestic mission fund VAT refund. I know that in this Parliament we have people who have served in the diplomatic corps overseas, but in Fiji, people in diplomatic missions or international organisations, whatever they buy here is VAT refundable - personal or for the organisation. We must be the only country that is doing this because our people overseas do not benefit from this. Of course, we also look at the Tax Refund Scheme for tourists, because we believe that Fiji is attractive enough, we do not need this incentive in shopping. We also review all the tax incentives and tax holidays, Mr. Speaker, Sir, to see whether we are really helping the economy.

Lastly, Mr. Speaker, Sir, SODELPA will introduce a new resource tax regime to benefit the *iTaukei* to include upgrading of the villages and settlements in the urban areas. It will be collected from industries that affect the environment and the resources of the *iTaukei*. These industries are logging, fishing, petroleum, mining, water industry, tourism, airline, Water Authority of Fiji, Energy Fiji Limited and others we may identify, going forward.

Mr. Speaker, Sir, on STT, the rate was 6 percent on gross earnings. On ECAL, the rate was 10 percent on gross earnings - both have been repealed. The resource tax by SODELPA will be on 5 percent of the gross earnings of the industries named above.

Mr. Speaker, Sir, in conclusion, SODELPA hears the cry of the people (the *lewenivanua*) and they are desperate for too long and you have been saying there is no money. This is not true, there is money. If we have the will to collect what is due to government to deliver for the people - SODELPA has the will to collect the required revenue as allowed by law and meet the cry of the *lewenivanua*. Government is not committed to making these collections and many will be left behind. This Budget, in many ways, falls short and I therefore do not support this Budget.

HON. A. JALE.- Mr. Speaker, Sir, I thank you for allowing me the opportunity to contribute to the debate on the 2022-2023 Appropriation Bill as presented to Parliament by the honourable Minister for Economy.

As alluded to in the honourable Minister's Address, Suva was certainly buzzing as the 51<sup>st</sup> Meeting of the Pacific Islands Forum Leaders took place earlier in the week of the Budget Address on 11<sup>th</sup> to 14<sup>th</sup> July, 2022. It was the first face to face meeting since 2019 with Fiji playing host as Chair of the Pacific Islands Forum in the past year. Visitor arrivals would have spiked with the attendance of member country delegations, various regional organisations, multilateral organisations, observers, private sector and civil society representatives. Unfortunately, the convergence in Suva created a super spreader event for COVID-19.

It is noted from the foreign meeting communiqué, Mr. Speaker, Sir, the leaders adopted the 2050 strategy for the Blue Pacific Continent as the overarching blueprint to advance Pacific regionalism for the next three decades, articulating the Region's long term vision, values, key thematic areas and pathway strategies. The communiqué also spelt out priority areas one being education and I quote - "leaders recognise the need for increased investment in their people with a specific emphasis on education". It is there Mr. Speaker, Sir, that our honourable Prime Minister is put in a precarious position of being chair of this premier Pacific regional body while his Government, through the insistence of the Minister for Economy, defaults on his payment to USP.

It is also tragic Mr. Speaker, Sir, that there is no allocation to USP in this 2022-2023 Budget Estimates. Pacific regionalism is important to Fiji's leadership role in the Pacific and those at the helm of the Government must not ignore it, and for this, I wish to express my disappointment as shadow Minister for Foreign Affairs, as Opposition Members of Parliament were not invited to engage and attend any official events. But this is typical of a government that has no respect for Parliamentary democracy and the legitimate constitutional role of the Opposition Party.

Mr. Speaker, Sir, the Pacific Island Countries under the umbrella of the Pacific Islands Forum are entering a challenging time through their unity and relationship. Their Blue Ocean is attracting the attention and the envy of some rich and powerful countries in the world and are vying for support from foreign member countries. Sir, the unity of the Forum-member countries are now under threat. Pacific countries can only guarantee the safety and security of their people when they stand together in unity and solidarity. Fiji should take the lead role, rallying the Pacific Island countries together.

The area of international relations is not unfamiliar to you, Sir. Fiji derives a lot of benefit from the diplomatic ties to other nations and organisations. We need to nurture these ties, however, it is important that Fiji reviews her relationship with a nation and organisation from time to time in light of new developments around the world. We are certainly disadvantaged because of our size, economic strength and location. We should hold ourselves high on the basis of equality and should not accept pressure from nations of economic and military might to impose their will on us.

Fiji knows friends who have stood with us in conflict situations and in good times. They have been with us for years and never deserted us. They never came to take away things from us but to give us assistance with no strings attached. The geo-politics of our region is not to be underestimated. The US-China rivalry for supremacy being played out in the region calls for a review of our foreign relations and to be wary of the cheque book diplomacy.

Mr. Speaker, Sir, last year in my budget response to the 2021-2022 Estimates, I described it as a sugar-coated, debt-funded budget as the nation was gripped with the second wave of the delta virus and rising death toll. Despite the outright denial of the honourable Minister for Economy in his Budget Address that this is not an election budget, I quote:

“This is not a crisis budget, Sir. It is a confidence budget because that is what Fiji needs at this moment, neither is it an election budget.”

Mr. Speaker, Sir, this is the final budget ahead of a forthcoming election, so it is an election budget. It is not rocket science but then the honourable Minister for Economy is the master of sweet talk. In fact, I went back to the Minister’s 2018/2019 Budget Address and guess what – all the sweetness that are hallmark of an election budget are back.

Before the 2018 Elections, all children born in a family earning \$30,000 a year or less were given \$1,000. Now, before the 2022 Elections, he is giving families with \$50,000 per annum or less, \$1 per day per child from newborns to Year 13 - \$180 for six months per child. Is he encouraging another baby boom?

This time he goes further. This is extended to social welfare recipients, pensioners, aftercare beneficiaries, all will be receiving \$180 over the next six months. All tertiary school students will also receive a miserable \$180 pay-out over six months. The question is, why only six months? There is some reference in the Budget Address, and I quote:

“This will be assessed in December based on where food price stands and that time as we expect prices to stabilise and even decrease within a year.”

Mr. Speaker, Sir, again, it is not rocket science. By December we have an election, of course, if the economy outlook worsens, all these will stop. In foreign aid, there is a term referred to as “boomerang aid”. This refers to the idea that aid benefits the aid donor more than the recipient country. Apply to this situation, the \$180 handout is boomerang assistance, tantamount to vote FijiFirst back into power rather than improve the situation for families, pensioners, low income students and the poor. Handouts perpetuates dependency. These handouts which do not address structural deep-seated poverty, crime, health, hunger do not get people out of poverty but rather keep people in poverty and dependent of Government handouts. This is “dependency boom”.

HON. GOVERNMENT MEMBER.- What is your alternative budget?

HON. A. JALE.- Mr. Speaker, Sir, the honourable Minister for Economy says that the boom is back and insist on a Bula Boom. Recovering barely half of the projected visitor arrivals of 500,000

this year compared with 2019 arrivals of 900,000 is not a boom. The post pandemic recovery is extremely tentative, this is an explosion of fresh cases in principle tourism source markets. Australia and New Zealand offer a much more virulent COVID-19 variant BA.5 that is leading to increase people admitted to hospitals and growing concern for governments. It is reported that this latest Omicron sub-variant is able to evade previous immunity from COVID-19 and vaccination.

Mr. Speaker, Sir, we have heard it all before, “Boom, boom, kaboom”. Previously, the honourable Minister for Economy was boasting of nine straight years of growth of prosperity that they were proudly calling the “Bainimarama Boom”. I quote from one of the honourable Minister’s reported statements: “Fiji has experienced strong encoded growth for the nine consecutive years and on track for a decade of positive economic growth, the Bainimarama boom”. That all went kaboom with the COVID-19 pandemic.

The Asian Development Bank (ADB) reported that Fiji’s growth rate from 2010 to 2019 averaged 3.3 percent. The economy contracted by 0.4 percent in 2019 before plunging by 19 percent in 2021. Sir, ADB forecasted a contraction of 5 percent in 2021, interestingly the economic and fiscal update supplement to the 2022-2023 Budget Address confirms the decline of 0.6 percent in 2019. The severe contraction of 17.2 percent in 2022 estimated a decline of 4.1 percent in 2021. The fact of the matter is that ADB analysis and forecast can be trusted. So what does ADB say about 2022?

Mr. Speaker, Sir, this is what ADB reports, a rebound could occur in 2022 and 2023. Contingent on resumption in tourism, even if a recovery does start in the coming one to two years, the debt of Fiji’s depression means that it will take many years to return to pre-pandemic income levels. So, here again, we see that the honourable Minister’s prediction of 12.4 percent projected in 2022 is all sweet talk.

HON. A. SAYED-KHAIYUM.- No it is not, it is a fact.

HON. A. JALE.- Mr. Speaker, Sir, it is quite strange that the honourable Minister for Economy did not say anything or did not say much about FNPF in his Budget Address when FNPF has featured extensively in the last three Estimates. The people of Fiji deserve an explanation from the honourable Minister for Economy who is responsible for FNPF on the decision to convert the Fiji Airways Limited loan from FNPF to equity or shares. It means that the FNPF monies have been invested in a company that is in dire financial situation.

The investment policy of FNPF appears to have been compromised by the Board of Directors obviously through the pressure from the Government of the day. Mr. Speaker, Sir, from recollection, FNPF can only invest in a company that has proven to have made profit in the last four years. The FNPF has been used by this Government as a cash cow for too long. The primary intent of FNPF to provide retirement benefit to members have been sidelined. We need to bring back the membership of FNPF Board to its original tri-partisan structure.

The FNPF funds are contributed too by the workers and employers and they should rightly be represented in the FNPF Board, safeguard their interest and rights. It has been proven in the past, in the cases of two Provident Funds in neighbouring countries, the main cause of their collapsed was government interference. I call on the new government in Fiji to immediately institute an enquiry into the affairs of FNPF from 2006 to now.

(Honourable Members interject)

MR. SPEAKER.- Order!

HON. A. JALE.- Mr. Speaker, Sir, here again, the Government is trying to poke its nose into the affairs of Airports Fiji Limited (AFL) which has been handling the affairs of airports in Fiji. It is a smack in the face of the management of AFL and its employees. The Government in what it is proposing to do is saying that the AFL and its employees lack the expertise and skills to manage our airports and trust the Fiji Airways more to look after our airports. Why cannot AFL conduct a reform on its operation if that is needed? Bringing in the management of Fiji Airways who have shown a lack of professionalism and expertise to run a profitable national airline defies logic and rationale. My advice to the honourable Minister for Economy to leave AFL alone.

Mr. Speaker, Sir, the 2019-2020 Household Income and Expenditure Survey (HIES) confirms once again that the Eastern Division has the highest rate of poverty amongst the four Divisions in Fiji. Given this situation, what is in the Budget to address the problem and give the Eastern Division special consideration? The Division consists of three maritime Provinces and Rotuma. To worsen this poverty stricken situation, already shipping services to the maritime Provinces have been disrupted. The efforts to bring about safe, reliable and affordable shipping services to the maritime Provinces have been thwarted by runaway inflation and rise in fuel cost.

The rural to urban drift is a common concern for the Eastern Division. Villages are now empty of people who have left for urban centres in search of a better life. Economic activities are not available to them. Why has the Government failed to address the problem?

Mr. Speaker, Sir, these are some of the immediate assistances that the Government can implement to assist Fijians in the Eastern Division:

- Government has to subsidise the boat and air fares up to 50 percent of the fares;
- Government has to subsidise up to 50 percent freight for the first 20 kilograms of cargo for passengers from the islands to Suva;
- Government to pay \$500 per year Hardship Allowance to each Fijian living permanently in the Division.

In conclusion, Mr. Speaker, Sir, I will repeat my sentiments in the last Budget which is that the new Government replacing the Fiji Government will be so disgusted and overwhelmed by the state of indebtedness that the Government has got itself into. The ADB confirms that we, even before COVID-19 pandemic, Fiji public debt to GDP ratio was higher than Small Island Developing States (SIDS) and has been steadily rising from 43 percent in 2014 to a forecast of 89.4 percent at the end of July, 2022.

In conclusion, Mr. Speaker, Sir, all these boastings about unprecedented growth is really a camouflage the fact that the FijiFirst Government cannot be trusted to manage the economy sustainably and any means of clarification of Fiji's Government, Moody's and S&P Global rating, recent downgrade of Fiji's long term sovereign credit rating and International Monetary Fund (IMF) view of rising risk of debt distress ring alarm bells.

Mr. Speaker, Sir, the FijiFirst Government cannot be given another Budget to manage nor can they be trusted with the welfare and the future of the people of Fiji. It is time for a change.

HON. DR. S.R. GOVIND.- The honourable Speaker of Parliament, the honourable Prime Minister, honourable Ministers, honourable Assistant Ministers, the honourable Leader of the Opposition, honourable Members of Parliament, Ladies and Gentlemen; good afternoon to you all.

Mr. Speaker, Sir, I rise to provide a contribution in response to the National Budget 2022-2023 as presented to this august Parliament on 15<sup>th</sup> July, 2022 by the honourable Attorney-General



and Minister for Economy.

First, Mr. Speaker, Sir, I would like to extend my sincere thank you to the honourable Attorney-General and Minister for Economy and his hardworking team at the Ministry of Economy for presenting such a thoughtful Budget: a Budget which has been developed through broad consultations which included the youths of this country; the next generation of leaders as well as rural and urban communities, government agencies, the private sector and without also overlooking communities which are in remote areas of our country.

The broad consultation is an indication of this Government enduring concern of all in the plight of each and every citizen. It is abundantly clear in the details of the Budget and as has been presented that the needs of all, including especially the vulnerable categories of the population have been identified and strategies for our appropriate and effective responses provided. It is certainly impossible to address each and every individual's need by providing cash grants over time. Nevertheless, this Budget has taken into consideration the specific areas of urgent and basic needs of those most vulnerable with provisions for the immediate support while the economy as a whole take time to recover.

Mr. Speaker, Sir, the challenging contexts and circumstances of this recovery within which the 2022-2023 Budget has been developed is now common knowledge but it is worth a reminder to underline the difficulties ahead. A devastating combination of the global pandemic COVID-19, effects of climate change, contraction of critical supply lines by an unexpected war and unfinished recovery from recent hurricanes cannot but create a disaster risk situation for any economy and society and not the least, Fiji as a Small Island Developing State.

Many countries continue to struggle with the devastation caused by COVID-19 pandemic and indeed still do after a long period some over two to three years and are still continuing to see the impact. But in Fiji, we have been steadfast and robust with our responses. Thanks to the able and decisive leadership, Mr. Speaker, Sir, of our Prime Minister. This astute and forward-looking leadership has obviously shorten the period of darkness and gloomy days.

Now, on hindsight, the decisions taken have to be applauded like those to have lockdowns, curfews, border closures and more importantly, to expeditiously vaccinate the entire population including even compulsory vaccination rules for our civil servants and employees to return to work now seem appropriate and commendable.

Mr. Speaker, Sir, the full recovery of our economy will not take only days but years and that too with full support of our people, every sector of Government, private sector, non-governmental organisations and the entire communities will be achieved with the same strength and vision of our leadership.

Mr. Speaker, Sir, the 2022-2023 Budget has taken some bold and positive steps, steps to support our private sector, including these small and medium enterprises. The significant role in the economy and the recovery has been well acknowledged, cognition of the role budget has done this without increasing any taxes that were announced but rather provided several incentives to assist and enhance the full participation in the road to recovery.

It is very encouraging to see many employees that were redundant during COVID-19 period are now able to once again get their job back and support their families. This is very clearly evidenced in the tourism sector as we can now see that many hotels that were closed for long periods are now opening up for businesses.

Mr. Speaker, Sir, at individual and family level, the 2022-2023 Budget has provided support for families with children with cash grants to buy them basic food items and other amenities. This will help families to alleviate the rising cost and inflation due to price increases of several food items that are beyond the control of Government. The cash grant is also provided to students in secondary and tertiary institutions and will supplement other subsidies such as bus fare, text books and school fees. These are all indicators of Government's concern with people's wellbeing and welfare.

With this, Mr. Speaker, Sir, the Budget has not forgotten our elderly population in need, with sometimes chronic ailment, people with disabilities and recipients of welfare assistance. The increase of \$38 monthly subsidy in addition to their current monthly welfare allowances would enable them to cushion the short due to rising cost of daily needs to some degree.

Despite the substantial decrease in Government's revenue, there have been no cuts in key allocations. This means that the essential services such as health, education, housing, water and electricity, transport and shipping to rural areas will continue to be provided. In fact, in some areas such as health, the budget has gone a long way to make sure that the health services are easily accessible and affordable to the people in most need.

This inclusion of additional General Practitioners to provide primary care at grassroots level will help people to access healthcare services without waiting for long periods at public health facilities. These services will not only cover consultation but diagnostic tests and emergency supply of medicines too.

Mr. Speaker, Sir, the 2022-2023 National Budget is people-centred with a long term vision as shown in the impressive work in infrastructure and key capital projects that are well-reflected in the Budget.

In conclusion, I once again thank the honourable Prime Minister for his leadership in steering the country forward in the most difficult and challenging times in our history and also the honourable Attorney-General and his team in presenting the people-centred Budget for 2022-2023. I also thank you, Mr. Speaker, Sir, for allowing me to respond to the Budget. I fully support the Budget.

HON. I. KURIDRANI.- Mr. Speaker, Sir, the honourable Prime Minister, the honourable Leader of the Opposition, honourable Members of this Parliament and our fellow Fijians listening in from all over the world and in Fiji; I want to say, *cola vina* to you all.

Before I deliberate on the Budget Estimates before Parliament, allow me to make some very generic observations on the Budget presentation. It is another grandstanding lecture by the honourable Minister for Economy about social protection and economic recovery, but the fact remains that his well-articulated presentation make a 'look good budget' in theory, but in reality, it is very deceptive. It is irresponsible and lacks the direction, yet again failed to allocate resources to the critical sectors of the economy, especially in agriculture, forestry, fishing and health.

The Budget is a clear indication of the Government desperation to remain in power despite the fact that they are no longer wanted by the people because of their poor leadership for the past 16 years. Therefore, this Budget is not different from all other previous budgets presented in this Parliament during this Government's 16 years of dictatorship rule that they are being designed based on lies, dishonesty, misinformation, manipulation and distortion of information.

Sir, it is irresponsible and outrageous for the Minister for Economy to claim in his presentation the smiles on the children's faces for every Fiji Airways plane that took off, meaning that everything is back to normal. I wonder if this statement holds any truth considering the hardship everyone is facing

today, especially the children of the 800 Fiji Airways staff that were unfairly terminated during the crisis that were not even given a chance to re-employ when things go back to normal.

Has he realised the hurt, the frustration and hardship of thousands of children from poor families that hardly have a decent meal a day; while some go without a lunch to school. What about the hurt and feeling of neglect by the school children who are victims of your poor e-ticketing systems and are made to walk for miles to schools while others have chosen to miss school altogether? Has he considered the plight of the thousands of University of the South Pacific students who suffered and has an uncertain future, due to the non-payment of this Government's contribution of \$68 million?

Mr. Speaker, Sir, I doubt that any school children is smiling today because everyone is facing hardship due to this Government's mismanagement. Let us look at our debt. Sir, our debt balance to GDP is at an unprecedented level at 90 percent and to include the Contingent Liabilities we are hitting more than 100 percent. Is that the boom? Yes, a boom of uncontrolled and unsustainable debt management to a country of our size.

The following economic indications prove that there was no boom, the poverty is hovering around 40 percent and another 20 percent are facing difficulties. Unemployment is high, our GDP per capita income has declined from 12,000 in 2018 to 9,900 in 2020. Our total debt exposed is 102.2 percent, our debt to GDP ratio is 90 percent against a benchmark for developing countries of 40 percent. Is this the nine years of sustained economic growth as continued to be repeatedly claimed by this government? You be the judge.

Sir, or is it too hard for the honourable Minister for Economy just to speak the truth that we are currently in a very tight fiscal space and the very debt burden has continued to rise due to their poor governance, bias policies, selective justice system, compromised government institutions and lack of internal control and standard procedures. It is unfortunate that again in his key message, he again repeated the lies, and I quote:

“Tonight, Mr. Speaker, we are proud to report that recovery is underway. All preliminary debtor and partial indicators show that the economy is on track to record the highest growth created in Fiji's history of 12.4 percent.”

That is a lie. The only highest growth rate recorded from 1971 to 1975 was at 7.5 percent. From 1986 to 1990, it was only four percent. From 2011 to 2015, it was 3.2 percent. So, how can also this be possible? When we know that the global economy is on crisis due to the war in Ukraine and the volatility of the international trade environment. Even the International Monetary Fund, Sir, has projected that the economic growth for 2022 will slow significantly at 3.6 percent.

Since the war has further exacerbated supply and demand disparities, we sanctioned trade and embedded shipping routes affecting global supplies of essential commodities. Is the projected goal true? No, yet on 6<sup>th</sup> July, 2022, this government paper the *Fiji Sun* printed an article – “Food Prices Drop Expected as claimed by the Minister for Economy since freight cost will drop”. Do you agree? This is another calculated lie.

Sir, it is unfortunate that the Minister for Economy only talks about the benefits of concessionary loans, interest-free loans. He never talked about the risk associated with all these borrowings. We should understand that as national debt per capita increases, there is a strong possibility of default payments.

HON. A. SAYED-KHAIYUM.- No!

HON. I. KURIDRANI.- Our debt obligation increases and Fiji will lose its social, economic and political power which will become a national security issue as experienced in Sri Lanka. Increase in debt reduces the amount of tax revenue available to be spent on other government services because the first call on any government revenue is payment of the loan principal and interest. That means poor standard of living as we are experiencing today.

Sir, the Minister for Economy should not be grandstanding about these concessionary loans. He must understand that there is no such loan as smart loan or prudent borrowing. A loan is a loan and it has to be repaid at a certain time. My understanding, Sir, that we have been given concessionary loans by World Bank, ADB and other financial institutions not because we are using our common-sense, responsible and discipline to our borrowing strategy as claimed by the Minister. No! We are given special loan condition because we are poor.

HON. A. SAYED-KHAIYUM.- *Nai!*

HON. I. KURIDRANI.- Full stop.

HON. A. SAYED-KHAIYUM.- No!

HON. I. KURIDRANI.- You are unable to manage our economy and we have no money.

If you can remember, Sir, last year, we all know that Australia and New Zealand gave us direct budget support totalling \$120 million. We are given this assistance because we are poor. Full stop. Because we are poor. It is not that we are good at our financial management. No, because we are poor and that is the responsibility of wealthy nations to look after their neighbours. This also applies to all the poor countries around the world.

We need to understand whether it is the responsibility of this world finances to ensure that all poor countries remain afloat and there are conditions attached. Just like borrowing from the FDB, ANZ, and Westpac. If you have been a customer with a bank and in this case where previous governments but we have debt due to some mismanagement and factors beyond your control, that is this Government, the bank will give you special conditions like low interest, extended grace period, extended terms to keep you afloat. The same principle applies to this government borrowing, therefore nothing is prudent or smart borrowing.

Our economic problems are further aggravated by the fact that we borrow for consumption and not for investment like previous governments did. Therefore, we will continue to borrow because revenue is not being generated from this loan to service the debt. Sir, a good example is the \$60 million of what he called "Inflation Mitigation Package". Sir, I do not agree that this is an Inflation Mitigation Package. It is a direct funds assistance just to buy votes. The word "mitigation" is wrong. I challenge him to prove how it will mitigate inflation. How will it work? This \$60 million will only benefit the rich people such as bus companies, supermarkets, hardware companies, Vodafone, Digicel, ...

HON. S.R. RASOVA.- Tell them!

HON. I. KURIDRANI.- ...the service they are going to provide.

HON. A. SAYED-KHAIYUM.- But they are still providing it now.

HON. I. KURIDRANI.- Yes, they are going to provide. All this money will go to them. This money will only be spent in one day for every family.

HON. A. SAYED-KHAIYUM.- *Oilei!*

HON. I. KURIDRANI.- The bottom line is that, the poor will get poorer and the rich get richer. If they would have some sense, unfortunately they do not, this \$60 million would have been better utilised for the construction of supporting infrastructure that is in my view, will mitigate inflation and support economic growth such as roads, jetties, look at all the jetties in the maritime islands. How many jetties need to be repaired?

The improvement of hospitals, look at Navosa Hospital, it is still not fully operational until today. Pregnant women from Navosa have to come all the way from Korolevu, from Noikoro to Sigatoka Hospital. Look at Navua Hospital, it still not fully operational today. Women have to travel from Navutulevu Village, Naboutini, Namaqumaqua up to Serua all the way to Suva. They just need to improve the facilities, and that will mitigate inflation.

They need to establish collection centres in provinces for isolated farmers - cold storage facilities for farmers in rural areas. Developed towns in remote areas such as Navatumali in Navosa, Vunidawa in Naitasiri, Vanuabalavu in Lau, Nabouwalu in Bua and, of course, not forgetting Vunisea in Kadavu. All these should be towns already. This is my view will mitigate inflation provided sustain economic growth and improve living standard instead of freebies that will only create that dependency culture and enhance poverty. What will you do to pay off this \$60 million loan? We will have to loan again to pay off the loan and that is what is happening today.

Do you agree that the Honourable Minister for Economy has claimed that every dollar borrowed is used wisely? Mr. Speaker, I was surprised, as the Honourable Minister for Economy in his Budget Address mentioned that why we did not condemn two Opposition Members who broke the law by obtaining financial advantage through fraudulent conduct. We did not because we believe that the juridical system is not independent and fair and a very selective in the enforcement of the law.

It appears that the honourable Minister for Economy is suffering from the disease called "dementia". It is the disability of the brain that caused memory loss and confusion. He failed to remember that there are many other serious crime of corruption committed by this Government and their cronies that has never faced justice today.

What about the former Fiji Sugar Corporation (FSC) CEO, Mr. Mohammed Khan? He is still under Police investigation. The Veronica Malani case. I stood several times in this House to tell him to step down and step out because he has been alleged to have created the bomb and exploded the bomb, detonated the bomb and yet he still sitting here today. What about the unfinished project, as mentioned by the Honourable Leader of the Opposition? What about using FNPF to buy 30 percent of the shares in Fiji Airways without consulting the owners of the fund? What about the appointment of Board of Membership? Some of these members represent two, three and four boards, isn't that corruption? Sir, I do not have time to list them all but all I can say is that they have the most corrupted Government in the history of our nation.

Let us look at the sugar industry, Mr. Speaker. We all know that the sugar industry is on the brink of collapse and it is technically insolvent due to the mismanagement, lack of monitoring and evaluation over the last decade. In the Budget, the Honourable Minister for Economy has confirmed that sufficient funds have been allocated to the Ministry of Sugar to ensure that guaranteed cane price of \$85 will continue in this financial year. Sir, this is absurd knowing that the cost of production has increased significantly due to inflation and why this still remaining at \$85. This rate is no longer feasible. Recently, we saw in the *Fiji Times* on 4<sup>th</sup> July the state of loans amounting to \$550,000 for 600 sugarcane farmers in the North.

(Chorus of interjections)

HON. I. KURIDRANI.- That is the most reliable newspaper.

What does that tell you? Because sugarcane farming is not feasible anymore and yet they are going to use another \$85, put it to \$100 or \$120. What are they talking about? Is this the reflection of the nine years sustained economic growth?

Let us look at agriculture. Mr. Speaker, we have already said how many times in this House that our economy-base is too narrow, we rely too much on tourism. We have been saying in this Parliament that our economic vulnerability was basically due to our narrow economic base, due to over-reliance on tourism. We desperately need to expand the agriculture to broaden our economic base to give us that fiscal space to be able to absorb external economic shock, but unfortunately, this is not reflected in this Budget.

Mr. Speaker, Sir, the honourable Minister for Economy has claimed that our Fiji farms have never been as productive as of today - that is not the fact; that is a lie! Our milk production is still around 2 litres per cow per day against the projected yield of 7 litres to 8 litres per day. We are still importing enormous amounts of beef since we do not have enough supply. The Fiji Meat Industry Board (FMIB) has been operating under capacity for the last decade due to insufficient supply of cattle. Our average rice yield is around 2 tonnes to 3 tonnes per hectare against the 8 tonnes per hectare for recommended varieties.

Mr. Speaker, Sir, even though the overall agriculture production has increased as claimed by the honourable Minister for Economy, this is very insignificant compared to the enormous amount of Government intervention through budget allocations and programmes. These are some of my areas of concern that do not reflect the claim by the honourable Minister for Economy about agriculture.

The Beef Extension Programme has been reduced from \$200,000 to \$100,000. This is absurd, the reduction in the Budget will also force the Yalavou Beef Scheme not to see the light of the day. This is against the Ministry's five year Strategic Plan that Yalavou Beef Scheme will push production by 10 percent. How is that possible without Yalavou Beef Scheme?

Mr. Speaker, Sir, it is quite surprising that the Sigatoka Valley Farming Programme has not been included in the Budget. I wonder why? And was the honourable Minister for Economy aware of this? The Cold Storage facilities to be constructed at Kavanagasau on the east bank of Sigatoka River to help more than 900 isolated farmers, no longer exists in the Budget. Why? Why has the province of Nadroga/Navosa been punished? Mr. Speaker, Sir, according to our records, the Ministry of Agriculture has not been able to fully utilise its budget since 2013.

Mr. Speaker, Sir, to conclude I do not support this Budget.

HON. S.S. KIRPAL.- Mr. Speaker, Sir, the honourable Prime Minister, honourable Ministers, the honourable Leader of the Opposition, honourable Members of Parliament; I rise this afternoon to contribute my wholehearted support to the 2022-2023 Budget. Greetings and a very good afternoon to my fellow Fijians present here today, at home and those listening via other medium.

Firstly, I would like to congratulate the Nadi Rugby team for its hard fought battle against Suva and winning the semi-finals of the Skipper Cup; I know that the trophy will be travelling to the West this weekend when the jetsetters take on Naitasiri in the final. All the best to Nadi Rugby!

Mr. Speaker, Sir, coming back to the 2022-2023 Budget, I need to start by announcing how proud I am to be part of a government that is successfully going through recovery mode after all the challenges and sacrifice made during the pandemic and floods. Fijians just got a better Budget for a better future, as was announced by our Fijian Government last week.

Mr. Speaker, Sir, the National Federation Party (NFP) has always been criticising the Fijian Government and they were the first to come up with baseless criticisms. Has NFP or any Opposition Member provided any alternative Budget? And here the honourable Kuridrani is talking about sense - what sense has he got when talking without any alternative Budget to the honourable Minister for Economy?

Mr. Speaker, Sir, I was reading an article by the General Secretary of NFP where she was comparing the FRU allocation from 2014 to 2022 and I can say by reading her statement that NFP has no idea. I have recently travelled around Viti Levu and the rural areas and have seen major infrastructural works being completed and some are underway. Sir, around Viti Levu, Queens and Kings Highways almost all the bridges that were neglected by the previous Governments are newly built or under construction. These bridges should have been replaced and maintained during the Rabuka Government but rather than criticising them, they are bed partners.

Furthermore, honourable Professor Prasad said on 8th September, 2020 that he never supported the *coup* leaders as he addressed values and principles. So what has happened now?

(Chorus of interjections)

MR. SPEAKER.- Order!

HON. S.S. KIRPAL.- Mr. Speaker, Sir, this shows that NFP can go to any length just to try and win. They know they cannot win the election on their own because they have no faith in themselves.

(Chorus of interjections)

MR. SPEAKER.- Order!

HON. S.S. KIRPAL.- Mr. Speaker, Sir, Fijian people need a strong and dynamic leader like our honourable Prime Minister - he has told everyone and with him no one is left behind.

Mr. Speaker, Sir, the Opposition has been denouncing our own airline, Fiji Airways, during the pandemic when FijiFirst Government was trying its level best to keep our pride (Fiji's pride) alive and we are optimistic that we will thrive because the world will overcome this worst situation. But the Opposition were full of criticism and caught in a time zone because they were unable to look beyond their nose and have no new ideas, in fact, no ideas. Mr. Speaker, Sir, Fiji Airways is our national carrier and it gives every Fijian the honour and smile when it lands in Los Angeles, Brisbane, Sydney and other destinations and of course soon, - Vancouver.

Mr. Speaker, Sir, if the same airline which took the Opposition abroad for fundraising and radio talkback shows where we saw honourable Professor Prasad running away from the Radio Tarana rather than giving some constructive answers. The honourable Gavoka has always been praising Qantas rather than our own airline. I hope he knows the current reality of Qantas.

Mr. Speaker, Sir, going back to the 2022-2023 Budget, allow me to commend the honourable Minister for Economy and his team for a budget that embraces all Fijians of our nation post-pandemic. Furthermore, the Government's vision for progressive developments and ensuring a safe and secure Fiji

- which Government has been providing over the years to our people - is specifically addressed in this Budget.

Mr. Speaker, Sir, this is a Budget that says “we are prepared to commit and take the action of \$3.812 billion to get the recovery going”. As the Minister for Economy said during the first reading of the Budget last week, the commentary is already changing. There is already confidence returning to the economy, we still need this public investment infrastructure and income support and that is the step that we are doing. The tourism industry is recovering but this is not going to return to pre-COVID-19 conditions at this stage but it will return to normal soon. We have got to support that industry because the borders are open and the travellers are returning to an economy that is robust and growing.

Mr. Speaker, Sir, one of the basic needs for every individual is affordable housing and in this Budget, the Government continues to provide long-term leases to informal residents and settlements and to provide cost sharing basis to social housing, assistance for rural and maritime regions. Affordable housing brings sustainability, economic diversity and improves the physical quality of the neighbourhood, hence the FijiFirst Government is working on this a lot so every Fijian has decent housing.

Mr. Speaker, Sir, agriculture is the backbone of our country and in this 2022-2023 Budget we have seen that the Government is supporting the agriculture sector with other crops and livestock together with the sugarcane farming to adapt to climate change. Mr. Speaker, Sir, the agriculture sector was a success during the pandemic as we have seen plenty people attending to farms and producing fresh produce - thanks to the Ministry of Agriculture for their support and guidance.

We have seen the number of rice farmers increasing due to the initiatives put in by the Ministry and it is better for our country. The late George Washington, the first USA President had said that agriculture is the most helpful, most useful and most noble employment of man. The country can prosper if it has a good agricultural budget with right thinking leaders who encourage the people of the nation. The budget for the agriculture sector during this recovery period of \$64.14 million is commendable.

Mr. Speaker, Sir, under the FijiFirst Government, every Fijian child is given equal opportunity to be educated, free education till Form 7, and after completing high school education, students can get their tertiary education through Toppers and TELS, which reduces the burden from poor parents. The late Mahatma Gandhi said that if we are to reach real peace in the world, we should start educating children. This Fiji Government has been instrumental in the education of every child so that we have a literate society.

The 2022-2023 Budget is welcomed by a vast majority of stakeholders including our people, except for our political opponents who cannot see the progress of every Fijian. Mr. Speaker, Sir, they forget that the initiatives given in this 2022-2023 Budget by our Government is that no citizens are left behind. Some of the initiatives are - the bus fare assistance; \$1 per day to every child up to Year 13 whose parent’s household income is less than \$50,000 - this is also extended to \$180 for six months to all social welfare recipients, aftercare fund recipients, those on Government pension scheme and tertiary students.

Improving survey and development process by the establishment of an interagency working group with all relevant stakeholders involved with the help of a Land Development Vetting Committee portal, enables all parties to be able to monitor and track the status of surveys. Vanua View GIS system will be free for all the users, as before, companies and individuals used to pay \$2,572 per annum. This is very important and valuable information for all.

Mr. Speaker, Sir, the question is whether the Opposition has read and gone through the Budget thoroughly or just picking few petty issues to save their political career because 2022-2023 Budget is



largely supported by all Fijians. Sugarcane farmers have been the ball-game in the Fijian political history. It is our leader honourable Prime Minister who has come out clean as a whistle for the plight of the poor farmers who have been suffering before 2006. To remind honourable Kuridrani, the sugar industry has dropped because of the non-renewable of leases and at that time it was SDL, SVT and SODELPA Governments. The 2022-2023 Budget is a well suited Budget for all the Ministries and with this Budget we will consolidate our recovery.

In conclusion, as I have said, this is a country that is on its journey to recovery. It will take time, but this is a country that can look back at the last few months and say we had a hell of challenges, but we met those challenges and supported each other through the health crisis and now, it is time to support each other through this rebuild phase and we will do that - the Opposition fails to understand this. FijiFirst has proven that when times are hard, we pull together collectively, we work together, we co-operate, we collaborate and we make the difference. This is the time to celebrate what we have done, but not to rest on our glory. We are thankful for the leadership that we have had, and we are thankful for the investment that has been put in through this Budget as we recover and get back on our feet again.

Mr. Speaker, Sir, I humbly urge the Opposition to support this and take our beloved nation to a greater height. With these sentiments, once again I thank our honourable Prime Minister, honourable Minister for Economy and his team for their efforts in putting together a wonderful budget which can be called the people's budget. I support the 2022-2023 Budget.

MR. SPEAKER.- Honourable Members, on that note, we will now suspend proceedings for a break. Parliament will resume in half-an-hour.

The Parliament adjourned at 4.19 p.m.

The Parliament resumed at 4.51 p.m.

HON. DR. RATU A.R. LALABALAVU.- Mr. Speaker, Sir, I rise to contribute to the debate on the 2022-2023 National Budget as presented by the honourable Minister for Economy on the eve of Friday, 15<sup>th</sup> July, 2022.

Mr. Speaker, Sir, we are still not out of the COVID-19 pandemic, the virus keeps showing up repeatedly. It seems that this will continue for a long time. Now, it seems like we will have to live with the virus which demands change of our attitudes and habits. We need to brace against much more disruptions, we need to adopt long-term policies in every sphere of life.

Mr. Speaker, Sir, despite our current reluctance with post-mobility and restrictions, many things remain uncertain. Our people need to adopt a more frugal and healthier lifestyle, our healthcare facilities need to improve drastically. Our people cannot all afford treatments in overseas, our people need healthcare facilities here in Fiji. Our experience over the last two years has been dreadful with hundreds of people who lost their lives, thousands lost their jobs and thousands are still jobless.

Mr. Speaker, Sir, we all need to work hard to change the circumstances of our people. Playing tricks with numbers and mesmerizing speeches will not do so much good for our people. It is time to get real and deliver not a dollar a day for our future citizens but a bright future that people can embrace with confidence.

Mr. Speaker, Sir, people who have no other hope continue looking to the Government for help and I am sorry to say that the Government has done a bad job in assisting the people despite the general support from our global partners. Our friends have generously provided us hundreds of millions in assistance, some in grants and some as soft loans. We are grateful to them for their great gesture in our bad times.

Mr. Speaker, Sir, Fiji has not come out of its dire economic conditions yet, the economic downturn risk beyond 22 percent by the end of 2021. We have only started an upward journey due to the return of international tourists to our shores. I am deeply concerned that this National Budget and those in 2021 have not provided much hope for the people of Fiji for long-term prosperity.

Provisions of the Budget are merely band-aid treatment of the problems we face now. The Government continues to inflict crude joke on the people of this country by making silly statements like the “Bula Boom” and by handing out pittance to attract voters. Mr. Speaker, Sir, people are not fools that they will not succumb to cheap tricks played by the Government. We find the “dollar a day” for dependents for six months very insulting. First, this policy does not target the poor for help and secondly, it terminates in six months, clearly indicating that this is an election gimmick.

Mr. Speaker, Sir, there are thousands of people today who go without food and the necessities of life like medicine. We support handout for the poor to survive but not just dollar a day. Mr. Speaker, Sir, we suggest much greater assistance for poor children by using a well-targeted policy. The current policy of the Government is throwing money at the problem aimlessly. We need to assist only those who need such assistance.

Mr. Speaker, Sir, before I proceed any further, I wish to express my gratitude to all our people for their resilience, patience and fortitude and I wish to express my gratitude to all our frontline workers for their resolve, dedication and hard work. The nurses, paramedics, doctors, hospital administrators, the police force and the volunteers for working hard to fight the pandemic. They all deserve our gratitude. Our gratitude also to those who have generously donated and helped people

cope with their hardships, thousands of people have contributed and I wish to say to them – thank you very much.

Mr. Speaker, Sir, I wish to talk on some of the details of the Budget that concerns us most. The Budget Address stated that the projected deficit will only be 7.4 percent net deficit as percentage of GDP. Furthermore, the deficit for 2022-2023 will represent 22.8 percent of the expenditure. That means that for every \$100 that the country will spend, \$23 will be borrowed. This Government's policies is mortgaging the country to pay its groceries. Any family leader who would manage its household finance this way would be bankrupt in no time.

The national debt has reached unimaginable heights at \$9.1 billion in 2022, that is, 85 percent of GDP. As percentage of GDP, the national debt has exploded in the last six years. Even though we have had three years of very subdued economic activity with the pandemic, the FijiFirst Government has brought the national debt from \$2.8 billion in 2006 to \$5.7 billion in 2019 and an unimaginable \$9.1 billion in 2022. That is an increase of 325 percent in six years. The national debt has more than tripled. All this while the economic growth of the same period was stagnant.

Mr. Speaker, Sir, in uncertain times we are facing with tensions between China and the western world, the war in Ukraine and a COVID-19 disrupted economy, one would think that prudence should prevail. This Budget Estimates is simply irresponsible with increase for the PM's Office - 55 percent; AG's office - 24 percent; Ministry of Economy - 42 percent; Ministry of Trade - 18 percent; and an increase in the Communications Department - 47 percent.

Mr. Speaker, allow me to address the Budget Estimates for the Ministry of Health and Medical Services. I note with interest that this Ministry's budget has been reduced by more than 11 percent, equating to \$395.1 million in allocation for operating and capital projects. A reduction in the allocation can be seen mostly in capital works.

Mr. Speaker, Sir, the honourable Minister for Health and Medical Services had mentioned some of the achievements in this august House in some previous sittings such as the:

1. Opening of new nursing stations, health centres, subdivisional hospitals;
2. Public-Private Partnership with Aspen;
3. Rollout of the Government-funded GP partnership for public consultation and for public outpatient; and
4. In this 2022-2023 Budget, the completion of the existing capital works for Lautoka Hospital Theatre and X-Ray Department, upgrade of the interior of Labasa Hospital, allocation for Savusavu Subdivisional Hospital capital works.

Also prior to COVID-19, our medical system and its services and infrastructure has been a topic of discussion as an ongoing issue. It is an issue which I believe cannot be swept aside as it is clearly visible, you hear it too often. At times you experience it directly or indirectly such as dilapidated infrastructure of our nursing stations, health centres, subdivisional hospitals and divisional hospitals, continuing shortage of medical equipment, beds and continuing shortage of essential medicine. How will the reduction in allocation of capital works address the above chronic issues?

It seems that the Government of the day has not prioritised these issues. It is rather unfortunate, Sir, that decrease in the budget for this Ministry and more so no allocation for this purpose has basically shed cold water on the hopes and aspiration of our people in this respect. The absence of any activity in this sphere is going to keep us deprived of better up to-date healthcare and

medical service. I, therefore, urge the next government which will take office after the elections to seriously consider taking steps in this important direction in partnership with relevant stakeholders.

Mr. Speaker, Sir, speaking of long term measures to improve the quality of our healthcare and medical services, it is expected by our people that Government sets up and puts in place mechanisms for science and technology exchange, research and development to update and upgrade our response to contemporary and future challenges in the health and medical sector.

Mr. Speaker, Sir, let me now turn to healthcare and medical services infrastructure demanding an independent audit into the basic, clinical and surgical equipment. I make this demand given the number of complaints we are receiving throughout Fiji on the paucity of the same.

Still on infrastructure, our healthcare and medical services, I am hopeful the honourable Minister will update Parliament on all the maintenance works and capital developments that they so far promised in budget after budget or were they part of the string of broken promises which has now become a staple trait of this Government.

Mr. Speaker, Sir, a fair share of capital budget is under Requisition (R). In the last three years, funds under “R” was never utilised or partially utilised. The reason why funds were not utilised or not realised may be due to Government not being to generate the estimated revenue to finance for the capital budget or for any other reason. Whatever the case may be, Mr. Speaker, Sir, it will only add to the burden and miseries of the sick and the diseased as well as the health of medical personnel.

Mr. Speaker, Sir, allocation for medicine and consumables has improved by \$2 million while purchase for medical equipment (biomedical equipment for urban and subdivisional hospitals) has been reduced. While shortages of medicine and consumables continue from pre-COVID-19 to the present, what will the change allocation deliver? Our tertiary healthcare settings at times continue to not deliver full quality services as mentioned due to no or poorly maintained equipment and now with a reduced allocation, how will it upgrade our quality service delivery?

Mr. Speaker, Sir, COVID-19 brought in acute challenges and though also contributing to some current shortfalls, it is the chronic issues mentioned above that needs to be address as well. Our health system and service delivery is desperately struggling and made to struggle even more with COVID-19. Most of our health workers are already improvising and working with means available to them to deliver a service that nears normality but it just makes work harder for them.

The Ministry of Health budget in summary is that though it has been reduced, the only positive is the increase in operational estimates. Increase in operational estimates alone if not accommodated with all other relevant parameters to produce a conducive and productive environment to work in is baseless. Doctors and medical personnel should also be better equipped, better resourced to work in better hospitals, subdivisional hospitals, health centres and nursing stations and also pay their relevant allowances on time to empower them to carry out their duties with the best of their abilities because the people of Fiji only deserve the best.

Turning to some of the constituency issues, Mr. Speaker, Sir, Taveuni, especially the Natuvu Passage is one of the busiest with regular commuters travelling to and fro for personal, business, et cetera. Currently there is no proper jetty on that Vanua Levu side and it is a health and OHS risk on the current Vatuyalewa Makeshift Jetty. Mr. Speaker, Sir, I fail to see any allocation for this capital project and I urge the Government and the Ministry to look into this area as a top priority.

Sir, allow me to thank the continuous work of the FRA through its contractors in maintaining the roads and erecting natural seawalls. The south of Taveuni, especially the coastal area along the

school, urgently needs a natural seawall to protect its shoreline and in doing so protect the South Taveuni primary and secondary schools.

Water shortage is still an ongoing issue with the south of Taveuni and I urge the Government to please once and for all put priority for a permanent source of clean drinking water.

The lifting of the ban on harvesting of *beche-de-mer* for only a few months is appreciated as it will bring much-needed income and economic activity in the province not only from Cakaudrove but Bua and Macuata as well.

Mr. Speaker, Sir, in conclusion, I truly believe that this Budget is one of the worst Budgets by the FijiFirst Government for the simple reason that the Budget will hijack the future of our kids and grandkids by more than tripling our national debt. This Government has decided to invest in slick communication campaign instead of buying hospital beds and much-needed medicine. The irresponsible Government has decided to invest in more policing instead of more teaching. The FijiFirst Government is using the spending tools of the State to get re-elected.

I thank you for the opportunity to respond to the 2022-2023 Budget and I do not support the motion before this august Parliament.

HON. CDR. S.T. KOROILAVESAU.- Mr. Speaker, Sir, I would like to applaud the Government for its visionary and decisive leadership and support to resource-based sectors. I would like to congratulate the honourable Minister for Economy and his hardworking team and all permanent secretaries and civil servants for a very comprehensive, well-thought out and all-inclusive Budget.

Mr. Speaker, Sir, this Budget is indeed an inclusive people's Budget that ensures no one is left behind. Through the social relief initiatives and assistance such as direct cash assistance, bus fare subsidy, Energy Fiji Limited and water subsidy, increase in social welfare assistance, to name a few, provided yet again in this Budget for vulnerable Fijian families that would be able to access these facilities to support their basic necessities.

To support existing and the creation of new business, the Government in its wisdom continues to strip away unnecessary requirements and fees, review and amend legislative provisions, support online digitalisation transition to ease the cost of doing business for local and foreign entrepreneurs.

Mr. Speaker, Sir, let me begin by highlighting that the overall work done and announcement of the 2022- 2023 Annual Budget was done with great consideration and foresight by the FijiFirst Government. While extensive consultation was made with our public and private sectors, consultation was also done with rural communities to allow for a transparent and accountable approach.

Mr. Speaker, Sir, needless to say, we cannot even try and understand this Budget without recognising the international economic trends and the progress of our global partners. Global trends such as the lingering impacts of COVID-19 and the recent conflict between Russia and Ukraine have drastically affected oil prices and the progress of many global economies.

Mr. Speaker, Sir, in highlighting this, I must say that through the strong leadership of the FijiFirst Government, the 2022-2023 Annual Budget that has been tabled, not only address the needs of the Fijian people and economy but has been carefully allocated to mitigate the global trends that we all must consider as an inclusive Government.

Mr. Speaker, Sir, at this juncture, I would like to acknowledge the Budget provision for the Ministry of Fisheries. It has been allocated \$16 million, a provision of \$10.5 million for Operations and \$4.8 million for Capital Expenditure. This is an increase of 3.2 percent in provision as compared to the Ministry's 2021- 2022 Budget of \$15.5 million. This budget will be used by the Ministry to execute its mandate of Sustainable Fisheries Management to support the Fisheries Sector and Government in restoring economic growth and community livelihood. As I understand, this Budget promotes stability and security as it takes into account the economic challenges faced by Fiji as a country and shows Government's visionary leadership and commitment. Therefore, the Ministry is required to be prudent in the execution of the budget in order to meet its mandate.

Mr. Speaker, Sir, as a responsible Ministry our goal is to achieve this through an inclusive approach of close collaboration and dialogue with our diverse stakeholders: from the subsistence fishers in all remote islands, rural villages and informal settlements, inshore and coastal areas to the offshore commercial fishers amongst others. The underlying principle of the role we play is to sustainably manage Fiji's marine resources to provide food security and economic growth whilst also ensuring its sustainability for prosperity. Given this setting, the Minister has taken bold and cautious measures which include a temporary lifting of the seasonal bans on sea cucumber or *beche-de-mer* and Groupers or *Kawakawa* and *Donu*.

Mr. Speaker, Sir, the Ministry will develop a feed for purpose legislative framework, enforced compliance, implement the foreshore and coastal fisheries licensing system, provide advisory and support services and conduct appropriate research and marine conservation activities, all of which will be aligned to the Government's national priorities and to Fiji's commitment to International Conventions.

Mr. Speaker, Sir, the Ministry operates a nationwide service centre network ensuring quality and excellence which is embedded in the processes, service delivery and its people. This service centre network implements key programmes, projects and activities, connecting the industry to the community and its development partners.

Mr. Speaker, Sir, the Ministry's effort to achieve a sustainable blue economy remains steadfast. It will continue to incorporate climate resilience and adaptation efforts through practical and viable adaptation solutions for the benefit of individual fisheries business, the sector and the communities it serve.

Mr. Speaker, Sir, I would like to stress that the Ministry will continue to lay emphasis on employment creation, empowerment and economic inclusivity in the fisheries sector. This focus is in line with the priorities of the 5 Year and 20-year National Development Plan and it is underpinned by the policy aspirations to enhance distribution of fisheries wealth to all Fijians. Moreover, these objectives are aligned to our honourable Prime Minister's announcement in the United Nations Social Conference in Lisbon and again reinforced by the Pacific leaders in the Pacific Islands Forum meeting held recently in Fiji.

Mr. Speaker, Sir, allow me to touch briefly on the sectoral budget provisioning that exists within the Ministry of Fisheries, as follows:

- Aquaculture - an increased allocation of \$3.28 million;
- Research and Development - \$1.95 million;
- Coastal Fisheries - \$3.03 million;
- Offshore Fisheries - \$2.65 million; and
- Technical Services - \$1.09 million.

Mr. Speaker, Sir, I commend the Government for its commitment in allocating the needed fiscal envelope and would like to reaffirm this august Parliament that we are determined to make every dollar count for the Fijian people and the economy.

Mr. Speaker, Sir, the Offshore Fisheries Management Division (OFMD) is responsible for ensuring that the tuna sector is managed in a sustainable manner through an ongoing implementation of measures to effectively monitor and curb Illegal, Unreported and Unregulated (IUU) Fishing. These roles are executed through a series of work programmes such as the National Observer Programme which is supported in its work by the electronic monitoring project.

The enforcement and compliance programme holds a critical element in making sure that our tuna resources are well-monitored and the regulations that protect these resources are enforced effectively and efficiently, as well as dealing with industry and trade issues, ensuring all trade of fisheries commodities are done within standing regulations that protect our industry.

Mr. Speaker, Sir, the Offshore Fisheries Division has been allocated \$2.65million in the 2022-2023 Budget to assist the Ministry's National Fisheries Observer Programme. We welcome the budget allocation of \$170,000 to assist in the sea going allowance of National Observer Programme and \$200,000 to assist the Regional Observer Programme.

Mr. Speaker, Sir, the electronic monitoring system was first realised through the support of the Food and Agriculture Organization (FAO). Out of all global countries that have an observer programme, the decision to have Fiji pilot the programme signifies the tremendous effort by our observers in achieving a high standard of quality data.

We welcome the budget increase to \$550,000 which will cater for the servicing of 50 on-board units, provide payments to service providers and cater for allowances for observers who will review and analyse the electronic footage. The analysis provided would complement the work undertaken by physical sea going observers in the collection of scientific tuna catch data.

Mr. Speaker, Sir, through the entire COVID-19 restriction period, the Ministry of Fisheries has learnt a lot. The restriction to movement and gathering have prompted the Ministry to explore innovative options and alternatives to improve service delivery. We welcome the Government's announcement of a new budget item of \$200,000 for e-services to support the Marine Stewardship Certification of offshore fisheries products and to facilitate industry issues to ease the cost of doing businesses. The allocation of this budget will enable the Ministry to explore an e-permitting and e-licensing platforms that are efficient and effective towards our private sector service delivery.

Mr. Speaker, Sir, the Aquaculture Division budget provision of \$3.28 million will see to the implementation of a number of key initiatives to ensure rapid growth in the aquaculture sector. These include the following:

1. Establishment of an aquaculture testing facility to assist in testing of water and soil samples for aquaculture farmers;
2. Basic testing of aquaculture species and monitoring of diseases;
3. Re-stocking and panned rearing of sea cucumbers;
4. Boosting production of shellfish by improving water quality;
5. Ongoing staff capacity building and training to enhance the knowledge available in developed countries;
6. Implement a feed machine set up to produce aquaculture feed used mainly in local produced raw materials;
7. Undertake feed trials for beche-de-mer, shrimp and fresh water prawns; and

8. Upgrading of aging infrastructure to boost production.

Mr. Speaker, Sir, we welcome the budget provision of \$600,000 for the food security programme and \$250,000 for assistance to commercial aquaculture farmer projects. We are looking at supporting more farmers with this increased allocation, resulting in boosting cultured fish production for our Fijian people, creating new employment and reducing imports. This is testament to the confidence and commitment the Ministry and the Fijian Government places in empowering youth and women through such programmes as this. Under aquaculture, the Caboni Multi-Species Hatchery is allocated \$400,000. These funds have been earmarked to support hatchery operations and scientific research for high-value fish species.

Mr. Speaker, Sir, to further boost marine and more production and to focus on research and breeding of high value species, for example, *Kawakawa*, *Donu* and Rabbit Fish, the Ministry will continue to collaborate with development partners in the national, regional and international space. Coastal fisheries and inshore fisheries development and management is an integral part of the Ministry sustainable management role and we acknowledge the total budget provision of \$3.03 million to provide for initiatives and programmes to sustain and diversify our support to coastal inshore fisheries.

Mr. Speaker, Sir, as we recover from the impact of COVID-19, our focus in supporting 850 coastal fishing communities has not waived and we welcome the increased provision of \$900,000 for Coastal Fisheries Development. This budget will further support the following initiatives:

1. Construction of Fishing Aggregation Devices (FADs);
2. Transforming diesel power generator to solar power;
3. Technical training and capacity building and market access pathways
4. Procurement of solar freezers to support preservation of catches for communities not accessible to ice plant services; and
5. community outreach and awareness.

Mr. Speaker, Sir, as such, the Ministry also welcomes the budgetary allocation of \$100,000 for preparatory work for Wainigadru and Koro ice plants. We also welcome the allocation of \$300,000 for capital procurement of a new fisheries extension vessel that will service the Eastern Division, in particular the Lau Group of islands.

Mr. Speaker, Sir, with this allocation, our footprints of service delivery through our extension, advisory, research, monitoring, control and surveillance work programme across the Lau Group will be exemplified, enabling us to strengthen the delivery of these essential services to isolated Fijian coastal and maritime communities. Additionally, the overall allocation of funding under this allocation will foster the Ministry's work in sustaining and diversifying every opportunity to our 850 coastal communities. Mr. Speaker, Sir, I must applaud the Government in the allocation of \$180,000 for the feasibility work on compliance and enforcement.

Mr. Speaker, Sir, the allocation of this budgetary provision will allow us to make constant checks and gap analysis to continuously strengthen and improve the compliance and enforcement work within Fiji's inshore and coastal fisheries. The implementation of this critical work cannot be undermined as it enables the Ministry to assess the robustness of our system and processes, propose policy and legislative amendments and allow us to be effective and efficient in monitoring, control and surveillance practitioners.

Mr. Speaker, Sir, the Ministry is renewing efforts to strengthen the research and science on how a value species that can be sustainably be farmed both in saltwater mediums. The Ministry welcomed



the budgetary provision of \$1.5 million for research, resource assessment and development, to ensure scientific research finding support informal policy decision.

Mr. Speaker, Sir, the Ministry is actively seeking scientific qualified and experienced personnel to complement to existing staff in ensuring that we take advantage of Fiji's naturally conducive environment for fish farming and partnering with a private sector and communities to support a vibrant, resilient and sustainable industry.

The Ministry, therefore, plays a key role on other agencies in ensuring a sustainable blue economy and will, therefore, strengthen our partnership to establish the 30 percent Marine Protected Areas (MPAs) by 2030 and contribute to increase jobs within the fishing industry. The budget will contribute towards these ultimate goals.

Mr. Speaker, Sir, to support coastal fisheries communities in ensuring a continuous operability of the 24 ice plants we manage across our national service network, the Ministry welcomes the budgetary allocation of \$1.09 million under this programme.

Mr. Speaker, Sir, in concluding, the Ministry of Fisheries will strengthen its commitment in playing a leadership role towards building Fiji's blue economy. With the allocated fiscal envelope, we are determined to heighten our effort towards our goal of achieving more with less.

Mr. Speaker, Sir, with the ultimate goal of not living anyone behind, the Ministry of Fisheries is determined to work closely with our partners and external donors to build the fisheries sectors and its contribution to the Fijian economy.

Mr. Speaker, if there is one thing that we need to understand after all that has happened over the past three years, it is the importance of compromise, partnership and collaboration. There will always be gaps within our system and budgeted activities will face shortage of funds, however, the important thing to understand is that, we all have a part to play.

Sir, we have an exciting financial year ahead of us. Let us work collectively to progress that excitement to high yields and production levels. The Budget is tailored to help safeguard Fijian economy and the Fijian people. For the Ministry of Fisheries, the allocation of \$16 million will ensure our children, our grandchildren and their children who will come after them, those are the Fijians we are ultimately meant to serve. Let us serve them well by building a future worthy of their greatest dream and aspirations.

Mr. Speaker, having said that, I wish to register my full support to the tabled 2022-2023 Budget.

HON. M.R. LEAWERE.- Mr. Speaker, the honourable Prime Minister, the honourable Leader of the Opposition, honourable Cabinet Ministers and honourable Members of Parliament; I rise to contribute to the debate on the 2022-2023 Appropriation Bill 2022. At the outset, allow me to thank the honourable Minister for Economy and his staff, the Permanent Secretary and the sector managers for the composition of this Budget, as well as the honourable Leader of the Opposition for his response on the same.

As a loyal Member of Opposition and representative of my people, I intend to highlight some issues that have been announced through this House on 15<sup>th</sup> July. In the last one-and-a-half decade of Bainimarama-led interim and then FijiFirst Government, our country had skyrocketing public debt burden, highest unemployment rate in the history of Fiji, unprecedented cost of living, worst healthcare and medical services, poor public infrastructure, poorest index on human development and democratic accountability, draconian labour laws and no pay rise for our civil servants, especially our nurses, our

doctors and of course, our police officers. And they trampled upon every traditional institution and structure in this country.

Mr. Speaker, Sir, there are civil service workers who need urgent pay rise, who I would like to reiterate, especially the Fiji Police Force whose budget has been slashed, our teachers and our doctors. Crime, Mr. Speaker, Sir, with domestic violence, theft, law and order are much the work of police officers and they need to be remunerated accordingly. We have a war on our hands caused by crime and it is the police who are at the forefront in battling them on our behalf and their budget being reduced does not augur well in terms of them carrying out their roles ...

HON. A. SAYED-KHAIYUM.- Capital expenditure!

HON. M.R. LEAWERE.- ... as custodians of the law.

Sir, this Parliament will note that when such a warning bell was raised here of these impending dangers that come to us by the poor governance of this Government, turned into a corporate-funded political party, they did not listen to us. Our visionary leaders and social workers of Fiji, the past members of this Parliament, such as the late honourable Laisenia Qarase and Ratu Isoa Tikoca, then Niko Nawaikula, Mr. Parmod Chand, Dr. Ganesh Chand, Mr. Felix Anthony, Mr. Semesa Karavaki, who had warned us about the implications of the same, they did not listen.

As such, Mr. Speaker, Sir, I wish to urge this Parliament and the people of Fiji to realise the danger of keeping such a Government in power for one more term. Enough is enough but more than enough is not good enough. I only pray and wish that you have the wisdom here to vote this Budget down and due to the huge debt both domestic and external that now stand at \$9.1 billion as at July, 2022. I wish to register my heartfelt thanks and sincere appreciation to the following persons and organisations for coming to rescue our people:

- Non-Government Organisations (NGOs) at home and abroad;
- Donor agencies and assistance from foreign governments, Australia, New Zealand, United States of America, India, China, Japan, Taiwan and many others;
- Local business houses and philanthropists;
- Our *vanua* and community-based organisations;
- religious and cultural bodies;
- Good hearted Samaritan from Fiji and overseas; and of course
- Frontline workers and the volunteers with them.

Mr. Speaker, Sir, on USP. Why else would the Government want to withhold grants to our regional universities, endangering the studies of our students who are learning there? I call on the Honourable Prime Minister and the honourable Attorney-General and Minister for Economy not to inflict more sufferings on this institution, especially their actions are hurting our local and regional students.

The support for tertiary students, regardless of whether or not they are TELS or Toppers recipients is commendable but who will pay for this. Even the inflation mitigation measures to mitigate the effect of rising inflationary pressures, the payment of \$180 per child under 18 years of age over the six months' period will have to be paid back and who, may I ask pays for these? It will be the taxpayers of this country who will carry this burden.

Not only that, Mr. Speaker, Sir, it will only roll over to our children and grandchildren. This is but just to appease the young voters, enticing them to vote for them again but let me caution the youth of Fiji today by quoting the former British Prime Minister, Sir Winston Churchill. He says and I quote: "The youth is easy to deceive because they believe in hope."

I say, not now and not tomorrow. Noting that most of the successful and vote-catching policies and programmes of this Government were the ideas of our Opposition parties, adopted, modified and renamed by them, the youth of Fiji can expect a better package on education and youth development from us in Government, including transition from loans age to an era of scholarship once again.

Having given that broad outline and general remarks on the debate before Parliament, Mr. Speaker, Sir, allow me now to confine my observations to the issues related to my portfolios of Labour and Industrial Relations while I have a mouthful to say on the FNPF and Social Pension Scheme.

Mr. Speaker, Sir, trade unions are not the enemies of the State. They are the friends of the State, the representative of the workers, whose aim is to promote and protect the ideals and principles of:

- Meaningful employment;
- Better wages and working conditions;
- Right to collective bargaining;
- Right to strike; and
- Freedom of expression.

History is a testimony, Mr. Speaker, Sir, that the advent of trade unionism in Fiji since 1904 and then given statutory recognition by struggles of the Fiji Industrial Workers Union, now Fiji Trades Union Congress. This has resulted into professional development, increased productivity and better quality of life and standard of living, economic development, better social and public infrastructure, high index of democratic accountability and robust institutions of governance and justice, as in the past.

Trade unionism, Mr. Speaker, Sir, has been one of the basis of our past success stories working in tandem with previous Governments amid our differences. The other fact that I want to point out to this Government for its own benefit to grow up and learn to govern inclusively. The fact is otherwise. Every time there was a standoff between the Government and the unions, the growth rate was low and every time there was a pact to work in the spirit of collective bargaining, our growth rates were high and you know why. That was because workers want to be appreciated, adequately paid, working with better conditions, have job security, safe work environment, recognised values, space to be heard, grievance redress mechanism free of oppression and victimisation, given training for further development, promoted on merits and our local companies to be the basis of this success story retaining the cream of the national economy for the benefit of this nation.

Mr. Speaker, Sir, a good example of this is the sugar industry. The industry recorded the highest sugar production in 1986 when industrial relations politics was at its peak in the sugar industry and today, has the Bainimarama led FijiFirst Government fulfilled its commitment to the ILO on labour reforms? Has it given the greenlight to the Fiji Trade Union Congress to stage peaceful march across all towns and cities around Fiji and have rallied to speak out on workers' rights and aspirations, grudges, grievances and demonstrate to the world that indeed democracy is alive and well on our shores? Otherwise, it remains as a dead horse flogged by power hungry politicians with an equally dead conscience calling themselves the leaders of this nation.

Sir, I am thankful to veteran politician and trade unionist, Mr. Krishna Datt, for putting a number of these issues in a broader context in his recently published book, *The History of Fiji Teachers Union*, which I recommend the Government to read to learn about trade unionism and its relevance and future in Fiji. You may have curtailed the group rights but you cannot stop individuals associating and linking up as groups to put your tactics under the microscope.

Mr. Speaker, Sir, if only drama was life and propaganda was food - Fiji under the Bainimarama-led FijiFirst Government would be one of the most prosperous and richest countries of the world today.

Yet another of their latest antics was to showcase the more than \$31million Accident Compensation Commission of Fiji (ACCF) payout since its inception. However, neither the honourable Minister for Economy nor the Chief Executive (CEO) of the Commission told the media the number of applications that were still pending, the status of processing the same and above all, the most serious concern out of this short experience with the work mode of the Commission which was the time taken for the processing of the applications in addition to the issues of backlog.

Mr. Speaker, Sir, the other thing this exorbitant \$31 million compensation payout reveals is either the laxity by the workplace owners/facilitators with regard to Occupational Health and Safety (OHS) Compliance and the complacency on the part of the Ministry of Labour and Industrial Relations OHS Compliance Unit, to inspect, cause to update compliance and regularly monitor and review OHS status at our work places. This calls for putting the work of the inspectors of this Unit under the microscope. It is unfortunate the honourable Minister for Labour is not here.

The second last issue that I wish to highlight in my speech is the affairs of the Fiji National Provident Fund (FNPF). The FNPF was created for superannuation purposes for its members but the amendments made by this regime to the FNPF Act has deviated the Fund far away from its core founding values. We, in the Opposition Mr. Speaker, Sir, have a number of reservations with regard to the abuse of the FNPF and let me highlight some of the major ones.

Firstly, the amendments have resulted in the loss of veto power of the employee representatives to withhold any transaction of the funds for purposes other than the members benefit. Today, Mr. Speaker, Sir, the members of FNPF have to queue up, pay administration costs and patiently wait for the loan and withdrawals or pensions to be paid out to them, and yet here we have an uncaring Government using its two votes on the FNPF Board with the two votes of the employer representatives to outvote the two votes of the employer representatives, to use the workers money in the Fund as it wishes - in a nutshell, using it basically as a cash cow.

Mr. Speaker, Sir, while investment of the FNPF funds for membership benefits is not a bad idea, let us examine the legacy of those investments by the FNPF. Were the members of the Fund consulted to make the investments or lend out monies on Government Guarantees? Morally, was it a sound decision? Financially, was it a viable venture? Most important of all, what did the members of the Fund receive in turn, for their funds being used with no benefit for them at all.

The fact of the matter Mr. Speaker, Sir, is that this Government is, by a string of draconian legislations, holding the FNPF to political ransom to fund its political extravaganza and keep itself and its many near bankrupt public enterprises afloat - the latest being Fiji Airways and then now the Airports Fiji Limited.

Tourism with its enabler the national airline link was established pre-independence. Under the far sightedness of our long gone tourism and aviation experts, we have this industry as the main anchor of this budget. All the big talks and hyped rebranding and the dressed financials, I ask the big question Mr. Speaker, Sir, has our national air link achieved anything above other than expected? Why are we so fixated on this industry? I call on the Government to open up the sky and allow in all entrants that can safely bring in and ferry out peoples and cargoes at our international airports.

HON. A. SAYED-KHAIYUM.- You have no idea.

HON. M.R. LEAWARE.- This Government has already surrendered our sovereignty at our international seaports of entries, why are we not doing the same with Fiji Airways? One must seriously question our fixation on Fiji Airways.

The new Government whose election is now certain will have to amend the FNPF Act to restore the veto powers of the employee representatives on the FNPF Board and institute independent investigations on monies transacted by way of Government guarantees for the purposes of loans, bonds and other purposes including investments made under this Government to fact find where is our FNPF fund? Is the cash cow still productive or has it exhausted itself?

The last issue that I wish to speak upon Mr. Speaker, Sir, is the Social Pension Scheme. While it is commendable that the social pension has been increased from \$100 to \$180 per month, this short-sighted relief and poorly planned policy of the Government needs to be put under the microscope. By that, Mr. Speaker, Sir, the first thing that this Parliament must take note of is the age for retirement which is fixed at 55 years by this Government. It is after one decade of struggle when a person reaches 65 years of age that he or she qualifies for the social pension.

What is the average life expectancy rate of a common person in Fiji? Now, let me quote from his statistics, Mr. Speaker, Sir, it is 67 years. That skins the cat to the bone on this stately lip service to our senior citizens. As if that is not enough, let me question the honourable Minister for Economy, how many people over the age of 65 years are going to receive this \$180 per month? How many will have their applications pending due to the red tape bureaucracy it has created in the process?

In conclusion, Mr. Speaker, Sir, while this Budget remains a joke at an exorbitant cost to the national purse, a more funny reaction by none other than the honourable Minister for Economy in his usual dramatic style, was calling the Opposition parties reaction to his Budget speech as nothing but grandstanding. Truth, Mr. Speaker, Sir, has many ways of revealing and finding itself in public domain. And we do not expect much in the Minister's right of reply because many a time, his passion for personal vilification overrides the importance of issues that we raise.

This Budget, Mr. Speaker, Sir, lacks the strategies to give a shot in the arm for investment, economic development, revenue generation and falls far short of the expectations of the people of Fiji on expenditure discipline, good governance and above all, in addressing the pressing issues of controlling the price of basic food items. It falls far short of improving our healthcare and medical services and not taking an overhaul approach to our ailing and out-of-date public infrastructure. The Budget continues to negate worker rights and encourage labour exploitation, and exposes our women and children more vulnerable than ever to more pain and suffering. It is an insult to the resource owners, a curse on the farmers and a trap for small traders. While Dracula guards the blood bank, the shark in the pool has been given the licence to have a fishing holiday.

I just lament, Mr. Speaker, Sir, if I have more time at my disposal, to speak on youth and sports issues but perhaps, after the next election. Finally, when statistics speak the fact, you sack the statistician instead of facing up to the truth. When strategies fail and strategists run away, projections remain distant dreams and signs of calamity are lingering at your face just like the story of the one-time king, reduced by his own antics to being a pauper because what he now touches, is not gold. Since, the honourable Minister and his Government has failed to do that, the voters will now show them the door at the next elections due shortly.

Let me remind the honourable Minister for Education, that teachers are passionate about their work and they do not drink grog all night and sleep the next day. This is an insult to the hardworking teachers and I ask the honourable Minister to refrain from issuing divisive statements. Primary or secondary school teachers have their work cut out for them and, please, do not throw them under the bus. Show a bit of sense and award them a pay rise which is long overdue.

It was clear enough from last Friday night that the FijiFirst Government thinks this Budget will be enough to get them through in the next election. They are asking you to trust them - they are asking

the voters to trust them that somehow, after all the waste and rot, can we imagine how arrogant and dismissive they will be if they are given another chance in office? We will let the people decide.

HON. F.S. KOYA.- Mr. Speaker, Sir, the honourable Prime Minister, the honourable Leader of the Opposition, honourable Members of Parliament and fellow Fijians, thank you for this opportunity to contribute to this very important budget debate.

Mr. Speaker, Sir, Fiji has weathered the most difficult storm in its history. The pandemic struck Fiji when we were in the best space of our economic boom. The Fijian economy (we need to paint this picture, Mr. Speaker, Sir) was gaining momentum year-on-year. We were strengthening our presence in the region and internationally, whether it was in terms of trade and economic relations or raising Small Island States' concerns on climate issues, we were at the forefront.

Mr. Speaker Sir, it is absolutely shocking to hear the Opposition today. I will say that again, it is shocking. From the Leader, I will explain, to each and every speaker from the Opposition, they are completely bereft of any ideas, nothing remotely looking like a counter budget to what the honourable Minister for Economy presented to all of us. It is quite simple, that the Opposition has no idea. They have no understanding of how to deal with a country that was suffering and no vision of where the country needs to go. That has been the case for the last eight years. They are a directionless, rudderless, and captainless and group and they want to lead the country? I doubt it. Everyone is listening today, they have been waiting with bated breath, they are listening, Mr. Speaker, Sir.

I want the whole of Fiji to hear this, Mr. Speaker, Sir, the Opposition calling every Government support a freebie is absolute gross disrespect to our people. What they are essentially saying is that, we should not have provided essentials and we should not have financial relief to businesses and families who had no source of income for months; we should not have provided stall fees for the thousands of vendors that we have in this country; we should not be subsidising bus fares for our children and the elderly; we should not continue with free education and recognise the best talents by providing scholarships. Shame on them!

What they are saying is that we simply should not provide anything for our people and let them find the solutions for themselves. This needs to be heard by the whole of Fiji because that is what you are going to get if they come on this side of Parliament, Mr. Speaker, Sir. I want every single citizen to realise what could be your future if the Opposition was to decide for you. They, on the other side of Parliament, will let you suffer alone, since we are giving you a freebie, according to them.

Mr. Speaker, Sir, like I have said, they are bereft over ideas - they just want to take us backwards. The Opposition is asking us to join the bandwagon of Papua New Guinea and the Solomon Islands. We should not be aspiring to be Singapore. Where are they living, in La La Land? It will be a sad day in Fiji, if we started looking back rather than looking forward, rather than striving to be the best in the Region.

Our vision is for the future and the growth. I sat here and I started thinking - what is going on, specifically from two Members on the other side of Parliament, one coming from Nadroga and the other one from Navosa. And then I thought, hang on - maybe, just maybe, they have been testing the Tetrahydrocannabinol concentration in a particular plant to see whether it falls within the prescribed limit for plantation purposes - maybe that is what they have been smoking.

Mr. Speaker, Sir, what the Opposition has stated so far is actually the opposite of any vision. Instead of unity, they have preached disunity, case in point, it has disappeared. Instead of togetherness, the Opposition has preferred divisiveness, exactly how they run their party. Yet again and they are still trying to split the people of Fiji on a base of racial lines, Mr. Speaker, Sir.

HON. GOVERNMENT MEMBERS.- Shame!

HON. F.S. KOYA.- The Opposition and their associates are using every tactic under the sun to discredit the budget and use it for their own political benefit. The FijiFirst Government believes in providing for its people. It is not about winning votes, it is actually about winning hearts. It is about ensuring that our peoples' suffering is lessened and they are confident to try and make a new way of life so it is economically safe.

Mr. Speaker, Sir, this really rubs me the wrong way, this really irks me and I know it irks every Member on this side of Parliament. The utter rubbish, absolute rubbish that is coming from the other side is quite appalling. A personalised attack on the honourable Minister for Economy this morning is absolutely disgusting. In fact, it appears that it is bordering on the abuse of Parliamentary Privilege.

I am a hundred percent sure they cannot produce an ounce of proof for what they are actually alleging. It is nonsensical, gibberish and garbage and I, for a moment if he was here, I would tell this to his face, "come and say it outside" because he would dare not do that. It is disgusting, dishonourable and it is not the kind of stuff we want to hear in this Parliament and God forbid those people that actually put him in Parliament, that they heard that.

Mr. Speaker, Sir, as the honourable Attorney-General and Minister for Economy stated, Fiji is out of its darkest times. We have come out of our darkest times because of the decisive leadership of the honourable Prime Minister and it is because of his commitment to the Fijian people, every single Fijian person, not just one part of it. With the support and understanding of the people of Fiji, that has helped us achieve our national vision of an inclusive cover where no Fijian is left behind.

Mr. Speaker, Sir, globally, we still face challenges with the aftermath of the pandemic and other external shocks, such as the Russia-Ukraine war, and increasing fuel and food prices but they seem to forget that. They also seem to forget that we have gone through 14 cyclones and some of which has caused such irreparable damage to this country, and the fact that we had to use billions of dollars to do all the repair for it. They simply forget that. The 2022-2023 Budget gives us hope by providing a well-designed plan to maintain our course on the road to recovery.

Mr. Speaker, Sir, the Budget is built on three strong pillars of infrastructure, education and health, together with the long term policies on business and investments. It continues the stable, consistent and the inclusive theme of all Fijian Government plans and strategies and that my friends is the answer to being on this side of Parliament.

Mr. Speaker, Sir, the Ministry of Commerce, Trade, Tourism and Transport has played a critical role in our journey to economic recovery. With a budget of \$97.2 million, we will see to a recovery that is inclusive and a recovery that builds resilience.

Mr. Speaker, Sir, the 12.4 percent economic growth that we are expecting is fuelled by tourism, contrary to what some other people may believe on the other side where they have got their figures all jumbled up. So is the triple digit (168.3 percent) increase in the demand for labour and increasing vacancies. By the way, Mr. Speaker, Sir, Fiji is the do word for everyone around the world. They are looking to risk diversify and the one place that they want to come to is Fiji because all will be put in place.

For the first half of this year, Mr. Speaker, Sir, we have already recovered over half our tourism numbers for the same period in 2019. June arrivals were 73 percent of the same month pre-

pandemic. These numbers show that we are on an accelerated path to recovery - recovery that will see to, at least, 500,000 visitors to our shores which brings us close to \$1.3 billion in revenue this year. This just did not happen with a flick of a thumb.

It took a lot of hard work from this Government to do it and by 2024, we expect a full recovery. We are where we are today because this Government has delivered on its commitment. We set ourselves vaccination goals to open our borders. We achieved that. We worked with the industry to develop COVID-19 safe protocols to welcome back tourists and open businesses. We have achieved that.

Mr. Speaker, Sir, while our priority was to restore jobs, the Opposition was out convincing the public that COVID-19 was a conspiracy. Like everything that they talk about, it stems from this conspiracy theory that they have. Everything! Then also, they came up with the idea that our national airline should not be supported. Actually that is very unpatriotic. Who were we going to rely on? Some other airline to bring all the tourists, perhaps some other airline to bring the half-a-million that is being projected already – no. That is at the bottom of the rung when it comes to patriotism. In fact, they went as far as saying that we should not open our borders. But this was part of their plan, Mr. Speaker.

Over the last two years, we made historic tax reforms to afford the industry income and add our competitiveness. We removed STT, we removed ECAL, we reduced departure taxes and we introduced a tax deduction for engaging local artists. In this Budget, Mr. Speaker, Sir, these remain because as we promised, we want to give the private sector continued confidence to invest.

Despite what the industry has gone through, we still have honourable Gavoka demanding that taxes Government is owed be paid. Not a single constructive contribution on his part. The investors will fly out and never to be seen again, Mr. Speaker.

HON. V.R. GAVOKA.- That is not true.

HON. F.S. KOYA.- The way that he is looking at it, he has put every tax in the sun back on. It is not going to work, Mr. Speaker. We are in a different space when it comes to our country. These measures and this Budget was not designed for immediate relief alone. It has been carefully designed to create certainty going into the future, a future that they cannot see.

In terms of Tourism Fiji and its marketing grant, the last financial year, Mr. Speaker, Tourism Fiji saw to our market re-entry. It also saw the successful launch for our “Open for Happiness Campaign” but our so-called tourism expert on the other side of Parliament questioned Tourism Fiji’s allocation. Why so much when the borders were closed? Mr. Speaker, Sir, the 230,000 visitors did not just come on their own. We took ourselves and our message that we are open and safe to them.

Mr. Speaker, Sir, in the Budget, we are better resourcing our marketing arm. We are going to make every marketing dollar count because unlike last year, a number of destinations have now opened up. That means competition is much stronger and by the way, they all fly Fiji Airways. In this financial year, Tourism Fiji received a \$1.1 million increase in its marketing budget with a marketing budget of \$22 million.

Tourism Fiji is working to launch an evolution of the Fijian brand that puts our people, our culture and natural environment firmly at the heart of how we market ourself. This is very much aligned to Tourism Fiji’s recently launched corporate plan. We are also looking at new markets, Mr. Speaker, Sir, having launched a direct route to Adelaide in July. Fiji Airways will also, later this year, fly direct to Vancouver for the first time. This is an opportunity to build our presence in the



North American market. As you would know, Sir, we have a huge diaspora there which we can actually also tap into too.

Mr. Speaker, Sir, aside from USA and Canada, we will continue strengthening our brand presence in Australia and New Zealand especially with the resumption of direct flights from Sydney and Auckland to Suva. We will also maintain a conservative budget for the Asian markets such as China and Japan in anticipation of their full opening.

Mr. Speaker, Sir, these efforts will be supported by an operational budget allocation of approximately \$7.5 million. We are also now embarking on a renewed sectoral framework that will set the course of not only recovery but sustainable growth for the Fijian tourism industry over the next 10 years. We will do this with the support of International Finance Corporation.

With respect to MSMEs, Mr. Speaker, Sir, honourable Jale claimed that the support to the people is boomerang aid. If the Fijian Government had not provided support to the MSMEs from 2014, there would not have been a thriving middle-income society, something which they never think of and they fail to see and all MSME owners should listen to this. At the heart of our recovery is MSMEs, whether it is the market juice seller, the neighbourhood tailor or a family-run garage, these businesses form the foundation of our economy.

Mr. Speaker, Sir, the Government's priority is to raise the productivity of MSMEs and to do so by investing in capabilities that we need for the future. So whether it is a shorter term financial investment such as concessional loans or long-term programmes such as the Northern Development Programme (NDP) or Young Entrepreneurship Scheme (YES), our investment in MSMEs are here to stay.

Mr. Speaker, Sir, consistent leadership, policies and sustainable programmes are what we need. This is clearly not an election Budget or what some might term as a "*Saqamoli* Budget". If it is anything, that particular person's contribution at a later stage might be worth hearing because it might only be worth one *saqamoli* or two.

Mr. Speaker, Sir, this Budget is a clear definitive roadmap to expedite our recovery efforts. Our young innovative entrepreneurs can look forward to the YES programme which has a 95 percent success rate. Our exporters can look forward to the National Export Strategy to enhance exports. Our grassroot businesses in the North, Mr. Speaker, can very much look forward to the Northern Development Programme. As our rural and peri-urban entrepreneurs can continue accessing the Integrated Human Resources Development Programme. The combined project is worth about \$1.2 million.

Mr. Speaker, Sir, our trade specialists such as chefs, plumbers, mechanics, machinists and those who are in very high demand overseas also will continue benefiting from our Trade Enhancement Programme. We introduced the Trade Enhancement Programme, close to about 70 percent of those Fijians were women. So, we do not just talk about women's empowerment, we actually create an enabling environment for them to thrive.

I would also like to acknowledge the exciting new product between the Government and Fiji Development Bank (FDB) specifically dedicated to women-led MSMEs. This allocation of \$1 million will complement our work. Our Standardised Road Side Stall Programmes will continue to provide access. Further to funding programmes, our hand holding and advisory services will continue with our training teams with respect to co-operatives.

With respect to reforms, Mr. Speaker, Sir, the honourable Leader of Opposition claims of reforms by the Government being imposed on people is very untrue. We have listened carefully to the concerns of the business community and investors. We have made improvements in the business processes, by modernising old processes and providing information and online at a single point.

Mr. Speaker, Sir, the World Bank in a recent survey shows that by just removing the business licences, businesses have saved at least \$3.5 million in direct cost savings in addition to the time saved. This is a very conservative assessment and that too from a single process. There are many other improvements in just starting a business. Just by readily making information available, we are becoming greater catalysts for businesses and investors.

From 1st August, 2022, investing in Fiji will become a significantly easier thing to do rather than in our history. This Government is making that happen. The new Investment Act will mean foreign investors no longer require a foreign investment registration certificate. All investors need to do is legally register their businesses with the Registrar of Companies in line with the Companies Act 2015 and register for a tax number. All of these can happen online.

The Investment Act is developed on international best practice. It is quite a simple Act but yet again it is criticised by the Opposition. We have increased transparency but this again also does not go down well with certain agents who have thrived on making money from delaying processes and blaming the Government on this, Mr. Speaker, Sir.

Mr. Speaker, Sir, in terms of transport which is critical to the economy, the Land and Maritime Transport sector plays a vital role, continued budget support to the sector underscores the Fijian Government's commitment to ease accessibility and linkages.

The Land Transport Authority (LTA) has been allocated a budget of \$22.4 million to ensure efficiency and effective services. We are actually also paying equal emphasis to our maritime sector with a budget of over \$7 million and the Maritime Safety Authority of Fiji (MSAF) will strengthen its monitoring of all vessels registered in Fiji and regulate all seafarers.

Earlier this year one of the main shipping operators in Fiji announced the downsizing of its fleets and operations because of the hike in fuel costs. However, Mr. Speaker, Sir, honourable Jale, I hope you are listening, the Government has stepped in with our Government fleets and other private vessels to continue to operate and serve the maritime Fijians despite these particular constraints.

Mr. Speaker, Sir, the Government continues to subsidise uneconomical sea routes to ensure that shipping services are provided on a regular basis. With respect to Government Shipping Services (GSS) we have also been providing services to Rotuma, Yasayasa Moala, Upper Southern Lau, Beqa/Yanuca/Vatulele, Yasawa.

Mr. Speaker, Sir, in terms of investment into Town & Country Planning, in March 2022, approximately \$109.2 million had been spent by the public and private sectors in the building and construction industry and that is an increase by 27.6 percent.

Mr. Speaker, Sir, the Ministry is on course to bring those construction permit approvals online in the next 22 months. This will allow for a faster turnaround. As a Ministry responsible for planning towns, also we will in the new financial year continue the design and build of the new Nabouwalu Passenger Services Facility and the waiting area, et cetera, around that particular area. The construction proper is expected to commence next year.

Mr. Speaker, Sir, concurrently the civil works for Nabouwalu Town Centre will also commence with the Phase 1 consisting of the development of eight commercial lots.

Also just in closing, I am happy to announce that the civil works and the earth works tender have been advertised for the Keiyasi Town Centre development and the works have commenced in the new financial year with an allocation of \$1 million.

Mr. Speaker, Sir, looking at the time, I would like to just remind the Opposition that we are constructing a better and resilient Fiji. The aggregates for this country construction are the policies and strategies which are a fundamental part of the building of foundations. The 2022-2023 Budget is back filling the trench and the holes that have been created by the pandemic that our foundation for the future is actually stronger. The FijiFirst Government is the beams that will hold the main walls of the economy together by steadily implementing programmes for the betterment of our people today and also for the future.

I hope the general public heard what I said today and I wholeheartedly support the 2022-2023 Budget and look forward to the new financial year with a reinvigorated outlook.

HON. DR. M.T. NAULUMATUA.- I respond to the Budget Estimate for 2022-2023. The honourable Prime Minister, honourable Cabinet Ministers, the honourable Leader of the Opposition, dear honourable Members of Parliament; it gives me great pleasure to reply to the honourable Attorney-General and Minister for Economy, Civil Service, Communications, Housing and Community Development on the 2022-2023 Appropriation Bill 2022 as presented to Parliament a week ago on 15<sup>th</sup> July, 2022.

I hold the position of being Opposition's spokesperson for Housing and Community Development and obviously this is one of the most crucial sectors of our economy. I am, therefore, going to address my portfolio in two folds. The first being the aspect of housing provision and the second being the progressive development of such a basic human right to ensure a safe, inclusive and fair community that looks after the interests of all.

Mr. Speaker, Sir, the right to housing and sanitation is enshrined in Fiji's 2013 Constitution under the Bill of Rights Section 35 which states, and I quote:

- “(1) The State must take reasonable measures within its available resources to achieve the progressive realisation of the right of every person to accessible and adequate housing and sanitation.
- (2) In applying any right under this section, if the State claims that it does not have the resources to implement the right, it is the responsibility of the State to show that the resources are not available.”

Mr. Speaker, Sir, in reviewing the 2022-2023 Budget Estimates against the portfolio of Housing and Community Development, I must say that this Budget generally looks like a good Budget and it should. In any event, budgets are generally positive plans for development for any government of the day. They capture the plans, policies and aspirations a government has for its people, and may therefore fully meet the expectations of our communities, or fall short of it.

Mr. Speaker, Sir, we can only say a budget was honest and correct a year from now and when we review this current Budget and see how much actually happened as was planned for and so whilst it looks good, I will be reserved with supporting it as we wait for the Government to do the necessary and ensure it delivers on its promises and plans and I am sure it will.

Mr. Speaker, Sir, it is important to understand that in a growing economy and with an increasing population, housing needs will always be a priority. In recent years, the rural to urban drift has had a direct impact on infrastructural capabilities and the demand for decent and affordable housing has driven many to desperate measures as the prices for rented homes or for permanent homes have become out-of-reach for so many of our people and continuing.

As a result of the high demand and the inability of many to meet increasing housing market prices, squatter settlements continue to mushroom everywhere and people are now moving further away from the commercial business districts as they opt for more affordable houses, making people leave as early as 4.00 a.m. for their workplaces just to be able to get to work and school on time. I know because I have many such workers who express to me their challenges with such demand on their time and health, having to try and battle with massive traffic jams during peak travelling hours. So, when we note the Budget allocated for the new financial year against that of last year, we record an increase from \$13.525 million in the Actual 2020-2021 to an estimate of \$30.3 million for the Year 2022-2023. This is good but not good enough, however.

Mr. Speaker, Sir, whilst I am pleased to read and know that Government intends to continue strengthening the policy, operational and legal frameworks for the housing sector in Fiji with the intention of increasing the supply of affordable housing through engagement of the private sector to meet the increasing demand for home ownership, I feel that Government should be doing much more to provide such a basic need of having a roof over one's head, so that people can be accorded their human dignity to call a home their own permanent and private space.

Mr. Speaker, Sir, State-owned properties should be built to assist low to medium income owners, and with the many Crown land and even native land available in plentiful supply around our country, Government must take the lead role to assist by building such homes for people to be able to afford, as an investment for their families now and into the future.

Mr. Speaker, Sir, the Public Rental Board properties and Housing Authority residential homes are a good example of what the State should be providing. I implore Government to find good executives and workers for these two important entities and ensure they are provided with budgetary support to extend the services robustly and extensively around the country.

It is heart-breaking, Mr. Speaker, Sir, to see the people living in poor squatter settlements where sanitation issues are prevalent and the health and dignity of people are very depressed. For example, there are 200 squatter settlements in Fiji with a population of approximately 140,000 people as from the Fiji Bureau of Statistics, 2017 or approximately 20 percent of voter population (as 140,000 over 670,000 is equal to 20 percent). This is a lot of people to help for a small developing island economy.

As someone from the private sector, I am of the strong view that Government can do a lot with the assistance and collaboration of the two entities. I have just mentioned the Housing Authority and Public Rental Board must work together with local town councils who will be familiar with the development needs of their various localities.

Mr. Speaker, Sir, I must say, therefore, that in this respect as a fundamental part of governance, I look forward to see changes in the decentralisation of power from Government to the town and city councils for the empowerment of ratepayers to sit on their own Councils for desired changes and reforms, modelled as belt and braces for balance from the bottom up, ensuring essential service provision as well as to keep powerful, honest and accountable to the people for their democratic rights to be served.

Mr. Speaker, Sir, having town and city councils elected by our people will provide them with a sense of ownership and responsibility to serve the communities well and diligently during their term in office. So the Government can do further by encouraging and challenging such town and city councils to take the lead role in facilitating housing projects to meet the needs of our communities. It is basic and common logic to entice the carrot and the stick approach to allow growth in our communities and Government must always be perceptive and strategic for its targeted development such as housing provision.

There is no way Government can continue to do a top down approach and expect the country to progress and for development to be sustainable. There must be involvement of our people, and so bringing the voting of local councillors back to run the town and city councils will be part of that process of public and community engagement to ensure leadership and national development is inclusive and engaging.

Mr. Speaker, Sir, as we discuss the role of the State, it is important to draw from recent lessons learnt. The Lagilagi Housing project should not have ended in the way it did, and whilst the Government must be commended for stepping in to correct the shameful way the applicants for those homes were treated, it is very crucial that the State recognises the lead role it needs to play. It is Government that has the systems and structure to monitor and provide such crucial services, such as providing housing to support communities. Thus, it will be best that Government and its institutions manage these systems effectively.

This was the purpose of the 1996 Public Enterprises Act and Government must reflect and take decisive decisions now and by doing so, revolutionise our housing needs once and for all. This will take strong political will to prioritise one of the most basic needs of human life. In all honesty, Mr. Speaker, for safety and human decency, we can survive with no electricity and some access to water, as long as they have a home that is safe for human occupation, many will be very blessed and at peace to raise a family in.

I will now address the second part of my development portfolio that says housing for community development. As pointed out earlier, as a result of people wishing to look for better opportunities for their families, there has been massive rural to urban migration over the years in Fiji.

I am going to thank Government for extending educational opportunities out in the maritime and rural areas from primary school to Year 13 - thank you. In almost all areas around Fiji, thank you again. This is most commendable as previously attaining further studies was one of the principal reasons why families moved to the urban centres so that their children could further their studies and go into finding decent jobs. With the assistance to extend educational provisions through schools in rural and maritime areas, Government will also find that many are now building their homes in villages as the cost of living in urban centres escalate and people find it hard to continue to sustain themselves.

During COVID-19, Mr. Speaker, Sir, we will be aware, that many who lost their jobs from the tourism industry and other sectors around Fiji made their way back to their villages, especially the indigenous people who could do so. The solution for proper housing in rural areas must also be Government-focused. It is noted that those living in villages can also use their FNPF to build homes for themselves.

Mr. Speaker, Sir, I would rather that Government encourage the good use of funds kept in Fijian Holdings Limited from the various provinces to be used to assist villagers build homes for their people through affordable housing projects, rather than encouraging people to dig into their social pension savings which is supposed to look after them in their old age.

Mr. Speaker, Sir, we must be creative and the State with its control over institutions like the Fijian Holdings as part owners, have to be encouraged to take the lead role to make those shares worthwhile for those who must benefit from them.

Mr. Speaker, Sir, I am aware of the First Home Owner Scheme established in 2018 to assist first time home owners in Fiji. That was a commendable policy which must be encouraged to be extended as much as possible for home owners. Whilst I understand it is only provided to those who are applying for assistance from commercial banks for land with titles, or those on *mataqali* owned land of which they are a member, the \$10,000 grant by Government must be increased to at least \$20,000 to equate for the rising cost of building materials and transport.

On that note, it would also be important that similar financial assistance is channelled to address the squatting problems. All Government needs to do is to progressively build State homes at a decent cost of \$20,000 each, and settling such vulnerable people on State-owned land, or land that Government can lease from native landowners.

Mr. Speaker, Sir, we must speak solutions and I am someone who has made a lot of effort to be part of the solution in this country by engaging in a business that supports workers and families, and continues to do so by entering into new ventures which I hope will encourage the further development of our people and communities.

Mr. Speaker, Sir, I wish to share that my company is working on extending a franchise scheme for the people of Uruone, Lomaloma in Vanuabalavu where these villages will run their own baking shop assisted by Hot Bread Kitchen. Our company is meeting the costs of the building and machinery along with this group of villagers because I believe in capacity building for our people, and encouraging them to do what they can do for themselves. To give them fishing lines to fish, and to teach them to fish for a lifetime.

Similarly, Mr. Speaker, Sir, under my company, we are pursuing farming in a land that we plan to transform into a bubbling agriculture and commercial centre in Naitasiri. Whilst we recognise the need to grow the things we need to use in our shops like lettuce, tomatoes, potatoes, garlic, herbs mint, basil, coriander, oregano, capsicum et cetera, we also have in mind furthering our commercial investment by entering into possibilities of exporting organic agriculture products such as turmeric, ginger, *dalo*, *saigen*, breadfruit, jackfruit and medicinal cannabis, et cetera. This, of course, will allow for more job creation and ultimately the surrounding community can benefit with other development plans in store.

Mr. Speaker, Sir, furthermore, for four years my company began sponsoring a programme called the “Beacon Media Ministries”, an education programme with an Australian Director, Mrs Cheryl Reid and whose Chairperson is Mr. Patrick Bower, a renowned community leader of Fiji, principal, teacher and Christian by education and practice. What we have done is to provide sponsorship for numeracy and literacy programme to assist and teach literacy to Years 2, 3 and 4 students who struggle with these two subjects through extra classes that have been approved by the Ministry of Education, Heritage and Arts (MEHA).

Whilst we are limited to just a few schools in a year, where such classes are provided through trained teaching assistants from communities and retired teachers, we believe in supporting programmes as such which can add value to our society and in particular, to the lives of our young people who really are the future.

Mr. Speaker, Sir, the impact of this teaching programme ensures those left behind in the education system are assisted through teaching aids and phonics, to recognise sounds and words for example, and be able to create their own learning, remembering skills and write questions and answers as the beginning of their awareness and ability to understand and develop through education and training.

Mr. Speaker, Sir, to some, this assistance may be miniscule and to some, we should leave this sector to the Ministry of Education. I disagree because I have opted to support such a programme that is similar to what some school parents association do by engaging part-time teachers during exam preparations to teach children through extra classes.

Mr. Speaker, it is a well-known fact that a lot of children who do not learn to read and write well often end up in the criminal system where they learn to lie and cheat as a way to cope with life. Recidivism - what a high cost of wastage of human values in the criminal system because they were left behind. But this is why, Mr. Speaker, I personally believe that as community members and leaders and as entrepreneurs, those of us who are in a position to assist and develop our people, must do so. It is our collective role and not that of government alone.

Mr. Speaker, my personal vision as an entrepreneur has always been to be successful in what we do to allow my family and I to live reasonably decent lives and to use whatever wealth that has been accumulated to be channelled for the development of our people and communities. This is why I engage in community projects of various kinds and I have planned in world that even when I am no longer around, my assets will continue to be used to develop those that need support in society through the development of their communities with what we can assist them with or to educational sponsorships to needy students that my company has provided over the years in whatever capacity we can.

Mr. Speaker, I applaud TELS and Toppers of Government that has been able to assist students in this nation. There are, however, gaps that the private sector can fill. For instance, there are students who did not sit Form Seven or Year 13 and do not wish to pursue Technical and Vocational Education and Training (TVET) funded course. They have managed to further their studies in tertiary institutions and wish to go straight into degree programmes which Government has now tagged as a priority for funding support like medicine or law where only limited assistance is provided.

Mr. Speaker, my company has assisted many such students and we have and continue to employ many who need such financial support over the years. Just last Thursday, my company entered into a partnership with the Yatu Lau Board to provide funding to the Ratu Sir Kamisese Mara Education Trust Fund to go towards support for education and training in business, accounting and economics for the people of Lau.

Mr. Speaker, a lot of people do not know that the late former Prime Minister's mother and my mother are biological sisters and thus, Ratu Mara and I are first cousins. I say this briefly because I want to be able to acknowledge as well all that he has contributed to this great nation of ours and I believe it is through visionary leaders like him that Fiji has grown into an amazing multiracial country that must not be allowed to fall back into ruin because of politicians who have little or nothing to show for their words.

Mr. Speaker, I have shared quite a few things that my company and I do to support our economic and social development and networking in Fiji. I have no doubt that there are many others in our communities who do the same. I implore Government to thus provide support to entities like ours by way of good strong economic policies and subsidies that can assist moral capitalism, grow holistically and even further. The world is round connected by interdependent biodiversity ecosystems and we must all be part of growing our world for added value and ensuring we do not become greedy people, only taking from our customers and not giving back.

On that note, Mr. Speaker, I will also encourage Government to ensure Fiji takes advantage of the digitalised world to improve and address a lot of gaps in our service provisions, especially linking government ministries and the private sector for instance. This is an area that Government must capitalise and grow to be able to successfully manage and develop our long-term development goals that leave no one behind in poverty or gender inequality. In the United Nations Sustainable Development Goals (2030) ratified by Fiji in 2017 plus the Blue, Green and Brown Pacific 2050, for the 21<sup>st</sup> century times and connectivity.

Mr. Speaker, I will end by encouraging us all as national leaders to be mindful of the upcoming national elections and what our roles need to be. We must remember we are here because our people need leaders who will think of them and act ethnically and responsibly. I, therefore, hope that political parties will be mindful of the calibre of people they choose as candidates and not allow just anyone to contest elections under their banner because they need candidates.

This august Parliament needs people who have a moral compass and who will not be here because they want to fill their personal wallets. We need principled people who have the resources that can be utilised for those in need. We must not encourage those who think this is a place where they can come and earn some money after they retire.

Fiji is a beautiful nation with mostly loving and genuinely kind people. This was evident during the COVID-19 pandemic when we gelled as a community to assist each other. We must always remember that politics aside we are one people with a common goal and this is to be a nation that we can all be proud of. A nation that is economically viable and peaceful, accommodating of needs of all and one that learns from its many painful lessons of the past. God Bless Fiji and God Bless Us All.

HON. P.D. KUMAR.- Mr. Speaker, Sir, the honourable Prime Minister, honourable Ministers, the honourable Leader of the Opposition, honourable Members of Parliament, viewers and listeners; thank you for the opportunity to speak in support of the 2022-2023 National Budget.

The 2022-2023 National Budget, once again, proves that the FijiFirst Government's commitment to its people remain focussed. This Budget puts Fiji and Fijians on the path of social and economic recovery and seeks to lessen the economic shock caused by the COVID-19 pandemic and the war in Ukraine that has pushed up the price of goods and services worldwide. The honourable Minister for Economy, the Permanent Secretary and his team must be commended for a responsible compassionate and forward looking budget drawn after a countrywide consultation.

Mr. Speaker, Sir, while everyday Fijians are very appreciative of the initiative contained in the Budget for children, students, women, youths, pensioners and social welfare recipients, businesses, health service providers, teachers, Civil Servants and so on, the Opposition looks more stress and desperate than ever. Desperate because it becomes harder for them to convince the people of this country with their lies and misinformation and stressed because they do not have any alternative measures or policies, thus far going forward to the election.

Since the Budget announcement, the Opposition and other failed politicians were busy fabricating misinformation and lies so that they can hoodwink the public and lead them away from the real intention of the Budget, which is to genuinely assist the ordinary Fijians to buffer the high cost of living. In fact, they have been very disrespectful to everyday Fijians for whom the Government has been a pillar of support. Steering Fiji out of the troubled waters caused by 14 cyclones since 2016 and a once-in-a-century deadly pandemic affecting lives and livelihood.

The FijiFirst Government provided relief and support to the most vulnerable Fijians and continues to do so. Relief measures which the Opposition termed as "freebies" or "handouts" is insulting Fijians



who are facing hardship. Some of these people are your own relatives, your neighbours, or friends that you know of. Whenever the Government provides assistance to our people, the Opposition panics and calls it freebies and handouts because posturing is more important to them than actually helping the people they pretend they are speaking for.

In fact Mr. Speaker, Sir, the term “freebies” or “handouts” and the insinuation is quite disgusting. The People’s Alliance Party (PAP), National Federation Party (NFP), Unity Party and SODELPA and other critics should honestly tell us now if they are going to remove all these things they call “freebies” - tell the nation and let the nation know. Are they going to remove free education? It seems like it because according to them it is a freebie. Are they going to remove electricity and water subsidies? Are they going to remove First Home Buyers Assistance which we have heard from honourable Dr. Mere T.S. Naulumatua. Are they going to remove Sanitary Pads Assistance given to thousands of girls in our schools? Or are they going to remove Social Pension Scheme and Subsidised Fare for elderly and disabled persons and so on?

Mr. Speaker, Sir, since the announcement of the 2022-2023 National Budget and even before that, the Opposition had done nothing but tried to suck the happiness, joy and hope out of ordinary citizens. They have done the only thing that they are capable of doing – criticise, criticise and criticise the honourable Minister for Economy. But their destructive criticism will not deter this Government to create a modern Fiji for all Fijians through various initiatives. It is the hard work of this Government to give our fellow citizens safety, security, hope and opportunities which is the hallmark of this Government.

Mr. Speaker, Sir, the Budget provides well thought out measures that puts the economy resolutely on the path of recovery, as well as builds on the foundation that the Government had laid since COVID-19 affected us. Sir, with Government’s sustainable policies and their decisive actions, we have persevered despite the gloom and doom picture painted by the Opposition and critics, where the learned Professor from compared Fiji’s situations similar to Sri Lanka. Mr. Speaker, Sir, comparing Fiji to Sri Lanka is like comparing the price of lamb chops to butter. It just makes no sense. This Sri Lanka example is being used to instil fear in the minds of Fijians that this Government will fail the same way as Sri Lanka. He deliberately avoids telling our people what our foreign reserve is; liquidity in the domestic market and whether Fiji has ever defaulted its loan repayment.

Mr. Speaker, Sir, no matter how hard they try, it is very difficult to mislead our citizens who have seen the achievements of the FijiFirst Government under the leadership of our honourable Prime Minister. We have supported our people before - throughout the pandemic and post pandemic - rolling out various initiatives through the 2020–2021 National Budget, Revised 2021–2022 National Budget and now the 2022–2023 National Budget which consolidates and strengthens our policies and strategies further through supportive initiatives in all sectors of our economy.

Mr. Speaker, Sir, in the last two and half years when Fiji faced major blow caused by the COVID-19 pandemic, we all know how decisively the Government acted to address the challenges that befell our nation. During that time, and if one goes through the Budget book, they will be able to see *Hansard* records et cetera. The other side of Parliament were, all the time, simply asking the Government to lock down. That was their strategy - just lock the country whereas our Prime Minister stood firm and the decision was to vaccinate, vaccinate and vaccinate and that is how we succeeded.

Despite all these, Fiji has managed to get substantial grants, budget support and highly concessional loans which the Opposition and critics term as begging without showing any empathy to the most vulnerable members of our communities. These funds were directed either as employment benefits, food distribution, connecting household to water, electricity and internet for education, pension and many more. This just goes to show that they do not care about Fijians in need.

Mr. Speaker, Sir, Australia also gave a one-off \$250 to its citizens as cost of living payment. This assistance was not criticised by the Opposition because it was for Australians at the time of need, but unfortunately that maturity is not here. They just lack maturity to really understand that this assistance is really for the people. They fail to realise that Fiji has an excellent relationship with the development partners who step in to assist. Mr. Speaker, Sir, agencies such as World Bank, ADB, JICA, IMF and countries like Australia, New Zealand and Japan have publicly praised Fiji for its transparent and excellent management of finances and the resurgence of the economy with employment almost back to normal and with tourist numbers rising.

Mr. Speaker, Sir, I am grateful for the budget allocation to the Ministry of Education, Heritage and Arts because while many Governments are reducing funding for education, our Government continues to give it the highest priority. For the next financial year, the Ministry has received the highest budget for various scholarships and loans to adjust teachers' salary, pay rural allowances, support school infrastructure and increase transport cost amongst other things. Overall the education sector received a budget of \$713.4 million which includes \$162.6 million for TELS Scholarships, loans and grants. This signifies the Government's commitment to build a knowledge-based society and investing in education is the way to achieve it.

Mr. Speaker, Sir, I am sure teachers are relieved to know that the anomalies in their salaries will be addressed while providing incentives for others to upgrade their qualification. The Ministry is working with the Ministry of Civil Service to implement the processes so that the salaries of fully qualified teachers move to Band F, Step 3.

Mr. Speaker, Sir, the Ministry has planned to make several changes to build resilience in education delivery using this budget. The efforts of the Ministry will be to reach out to our students in the rural, remote and maritime areas. Sir, as education transforms we cannot afford to increase the gap between students who have better access and those who do not. The Ministry has already started working on developing e-Learning resources for students and is creating a model classroom for Year 1 students at Delainamasi Government School. This will become the model for other schools to follow in future.

In addition, the Ministry is utilising ADB funding to create open education resources for secondary school students in STEM subjects that is Science, Technology, Engineering and Mathematics. Mr. Speaker, Sir, our rural, remote and maritime schools need assistance to improve infrastructure - an allocation of \$12 million has been made to build or improve school infrastructure.

Mr. Speaker, Sir, the \$60 million inflation mitigation package will see every child from birth up to Year 13 from families with a combined income of less than \$50,000, receive a dollar a day over the next six months to help families cope with the rising food prices. Sir, 30,000 tertiary students will also receive \$180 in two instalments. This is yet another assistance by the FijiFirst Government for the welfare of our children and the youths. In addition to the existing allowance, free education, transport assistance, free textbooks and sanitary pads assistance are already in place. Now you, may question why for six months? It is expected that inflationary trends or pressures will stabilise and of course after six months, this will be reviewed.

Mr. Speaker, Sir, TSLS has become the funding investment and empowerment agency for Fiji's future enabling our students to accomplish their educational dreams. It is evident through TSLS sponsorship and funding of education from Certificate III to PhD level. For the first time, the Government is providing 10 PhD and 20 Masters Research Scholarships. In the new financial year, the Government has allocated 8,000 awards for TELS and doubled the scholarships from 600 to 1,200 awards.

The rebranding of TVET to Skills Qualification is a positive measure of equal respect and importance to change the mindsets slowly towards the study. We are not only reinstating overseas

scholarships, but also doubling the allocation from 20 to 40. This also includes overseas scholarships for Skills Qualification. This allocation is a commitment to empowering Fijians through qualifications that are not available locally.

Mr. Speaker, Sir, the provision of grants to achieve micro qualification in construction skill set will help provide the much needed boost to the construction industry workforce. A total of 200 grants of up to \$500 per student has been allocated for this purpose. Apart from scholarships, students are provided with the opportunity for tertiary education through study loans with very low or zero interest rate. Where else can you get a loan with 50 percent discount if you paid back within two years or three years, and where else can you get loans at a zero interest rate?

The initiative on sanitary pads for female students, continues. It ensures that girls do not miss school, simply because they could not afford sanitary products. In the current financial year, 64,340 girls were assisted. Mr. Speaker, Sir, the Government will subsidise 10 percent towards bus fares in the new financial year. This will assist families further. This year, 93,114 students were assisted with bus fares and over 34,000 students used more than 500 RSL service providers. These are primarily small businesses in the rural-remote and maritime areas. An additional \$16.9million has been allocated to meet increase in bus fares and increased cost to RSL service providers.

Mr. Speaker, Sir, education is a sector that has been severely affected globally by the pandemic. Consequently, there have been several discussions globally about transforming education to build resilience to avoid such shocks causing devastating impact in the future. Mr. Speaker, Sir, for this transformation, the Secretary-General of the United Nations will hold the Education Summit during the UN General Assembly in September. It will take global commitment, adequate financing and long term investment to transform education so that it is resilient and fit for purpose. I am also proud to say that Fiji is co-chairing with Belgium the thematic area on financing education at the Transforming Education Summit in September.

Mr. Speaker, Sir, Fiji recently became a member of the Global Partnership in Education, the largest multilateral body that funds education initiatives. We have received over US\$0.5million to develop Fiji's 10-year education sector plan. I know we have been talking a lot in this Parliament about setting up an Education Commission to review the education sector, but this 10-year education sector plan will just do that. We anticipate that this plan will be ready by mid-2023 and it will be done through consultation. This plan is going to be different from the Education Commission Report, which had hundreds of recommendations. This will analyse each sector clearly with the budget and implementation plan so that it can be monitored properly.

Mr. Speaker, Sir, let me respond to the honourable Leawere regarding the grog consumption. We all know, not all teachers drink grog. We also know that if teachers drink grog after school, it is not anyone's concern. Obviously, our concern or anyone's concern should be when a teacher does not turn up to school or if he or she is in the school but disappears in the quarters to take a nap. That is a concern. These topics were discussed at the Fiji Principal's Association Meeting and it was simply an employer-employee discussion where the principals were told to be vigilant because of the complaints being received from the school management, committee members as well as the parents. It simply means that you are trying to disregard this discipline issue. Are you encouraging indiscipline in schools which will have an impact on our students?

(Honourable Member interjects)

HON. P.D. KUMAR.- We are investing over \$700 million.

MR. SPEAKER.- Honourable Minister, do not carry out a conversation with honourable Leawere, but address the Speaker.

HON. P.D. KUMAR.- Mr. Speaker, Sir, let me turn to the Ministry of Local Government. Its budgetary allocation of \$20.6 million is an increase by 95 percent. The Local Government is at the heart of our communities providing essential and everyday services to our citizens to make our cities and towns a better place to live, visit and invest. Funds have been allocated for capital projects to financially strengthen municipal councils.

Taveuni Satellite Project - for the Taveuni Satellite market, \$75,000 from Rural Local Authority Grant will go towards the site preparation, survey works and land acquisition. I take this opportunity to thank the honourable Leader of the Opposition for facilitating a suitable site for a market in Naqara.

The current Navua Market built in the 1970s along the river bank has limited space which caters for vendors from Beqa, Raiwaqa, Serua and Namosi. Mr. Speaker, Sir, \$200,000 is allocated to undertake preparatory work to relocate to the current Navua Police Station site. The Navua Police Station will move to the old hospital site.

Nakasi Market - Mr. Speaker, Sir, \$750,000 is provided for the new Nakasi Market (behind RB Southpoint) to relocate roadside vendors. Construction to begin by the end of this year, in other words, the tender was called and we are at the tender assessment stage.

Savusavu Market - the awarding of tender to build the new and modern Savusavu Market based on the blue town concept is underway with ground breaking schedule for late August. This Market will have a coffee shop, an information booth and boutique, a handicraft area, food kiosk and a 150-seat conference room.

Levuka Market – Mr. Speaker, Sir, this Market is in the construction phase, a sum of \$1.7 million is allocated to complete this project.

The Local Government Act review, as mentioned earlier on in Parliament, considering the review of the Town and Country Planning Act and Subdivision Act is now complete, it is time to review the Local Government Act to meet the changing demands of the ratepayers and communities; \$50,000 is allocated for the review.

Mr. Speaker, Sir, the 2022-2023 National Budget has been hailed as a responsible, compassionate and creative budget by all sections of the community except the usual critics who are known to oppose everything that this Government does. This Government will continue to do what is best for our people and we will continue providing opportunities for our people to prosper. We will continue to build one nation for all Fijians rather than dividing.

Mr. Speaker, Sir, I support the 2022-2023 National Budget as presented.

HON. RATU T.N. NAVURELEVU.- Mr. Speaker, Sir, I rise to respond to the 2022-2023 National Budget which was announced by the honourable Attorney-General on 15<sup>th</sup> July, 2022.

First of all, I will fail in my duty as a precious creation of God the supreme Creator of this universe if I do not convey my heart full thanks, gratitude and praise the Almighty for His divine guidance, life and inner strength to enable me to stand before you in this august Parliament.

It has been the behaviour of the FijiFirst Government to make Budget announcements at night for the last seven years. I was wondering whether I will get an answer, finally, I have come to a conclusion that this is the style of leadership by this Government. They have a dictatorial policy. They dictate power, they dictate law, they dictate the government system, they dictate religion, they dictate over the *vanua* and they dictate over the resources.

In simple terms, this Government is in control of every matter in the country. They have orders or principles that must be obeyed. If anyone disobeyed or goes against the Government, they are fired if they are in Government or face consequences illegally. Mr. Speaker, Sir, this style of leadership will never steer our nation to prosperity but to a deteriorating state of the economy which will lead to instability of our nation.

Mr. Speaker, Sir, I have noted that the annual revenue is \$2.9 million, expenditure of \$3.9 million plus the loan repayment of \$370,489.30 will bring a deficit of \$1.1 million. This is the trend that had been used in the last several years of budgeting. The 2021-2022 Budget has a deficit of \$1.9 million. Sir, no wonder our nation incurs a debt close to \$10 billion. This is due to over expenditure that leads to excessive loans.

I understand, Mr. Speaker, Sir, a government would seek loan only for the purpose of any major national project. I understand Nabouwalu/Dreketi Highway was the only major project for the last 16 years. Mr. Speaker, Sir, a debt of \$10 billion is a result of the FijiFirst Government's behaviour of leadership which is something unwelcomed and unpleasant.

Mr. Speaker, Sir, allow me to speak on various initiatives introduced by the Government. I appreciate that those initiatives are necessary to meet the social needs of the people of Fiji - connectivity, electricity access and farm roads, affordable homes, welfare fund, free water, SME loans, et cetera. These are issues that any Government would address in a sustainable approach.

The increase in old age pension fund, free bus fares and support fund for children in schools are some of the initiatives that I feel are not necessary. We are not against the initiative of supporting the people but we are very much concerned about the revenue and the income that we are overspending which causes a lot of debt to our country. The type of support, Mr. Speaker, Sir, I feel is not necessary because they are uneconomical. The people need to contribute to the economy of our nation.

Mr. Speaker, Sir, this is how I feel about the initiatives. This spoon-fed policy motivated many Fijians to be lazy and reliant. It would be better to grant the funds to farmers because they will generate income and contribute to the growth of our nation's economy.

Mr. Speaker, Sir, on to the iTaukei Affairs Board, their budget increased from \$14.3 million to \$15.4 million; I have an issue. The Government provides funding to provincial offices for salaries and wages of staff only. The issue is that the operating fund is provided by levies from provincial councils, provincial income, dividends from investment and the profit from provincial companies. Unlike government departments, the operating fund is provided. Why not the provincial offices? They are performing similar services which other government offices do.

Mr. Speaker, Sir, I request the honourable Prime Minister to relook and reconsider this issue; the Government to provide operating expenses for provincial offices to allow provincial business arms to expand their business entity.

Another issue is the provincial clerk salaries. For many years their salary has been stagnant at \$14,000 and has not been reviewed. A request to the honourable Prime Minister for your directive to consider increasing to a reasonable recommended maximum salary.

Mr. Speaker, Sir, I have an issue with the Fiji Police Force, this is about the Dog Unit. Currently this unit has nine dogs - trackers and sniffers. Considering the increase of criminal activities, there is a need to increase the number of police dogs. I appreciate the initiative of sending six officers for training as this will provide additional six dogs and handlers for the Fiji Police Force. This will definitely boost the performance of the Dog Unit.

Mr. Speaker, Sir, I must thank this Unit, the dog handlers for the untiring effort both day and night. Their achievements are appreciated which has contributed to the recovery, arrest and conviction of offenders and their contribution towards the economy. Taking into consideration their achievement, I suggest that the honourable Minister look into the welfare of the dog handlers. I am told they are paid about \$24 a fortnight, the current dog handlers' allowances. I request the honourable Minister to review the allowance of dog handlers and increase to a reasonable rate. The Unit is happy and awaiting the completion of the new building to provide dog canals. I hope these dog canals will be professional ones.

Mr. Speaker, Sir, the Fiji Roads Authority (FRA) has allocated \$5.5 million to the reinstatement of non-FRA roads. I hope the Nasasa/Nadogo/Valovoni Road in Saqani is included in this allocation. This road needs to be upgraded and maintained to FRA standard to provide good access roads to the most vulnerable people in the interior of Saqani. Now, a new school has been established at Valovoni that accommodates the children of farmers in the Nadogo, Vagani and Valovoni villages. Their only means of transportation access in the interior is by road, unlike those living along the coast, even without the road they can travel by sea using boat as a means of transportation.

The \$5.5 million allocation for bus shelters, construction of footpath and streetlights should be converted to upgrading and maintenance of roads. The bus shelter, streetlights and footpath is not a priority as compared to the need for the road.

Mr. Speaker, Sir, people in various places where there is no connectivity like the interior of Dogotuki, Udu Point, interior of Saqani, Valovoni, Nadogo and Vagani Villages, the interior of Vaturova, Seavaci and Nayarabale and many other places in the country are still awaiting the installation of communication towers as was budgeted in previous budgets. Looks like the Government is lying to its people.

Mr. Speaker, Sir, before I conclude, I thank the Government for the lifting of the ban on the harvesting and selling of sea cucumbers or *beche-de-mer*. Harvesting and selling is in progress since 1<sup>st</sup> July and the people are enjoying what they are earning. *Turaga ni koro* in the province of Macuata have been requested to keep a record of their earnings and achievements so that we report back to the Government through the Provincial Office.

Talking on waterways and environment, I must thank the honourable Minister for the construction of the seawall in Nabubu Village in Namuka and other villages in the Northern Division. I am looking forward to the construction of other seawalls in other villages in the North.

I have an issue with the Department of Environment concerning the Fiji Pine Wharf at Namuka which has been stopped when work was half way to complete. This wharf was to accommodate the cartage of pine logs from Namuka plantation to Wairiki and Lautoka Mill. I request the honourable Minister to follow-up on this, Sir.

Mr. Speaker, Sir, to conclude I would say that this Budget is irresponsible and rudderless and I join my colleagues in opposing the 2022-2023 National Budget.

HON. V. LAL.- Mr. Speaker, Sir, the honourable Prime Minister, the honourable Leader of the Opposition, honourable Ministers, honourable Assistant Ministers, honourable Members of Parliament, viewers and ladies and gentlemen; first of all, I would like to thank the honourable Minister for Economy and his team for a well-balanced and a well-distributed Budget from a caring leadership. I personally feel this Budget is prepared to alleviate hardships faced by our people. The initiatives put more money into the pockets of our people plus they are designed to cushion the impact of the rising cost of living. There are also incentives across businesses especially for small and medium-size operators to help stimulate economic recovery.

Mr. Speaker, Sir, protecting the rights, interests and wellbeing of current and future generations is vitally and morally important, it is not optional. Humanity faces unprecedented challenges and failure to address these will undermine inter-generational well-being, cause grave injustice, increase physical risk and impose huge if not unmanageable cost on future generations.

Rapid economic transformation is essential globally to protect humanities' long term interest and minimise fiscal risk and FijiFirst Government is moving ahead in this direction. When politicians choose between the next Elections and the next generation, it is clear what usually happens.

Mr. Speaker, Sir, the COVID-19 pandemic has taken a significant toll on people all across the globe. This has put a fierce challenge on the sustainability and growth of the world's economy. This pandemic has viciously brutalised our and all economies globally. This pandemic has opened our eyes to the stark reality of survival in these worse times. The pandemic caused our economy to shrink by 17.2 percent in 2020 which took our GDP back to the 2015 level. However, given our expected rate of growth following the resumption of tourism last December through Government's foresight and decisive leadership and with the tremendous support and participation of the Fijian people, we should fully return to pre-COVID-19 levels by 2024.

The result speaks for themselves, hundreds of SMEs are open and thriving throughout the country creating jobs and contributing to Fiji's GDP every single day. None of these would have been possible without the Government working throughout the pandemic to strengthen that resilience of both our formal and informal sectors.

Mr. Speaker, Sir, as an ancient Greek proverb says, and I quote: "A society grows great when old men and women plant trees whose shade they know, they shall never sit in." Humanity faces multiple risks, many creeping problems and unprecedented challenges, economic, demographic, technological, ecological, health-related, geopolitical, et cetera. The long-term economic and physical implications of these risks and challenges are massive. Failure to address the risk and challenges effectively will have profound consequences potentially undermining the capacity for stable, democratic governance and imposing immense economic, physical and social cost.

Mr. Speaker, Sir, to provide more certainty to businesses, Government is extending all licences to five years including licences for insurance agents, sand and gravel extractions as well as fishing permits and licences. These longer term licences will help individuals and businesses to access additional financing which would not otherwise have been available under shorter term licences.

Let me talk about the Employment Taxation Scheme. The current Employment Taxation Scheme which expires on 31<sup>st</sup> December, 2023 will be extended until 31<sup>st</sup> December, 2024. It allows for the following: 300 percent tax deduction on the amount of any salaries or wages paid

to first time employees, 300 percent of the amount of any salary or wages paid to a student for employment of the student before the student's graduation.

Where the employment forms part of the student's course requirements of a higher education institution as defined in the Higher Education Act 2008, 300 percent of the amount of any salary or wages paid to a student for employment of the student in an area related to the student's area of study for the period not exceeding three months in a 12 month period, 400 percent of the amount of any salary or wages paid to a person with a disability for a consecutive period of three years. The Employment Taxation Scheme will also be extended to include a 300 percent tax deduction for wages paid to persons employed for apprenticeships.

Mr. Speaker, Sir, on tax deduction for companies sponsoring tertiary education including vocational studies, a 100 percent tax deduction will be available to companies on the amount of tuition and living expenses paid for students at a higher education institution specified in the Higher Education Act 2008. The deduction applicable for the purpose of living expenses is limited to \$7,000 per calendar year and must be paid into a bank account held at a commercial trading bank under the name of the student.

Mr. Speaker, Sir, the Government has also allocated funds in this Budget to help mitigate the effects of rising inflationary prices, on household disposable incomes, parents with a combined income of less than \$50,000 will receive a payment of \$1 per child per day, for children under 18 years over a six month period. All applications currently receiving Energy Fiji Limited (EFL) subsidy, Water Authority of Fiji subsidy and students on transportation assistance will automatically qualify as they are already assessed to be earning less than \$50,000 annually. Approximately, 200,000 students will benefit from this initiative.

All existing social welfare, government pension and Aftercare fund recipients will receive a payment of \$180 over a six month period. Around 100,000 Fijians are expected to benefit from this and all tertiary students regardless of whether or not they are TELS or Toppers recipients will receive a pay-out of \$180 over a six month period. About 30,000 students are expected to benefit from this scheme. The Government will also introduce 200 awards under a rebranded skills qualification scholarship scheme previously known as TVET at the Fiji National University. In addition 200 grants will be awarded for micro-qualifications to develop construction skills inclusive of a \$100 monthly industrial attachment allowance.

Mr. Speaker, Sir, as announced in the Budget from 1<sup>st</sup> of next month, bus fares will be reduced by 10 percent across the board for the next six months. Government will pick up the 10 percent cost, so as not to place the burden on bus companies. Commuters will pay discounted fares while the Government will pay the difference directly to the bus companies.

As announced earlier, the Valelevu Shuttle Bus Pilot Programme will serve the greater Nasinu area. The shuttle services will cater for around 13 routes at a cost of around \$4 million. We will have electric shuttle buses running on these routes, representing the first electric public transportation fleet in Fiji. In the 2022-2023 Budget electric vehicles including bikes, passenger vehicles, goods vehicles and buses both new and used will continue to be imported at zero duty. Import VAT of 9 percent applicable on electric vehicles will be reduced to zero percent. A cash rebate of \$10,000 will be provided to individuals and businesses for every electric vehicle purchased. Business purchasing electric vehicles will qualify for 100 percent excavator depreciation.

Sir, duty on Liquefied Petroleum Gas (LPG) for power-generation and auto gas, duty on LPG will be reduced on 4 cents per kilogramme to 2 cents per kilogramme. The reduced duty will be applicable to LPG supplied for power-generation and auto gas only.



Mr. Speaker, Sir, there are a number of current governance challenges faced by governments throughout the globe like COVID-19 pandemic and other infectious diseases, future pandemics, anti-microbial resistance, bio-physical limits and ecological degradation, like climate change mitigation and adaptation, biodiversity loss, pollution, waste, et cetera, major natural disasters, geo-political conflicts, large scale involuntary migration, demographic issues, population size and aging.

Mr. Speaker, Sir, to curb these challenges, FijiFirst Government is promoting long-term thinking and sound anticipatory governance. Our Government is embedding long-term interest in mainstream scrutiny functions by employing principles of inter-generational fairness and well-being. We are periodically identifying significant societal risk and creeping problems as well as opportunities, for example, technological innovation and assessing their economic and physical implications.

Mr. Speaker, Sir, I can give some examples here. For example, to further ease the burden, COVID-19 economic support measures announced in the 2021-2022 Budget such as electricity and water subsidies, Stronger Together Job Support Scheme and Jobs for Nature, Social Welfare support, access to GPs and medical practitioners, support for transportation, payment of base fees, PSV drivers' licence fees, stall fees for market vendors, inshore fishing fees, et cetera, will continue for the next 12 months.

In conclusion, humanity faces multiple governance challenges, and failure to address these effectively will impose huge long-term costs, including large fiscal risks and our Government is giving greater priority to inter-generational fairness and well-being.

Stronger incentives are there to enhance anticipatory governance and strengthen future focused decision-making. In spite of the challenges we faced, this Budget has allocated increased expenditure to all key ministries and statutory bodies. Every person in Fiji would benefit from this Budget. This is indeed a well-balanced Budget. I support the 2022-2023 National Budget.

MR. SPEAKER.- Honourable Members, on that note, we will suspend proceedings for dinner, which will be served in the Big Committee Room and we will resume in an hour's time. The speakers will be the:

1. Hon. Professor B.C. Prasad;
2. Hon. A.A Maharaj;
3. Hon. L.S. Qereqeretabua; and
4. Hon. A.T. Nagata.

We adjourn for dinner.

The Parliament adjourned at 7.19 p.m.

The Parliament resumed at 8.31 p.m.

HON. PROF. B.C. PRASAD.- Mr. Speaker, Sir, I begin my address with a sense of relief. All of us in Fiji share it because we know that the honourable Minister for Economy has now delivered his FijiFirst Government's last budget. This year's Budget took two-and-a-half hours and, of course, we had the usual and endless boasting, grandstanding and politicking and I see that has been followed quite religiously by Members on the other side and I can feel the false sense of exuberance on the part of some of them and in their zeal to support their two leaders, they of course, engage in nasty personal attacks as well.

Mr. Speaker, Sir, when an Economy Minister or a Finance Minister stands before Parliament to talk about the budget, their job is to deliver the facts. It is their job to tell the people what they need to know without hype and propaganda and this is what they are required to do. This is what they are paid for.

Mr. Speaker, Sir, the people need an honest appraisal of our economy and the issues we face, instead what we get from the other side is relentless, boasting and political attacks. A good focused, relevant budget speech can be finished in an hour. So, let me say to the people of Fiji, let us look forward to the next budget speech delivered by a new Economy Minister. The first thing that new minister will know when it is time to stop talking and sit down.

Mr. Speaker, the honourable Minister boasted to this House three years ago about the Bainimarama Boom and the word "boom" became a national joke. Now he is talking about the Bula Boom but this is just another bad joke. The honourable Minister talks about record breaking economic growth of 12.4 percent. But he has forgotten that under his Government, another record was broken, regardless of whether we attribute it to the pandemic or any other thing. In 2020, the economy went backwards by 17.2 percent.

That too was a record. When you say 12.4 percent is record, that too was a record. Talk about that. Then, Mr. Speaker, it went backwards by four percent in 2021 but let us not forget that long before the virus, the economy was already going backwards. It contracted by 0.4 percent in 2019. That is the reality of the FijiFirst Government's so-called booms. That is a fact a fact. So the economy, Mr. Speaker, is only three-quarters of its previous size. It is that smaller economy, Mr. Speaker, that is growing by 12 percent, so it is not.

I mean you are bragging about that this is the unprecedented record growth in the history of Fiji, so the real boom, Mr. Speaker, is in government debt. As of April 2022, we have \$8.3 billion in debt. There is another \$1.1 billion in Government guarantees. These are the Government's own figures, Mr. Speaker. We know the Government will eventually have to pay these amounts for companies such as Fiji Airways, FSC and that takes us to about \$9.4 billion in total and this year's deficit of almost \$800 million will take us over \$10 billion in debt.

Before the end of this year, Mr. Speaker, including Government guarantees, that is where our government debt level will be - \$10 billion. So, Mr. Speaker, it is absolutely not honest to talk about record breaking growth. It is not honest to talk about a Bula Boom. In fact it is insulting to talk about these things when thousands of Fijian families are struggling to make ends meet.

Let us talk about inflation and food prices, Mr. Speaker. What is the Government's solution? Throw around \$60 million on a mitigation package and how will they deliver it – through an online app. But we know that the poorest people in Fiji, Mr. Speaker, are not necessarily online. I know they do not have access to a lot of these things that they talk about.

HON. A. SAYED-KHAIYUM.- We are doing other things.

MR. SPEAKER.- Order, order!

HON. PROF. B.C. PRASAD.- Perhaps if the Minister did not hide from reality, he should pick up a copy of the *Fiji Times* every so often, he would read there about real problems, Mr. Speaker. The security guard who must keep his kids at home because he cannot pay the bus fares, the children scavenging for scrap metal, the young children selling food in shopping centres at night, the elderly people who depend on the kindness of their neighbours and volunteers and let alone, Mr. Speaker, during COVID-19, they have never talked about that.

In two years between 2021, we received about more than \$1.5 billion in remittances. The first quarter of this year, remittances were more than \$300 million. That, Mr. Speaker, helped many families and friends and others who needed it in this country. The honourable Minister stands in Parliament and says get cash through the app. I mean, is that all we can say, Mr. Speaker, because these are the people that this Government cannot look in the face. The Government cannot face the welfare organisations and community bodies who support our poorest people. They just want to say, “Alright, we will give you some cash through the app and pretend that there is no poverty.” In fact, some of them said that there is really no poverty in this country.

Mr. Speaker, we all know what happened in the past. We remember the tens of millions of dollars spent on Help for Homes initiative. I remember raising this in Parliament after *TC Winston*. Was there a boom? Yes, for many of the hardware companies, it was a boom.

We remember when the Government let people access their FPNF funds for floods and cyclones, even in towns and cities where there were no damages and we know what happened, Mr. Speaker. But this has always been the way that this Government just borrow, spend money, it does not matter how you spend it, just spend it. We can see, even the honourable Prime Minister goes to all Provincial Councils and the only thing he says is, “This is how much we spent in this province.”

Mr. Speaker, you are not solving the real problem which is that incomes must rise. Prices are not going to go down. People must earn more. That will only happen when the economy grows. For example, if there was a Bainimarama Boom as they claim, why was the minimum wage kept low for so long - \$2.32, \$2.68. We talked about minimum living wage in 2017 and 2018, Mr. Speaker, and they rubbished it. Then suddenly it was increased in the election year. The honourable Prime Minister, Mr. Speaker, talked about the sugar industry.

Mr. Speaker, we have already publically asked the Government.

HON. A. SAYED-KHAIYUM.- You lied about that.

HON. PROF. B.C. PRASAD.- I am coming to that. You have cut the funding for the sugar industry from \$83 million to \$45 million? You have put only \$8 million into the Sugar Stabilisation Fund.

HON. A. SAYED-KHAIYUM.- Yes.

HON. PROF. B.C. PRASAD.- So where is the money for the Budget for 2022 season guaranteed sugarcane price? They are saying, “We expect the world sugar price to go up”, but they are not saying that there is no allocation. In fact, Mr. Speaker, the biggest budget on a largest decrease in any Ministry in this Budget is for the sugar industry. It was reduced by 46 percent. The honourable Prime Minister

under his leadership, we now today have a pocket-sized industry and this morning he attacked me and said leaders must not lie.

The honourable Prime Minister must look at himself in the mirror and remember, yes, I agreed leaders must not lie. He should go back and realise that the biggest lie that the people of this country were told by him when he did the *coup* and formed the military interim government in 2007. What did he say, Mr. Speaker? He said no one from that interim government will ever contest the election, and look what they did today. They lied. They made their own Constitution. They made their laws and they are still doing that to remain in power. That is what he should talk about.

(Chorus of interjections)

HON. PROF. B.C. PRASAD.- Before he says that I am lying, this is the fact about the sugar industry, Mr. Speaker. The people of this country, despite all these false exuberance that is exhibited by all the people, they have to do that and they are required to do that. They know that the people of this country have realised their lies, their false sense of boast and they are just waiting for the date of the election and they will kick all of them out.

Mr. Speaker, I heard the honourable Minister talked about the education revolution.

HON. P.D. KUMAR.- Yes.

HON. PROF. B.C. PRASAD.- I could not believe my ears, Mr. Speaker. This has been the worst Government for education, in my view.

Mr. Speaker, there is no vision to shape a curriculum for the 21<sup>st</sup> century. Teachers have been put on insulting employment contracts. I remember the day an Acting Minister for Education before the 2018 Election, a week before the voting he sent an email to say that everyone will get a five-year contract. Many teachers still do not have the five-year contracts. Now, before this election, he is again promising five-year contracts.

School owners and managers, those who have built and maintained the schools are ordered around and treated disrespectfully. School communities are bullied and restricted in what they do. Then I heard the honourable Minister talk about Fiji as the “ICT hub of the Pacific”. This sounds like another joke, Mr. Speaker, Sir, and the Government has been talking about this for 10 years.

The first tax incentives for the outsourcing industry was created in 2009, 13 years later, we have fewer than probably 6,000 or 7,000 jobs in the industry. And while we have been talking about ICT hubs, other countries (you can find examples in countries like South Africa, Philippines and others) have created tens of thousands of jobs.

One of the critical problems with growing our economy, Mr. Speaker, Sir, is the lack of infrastructure, particularly power and water. Until we have reliable power and water supplies we cannot build new houses for our people. We cannot build technology, parks and other developments to create jobs. Why are tens of thousands of people without water every day? Everyone knows about that. Why are there constant power failures?

Honourable Ministers on the other side still try and blame “past governments” - I still hear them blaming past governments. But they forget, Mr. Speaker, Sir, that they have been the past government for the last 15 years. They have had 15 years to fix these problems, and in that time Mr. Speaker, Sir, if you look at the Budget, this Government has spent \$50 billion of our money. I will say this again, Mr. Speaker, Sir, \$50 billion and they cannot even get the basics right after 15 years.

All of a sudden, now, we hear the honourable Minister talking about how they are going to fix all the water problems in probably nine months? He is hoping that people will vote them back into power on that promise, but people have the right to ask what you have been doing for 15 years?

Mr. Speaker, Sir, I listened to the honourable Minister talk about housing. He talked about 42 development leases for informal housing. Twelve he says, are at tender stage, six, he says are at engineering stage. What he did not say, Mr. Speaker, Sir, is that none of those 42 projects have been delivered. This Government can talk, borrow money, spend it but it cannot deliver.

I know Mr. Speaker, Sir, during 2018 Election, they went around squatter settlements and started numbering the houses. They promised the moon to the people in those settlements so Mr. Speaker, Sir, people are asking ...

(Honourable Members interject)

HON. PROF. B.C. PRASAD.- This is about the budget, this is about the budget.

... what the next government will do differently. So let us talk about that. Let us first understand the role of the Government in the development of the economy in a way that benefits everyone – big and small businesses, workers, farmers and our poorest people. The Government is there to listen to investors and employers and help them create jobs and re-invest and create more jobs. It is there to help people improve their qualifications and skills and their standards of living.

We all know the story about technical colleges, one of the reasons why employers are complaining today as a result of failure by this Government. All the money that they spent went down the drain and none of those technical colleges are working today. Nothing will change and I say this to the people of this country, nothing will change in Fiji until our leadership changes. That is the fact because leadership is the central role of Government and leadership means bringing people together. This Government has done the opposite.

We have a Government powered by the insecurity of people sitting on the other side. I always say that it is a two-men Government and the silent 25, I know they do not like it, honourable Koya does not like it, but this is what they do.

HON. F.S. KOYA.- Because you are telling lies.

HON. PROF. B.C. PRASAD.- I just told you what are the biggest lies in this country that have been told. You should know that. All they do is cheer from time to time and go on personal attacks.

HON. P.D. KUMAR.- Just like you go around.

HON. PROF. B.C. PRASAD.- The honourable Minister for Education once she probably gets a PR firm, I saw the tender, she might do better in what she says in this Parliament.

(Honourable Members interject)

MR. SPEAKER.- Order, order!

HON. PROF. B.C. PRASAD.- This Government, Mr. Speaker, Sir, cannot bring people together. It is afraid of the ideas that other people can bring to the country. It cannot control the ideas and energy of our people particularly our young people, so it threatens and bullies anyone who criticises them. A good Government, Mr. Speaker, Sir, must be honest with the people - we need to honestly tell them what

the problems are and bring people together to find solutions. Some solutions will be successful, some will fail - it is the Government's job to measure outcomes and also to report back on the failures and how we will fix them.

Mr. Speaker, Sir, but this Government I have noticed in the last seven and half years that I have been in Parliament, is actually afraid of admitting failure. It is afraid of admitting it is wrong. We just talked about USP in today's *Fiji Times* because the Government will not admit it is wrong. It is putting the education of its own young people at risk. It is threatening the future of a most important university. Nothing was said about NCDs, domestic violence, increasing drug abuse - these are things that Government does not want to talk about and the next government, will have to talk about it and admit that as a nation, we failed on all of these.

Mr. Speaker, Sir, it will be the style of Government, a different style of Government and management that we will offer. For the first time in 15 years, we will be able to talk honestly, criticise the Government and come together to find solutions and work together to deliver it. We want the business community, unions, welfare organisations, NGOs and everyone else out there who is working for the country, to work with us because economic policy is not a secret measure. It is not a secret means - it is meant to be discussed, criticised and accepted.

Mr. Speaker, Sir, there are many issues within the education system and I heard the honourable Minister talk about it. They have refused to set up an Education Commission for the last 15 years. All kinds of reforms haphazard - some here, some there have been undertaken in this country and nothing has been consolidated. Now, we hear that there will be another plan and what she is planning to do within the education system.

So, Mr. Speaker, Sir, it is very important for us to build leadership. I heard her talking about local government and community leadership. The failed Lautoka Swimming Pool project says everything about this Government - get rid of city and town councils, why because they could not win those elections. That is why they are not holding elections and they said that there was a lot of corruption, but there is more corruption now and there is more investigation in the administration of the town and city councils now.

Mr. Speaker, Sir, the loss of Local Government means that we have no local leaders who are accountable to ratepayers in towns and cities. This is one thing that will change immediately under the new government. We need democratically elected town and city councils.

Mr. Speaker, Sir, my message to our people today - once again, nothing can change until our Government changes. For 15 years, we have been bullied, dictated to, talked down, we have a Government that has ruled through fear. This must end and I know it is going to end, Mr. Speaker, Sir, it is time to bring everyone together and recover our lost opportunities. Time is coming soon, as I have said - people are waiting for the date of the election. People are fed up, people are actually having the bets on the wall and they are waiting for the date of the election to kick this Government out forever and that is what is going to happen. No amount of false exuberance, boasting, politicking, attack on me and the Opposition is going to save them this time, Mr. Speaker, Sir.

Mr. Speaker, Sir, I want to end with this, the honourable Prime Minister said that people are naïve - people are not naïve, he is right. People are not naïve, people are not fools, they can see through this Government what they have done in the last 15 years, what they have done in the last seven years and that is what the people are going to base their decisions on in the coming election.

HON. A.A. MAHARAJ.- Mr. Speaker, Sir, honourable Prime Minister, honourable Leader of Opposition, honourable Ministers and honourable Members of Parliament and all those watching from the comfort of their home, good evening to you all.

I rise in this Chambers in full support of the 2022-2023 National Budget as delivered by the honourable Minister for Economy and thank him for giving such a wonderful Bula Boom budget. At the outset, I would like to, for the first time, differ from the honourable Minister for Commerce, Trade, tourism and Transport. He at least said that honourable Professor Prasad was going to give a dollar worth of contribution. I would say, his contribution was not even worth 20 cents.

While listening to the Shadow Minister for Economy, why I am referring to honourable Ratu Naiqama Lalabalavu as the Shadow Minister is because I am not sure or was rather confused on whether he spoke as the Leader of the Opposition or was he speaking as a future candidate of the People's Alliance Party. I am also 100 percent sure that even some Opposition Members are confused with regards to this as well. He should have been quoting honourable Gavoka, but instead he was quoting Rabuka. Seriously, we do not know what is happening on the other side.

On the other hand, what I heard from honourable Gavoka this afternoon on the tax reform that he is going to introduce to help *iTaukei*, was just mind boggling. What I would ask him, is he going to tax one *iTaukei* to help another *iTaukei*? Or, since he has openly said that the tax reform is going to benefit one ethnic group, he is going to tax all other ethnic groups apart from *iTaukei* groups, to help *iTaukei* community. Listening to such tax reforms, I do understand why party members are running from SODELPA to other parties, and why the Leader of Opposition did not quote him.

I do understand that the honourable Members from the Opposition no longer say, *Amen* Jesus during Morning Prayer. With the fading of that, I believe the opposition has also forgotten that Christianity preaches that we are all human beings and everyone is a child of God. But look at the dividing tactic used by the Opposition. In the lust of power, you, the honourable Members are forgetting the moral preaching of your own religion. What a shame!

On that same note, I urge someone from Opposition to give a peace of mind to honourable Bulanauca. He has totally lost his mind and does not realise what it means to be called honourable. The way he spoke this morning only shows he has lost not only what is on top of his skull, but also what is inside that skull. While also talking about Christian values, it would be very interesting to hear what honourable Lenora has to say in Parliament this evening.

Mr. Speaker, Sir, honourable Qereqeretabua during one of her campaign meetings brought up the name of the honourable Prime Minister's father when she uttered, referring to him, "This is not his father's money, but this is our money." The honourable Prime Minister's dad passed on some years ago and it is insulting to bring his name into her campaign speech. Ratu Inoke, until he died, worked extremely hard for the nation and it is a great insult to his family and his relatives. Honourable Qereqeretabua is known to be a child curser and has cursed all our children and now she is moving to curse our parents. She owes the honourable Prime Minister, his family and his relatives an apology and we would like to hear it this evening.

Coming back to SODELPA - a Party that cannot manage the grant given to their caucus, a Party that only relies on the grant by Parliament to run their caucus and external party affairs, a Party that cannot pay its Office staff and a Party that cannot raise funds to run its Party. The members of that same Party are talking about increasing Government revenue. Is this not really funny? How can you increase Government revenue while your own party revenue is zero and in financial crisis.

I really urge the Opposition Members to learn from a very experienced business lady, honourable Dr. Mere Naulumatua (sitting on the Opposition side) and gain some financial knowledge so that SODELPA will be out of financial crisis. The party has used the funds without any accountability to its MPs and here they are talking about accountability to Fijians and trying to criticise the spending of the Government. If you cannot manage such a small grant, how will you manage Fiji's economy?

HON. OPPOSITION MEMBER.- We will.

(Laughter)

(Chorus of interjections)

MR. SPEAKER.- Order, order!

HON. A.A. MAHARAJ.- Mr. Speaker, Sir, honourable Kuridrani, first get your Party to pay the few staff working in your chamber then talk about giving \$120 to 12,000 cane farmers. Your Party cannot pay three or four workers, how will you pay 12,000 cane farmers? Where will you get that money from? Please, inform the staff in your chamber to apply for government assistance if they have children because they would be having a hard time as SODELPA has not paid them for the past few weeks. Do not worry, under the decisive leadership, we leave no one behind, we assist everyone and we do not discriminate.

Mr. Speaker, Sir, the so-called economist aiding and abetting honourable Professor Biman Prasad went a step further to compare Fiji's economy to what is happening in Sri Lanka. Sri Lanka ran out of foreign reserves, corruption was at level high. Fiji is in a very stable position having foreign reserves to import for more than eight months.

While economists were criticising the Government for borrowing money during the COVID-19 pandemic, the Fijian Government acted smartly and borrowed offshore in order to increase the foreign reserves. Borrowing offshore bring foreign currency into the country thus increasing the foreign reserve. Sri Lanka was not in a position to service their debts. Fiji on the other hand has not defaulted a single repayment during the pandemic, Mr. Speaker, Sir. How can we compare Sri Lanka?

Sir, with sugar guaranteed price, let us talk about if the farmers do not get \$85 per tonne as promised by the FijiFirst Government. We have noted that most of the concerns raised by the Fijians are associated with the negative impact of COVID-19 pandemic and the global inflationary pressure. In response, the Government developed and implemented appropriate economic policies and rolled out the targeted programmes that will cushion the impacts on ordinary Fijians and businesses from the adverse effect of this impasse.

Building on the recent progress, this Budget has actually outlined policies that are geared towards returning the economy back to a more sustainable growth path and improved livelihoods. Overall the budget contains a series of direct measures for the people with some policy measures targeted to promote specific industries.

As highlighted in the budget presentation by the honourable Minister for Economy, hundreds of MSMEs are now open and thriving throughout the country creating jobs and contributing towards Fiji's GDP every single day. This is a clear indication of Government's prudent policies and support towards strengthening the resilience of both formal and informal sector.



Mr. Speaker, Sir, conscious of the constraint financial space, this Budget intends to implement the policy measures within sustainable fiscal framework. Indeed our spending level targets have been well moderated and ensure cautious revenue projection. The Budget has re-prioritised public spending towards pro-vulnerable expenditure in health and education.

Mr. Speaker, Sir, the degree of inflationary pressure experienced by the global economies has to some extent dependent on the difference starting points and experience heading into the pandemic. To a significant extent, the recent increase in Fiji's consumer prices has been driven by global disruption and have caused sharp prices increases for critical commodities including a broad range of imported goods.

Mr. Speaker, Sir, given the widespread inflationary context, we anticipated some general cost of living strategies and this Budget sought to address those concerns with direct support to households through price control and social assistance. It is unfortunate that some of the political opponents have mocked it as an election budget containing freebies for struggling families. That shows the lack of concern they have for the people of our nation. As rightfully said this morning by the honourable Prime Minister, assisting Fijians is not freebies. Investing in children's education is not just investing in their future, it is also investing for the development of the nation. A smart and educated society is the key foundation for any developed nation and Fiji is no different.

Mr. Speaker, Sir, the fiscal policy supporting budget for the financial year 2022-2023 in the medium-term is designed to accelerate the economic recovery and improve livelihoods for Fijians. A total of \$60 million set aside under the inflation mitigation package will help cope with the rising prices. The various direct assistance provided to households in this Budget will not only ease the burden on the struggling Fijians but assist them to prepare for the future. The use of such human-centric policies measures the influence or the behaviour of consumers and businesses are welcomed. To create an enabling environment for economic recovery and employment creation, the budget would enhance critical infrastructure in roads where the proposed Viti Levu interior highway will create far greater social mobility and a huge opportunity for commercial, industrial and tourism expansion on the island of Viti Levu.

Mr. Speaker, Sir, the level of fiscal support in response to the pandemic and inflation has been considerably significant, both in scale and relevance. This Government has acted quickly to buffer households and business balance sheets during the stringent period of social and economic restrictions. Mr. Speaker, Sir, Fiji's economy demonstrated remarkable resilience to COVID-19 shocks in 2020 and staged a strong recovery in the first half of 2022. Following the ease of COVID-19 restriction, reopening of the borders as well as targeted stimulus intervention by this Government, the economy is estimated to expand by 12.4 percent this year; a much stronger level from the contraction of 4.1 percent in 2021. However, the economic outlook may be affected by the emerging domestic and external risks.

On the domestic front, re-emergence of COVID-19 variants and possible adverse weather conditions can affect the projected economic recovery. On the external front, the ongoing conflict in Eastern Europe is creating uncertainties and can further affect the global economic outlook through the disruption of supply chain, rising global oil prices, rise in food prices and increased inflationary pressures. The FijiFirst Government is committed to monitor all the domestic and external risks and take appropriate policy actions to navigate the economy through emerging risks. Furthermore Mr. Speaker, our sustained investment in recent years have significantly transformed our economy and strengthened our resilience. Encouraged by this, our economy has bounced back, giving our people incredible optimism even in situations of extreme challenges.

Mr. Speaker, Sir, considering the revised development agenda highlighted in this Budget, this Government has carefully balanced the difficult choices in resource allocation in order to finance the highest priorities that will propel this country to greater heights of prosperity. I am confident that we have made the right decision and will accelerate the pace of our economic growth.

Mr. Speaker, Sir, this \$3.8 billion people-centred *Bula Boom* Budget, with strong social policies by the FijiFirst Government will ensure the people in our communities receive what they need and will open up great opportunities for all Fijians.

Mr. Speaker, I would like to take this time to extend my appreciation to the Permanent Secretary for the Ministry of Economy, Mr. Shiri Gounder and his team. Mr. Gounder was appointed as Permanent Secretary when we had the biggest contraction in Fiji's economy. Mr. Gounder, you have really showed your leadership for the past two years in assisting the honourable Minister for Economy that has allowed Fiji's economy to bounce back stronger. Fighting with the COVID-19 pandemic and reduced revenue but still keeping the economy afloat would not have been easy and we salute the team at Ministry of Economy. Mr. Speaker, Sir, I thank this august Parliament for the privilege to speak and I fully support the motion to approve the 2022-2023 National Budget.

HON. L.S. QEREQERETABUA.- Good evening everyone. Mr. Speaker, I rise to offer my observations on the Budget handed down on the evening of Friday, 15<sup>th</sup> July, 2022.

Mr. Speaker, here we are, just weeks or months away from the elections, what the people of Fiji and we as their representatives heard in the Budget Address brought us a little bit of shock and surprise. Of course, the Government loves to say that we are just worried about the elections. Whether elections are on the horizon or not, Team NFP has a 60-year legacy of being about the people. We are not fly by night operators, here today and gone tomorrow. We are about continuity and we are about the future.

As we look at the Budget from end-to-end after that almost three-hour diatribe, we realised that FijiFirst has in fact lost the elections with this Budget. Despite the Government's best attempts to send party agents and trolls after us, hoping to shame us about lack of solutions or alternative budgets, the truth is laid bare in this Budget. They need to distract the electorate from their lack of ideas and they needed our ideas as a distraction.

To be honest, Mr. Speaker, we at NFP were bracing ourselves for some ingenuity knowing that the Government's public confidence ratings are plummeting and the budget was one chance to help redeem themselves. Alas, Mr. Speaker, no!

Apart from it being a *Saqamoli* Budget as rightly labelled by our Party Leader, the honourable Professor Prasad, many of the social protections on offer are only for six months. To add insult to injury, this *saqamoli* per day is less than the global definition of extreme poverty that is measured as people living on less than US\$1.25 a day. So, if the Government is proud of one *saqamoli* a day assistance to our own people, our people should know that what they are being given is less than even what the world has measured as extreme poverty of US\$1.25 a day. That is shameful! *Vakamadua!* Why six-month Budget when it is supposed to run for 12 months?

The FBC posted an infographic shortly after the Budget was handed down, and the infographic said and I quote: "The Budget will be reviewed due to the volatility of the world markets." Another budget possibility for the 2022-2023 financial year, why?

On Page 6 of his Address, the honourable Minister said, and I quote: “That is what this special revised budget is all about. It is about what is next for Fiji.” Is this not the annual budget given that we just had a mini-budget in March?

On Page 14 of his Address, the honourable Minister said, and I quote: “The answer lies in the promise of this mini-budget and its support for a bold, sustained and a broad economic recovery.”

Then on Page 21 of the same Address, the nation is told that, and I quote:

“It has allowed us to announce a mini-budget this evening that takes on the affordable living challenge, continues our recovery momentum and creates opportunities.”

So, Mr. Speaker, is it perhaps opportune that we ask the Government, is everything alright over there?

If what we are debating this week is not the substantive budget but yet another mini or supplementary budget as the honourable Minister for Economy’s own amendment to the Financial Management Act dictates, how many budgets in one year does an economy of less than a million people need or to para-phrase the rapper Eminem, will the real budget please stand up?

We heard in the Minister’s Address that during the so-called budget consultations, taxpayers wanted to know, what is next? I am afraid to be the bearer of bad news and confirm that the answer to that question is not a lot, if the actual numbers and words of their budget are anything to go by. In fact you can sense the muted reactions to the budget in the media by industry and professional groups that they know that there is not much there.

The only ones crowing are those regular suspects of minions like the Fijian Competition and Consumer Commission (FCCC) with the Chief Executive Officer, Mr. Joel Abraham holding court as a pre-budget talking head on Fiji Televisions or Fiji One while two of his subordinates waxed on and on, on Fijian Broadcasting Corporation (FBC). Their attempts to set the scene while trying hard not to show how involved they were, were laughable at best. And then of course, we see a drip-feed of the regular suspects of the minions club piping up to support the Budget.

The Fiji Development Bank (FDB), Mr. Speaker, Sir, an energetic player that administered many thousand dollar grants before the 2018 Elections, seems quite intent on continuing this blitz prior to this year’s Budget, targeting agriculture, Medium, Small and Micro Enterprises (MSMEs) and with the new product specifically for Women’s Entrepreneurs. Of course this is welcomed, but why did we not see all this frantic movement to promote MSMEs, agriculture and women’s businesses earlier such as after the March Supplementary Budget.

The honourable Minister claims that his Budget will grow our economy, that it will create the jobs and opportunities that every Fijian deserves to have in their lives. But where, how and when? I struggled to see any indication of specific details of how this Government intends to do that, in the Estimates and Consequential Bills.

Mr. Speaker, Sir, the honourable Minister for Economy claimed, and I quote: “As the nation’s largest employer, we maintained Civil Service salaries.” But very conveniently, that is just half the story, is it not? Civil Service salaries are maintained but the actual numbers (headcount) of civil servants have very likely decreased steadily due to the domino effect of factors like forced vaccinations, forced retirements of those reaching 55 years of age, the brain drain, resignations due to a demoralising work environment, illnesses and deaths.

The extent of the true status of the totality of the human resource capital of the Government's Ministries and Departments we will never know, because the powers of the Public Service Commission have been reduced to hiring and firing Permanent Secretaries. No wonder taxpayers are often up in arms about poor public services.

It is not the fault of the civil servants but the deplorable standards of governance and leadership that we all have been forced to endure since this Government's 2006 takeover. What is very likely happening is that workloads per civil servant have doubled or tripled because of staffing shortages and thus productivity takes a nosedive? The Government's solution? A productivity Commission with what sounds like a wishy washy mandate, and with only \$50,000 allocated to establish it, I am not holding my breath.

Mr. Speaker, Sir, the Budget Address was riddled with references to debt and it was just a shameless salesman pitch about *dinau* as if it is something to aspire to. It was all a vain exercise in semantics. Debt is bondage, debt is slavery and debt is a yoke around all of our necks. Yet to hear statements like I quote: "increase spending even if it means going into debt", or "we were able to negotiate low-cost debt", or "our debt burden was sustainable", or "because we borrowed prudently", is a joke. As if to seal the deal on the *dinau* obsession, with what little details provided in this Budget, all the grand plans talked up about are supposed to all magically happen without the \$1.46 billion that it needs? Or is the idea that the Government Guarantee that we have not been told who for or why, but as agreed at the Business Committee for Thursday's agenda, intended to plug that \$1.46 billion dollar gap?

Mr. Speaker, Sir, our money, our future is in their hands and I want to talk about trust and I want to quote a former friend of his Grubsheet author, Graham Davis and he said: "Your money", Mr. Speaker, Sir, "is in his hands, a nation's fortunes depended on the role of the dice of one man who controls your future and the future of your children who will inherit the debt."

Mr. Speaker, Sir, it is quite curious how Fiji Care Insurance, primarily a public listed insurance company, has steadily increased its footprint in Fiji, particularly over the recent years and in the health sectors specifically.

If we recall, Fiji Care Insurance was awarded the Insurance cover job for Government, for civil servants, pensioners and parametric insurers amongst others. During the COVID-19 recovery, Fiji Care Insurance moved rapidly into travelling insurance cover for visitors to Fiji and even into health care. In this Budget, Fiji Care Insurance will further spread its tentacles by building a website to streamline the administration of an initiative for taxpayers who want to be treated by Government subsidised doctors through an online Patient Information System and doctors or GPs will have access to all those patients seen under this initiative.

The question here is, Mr. Speaker, Sir, how does one insurance company have a monopoly over all Government insurance product needs? Are other insurance companies not up to speed?

HON. A. SAYED-KHAIYUM.- No.

HON. L.S. QEREQERETABUA.- Were they even asked as a proper tender process should do?

HON. A. SAYED-KHAIYUM.- No.

HON. L.S. QEREQERETABUA.- All the remaining replays in the Minister's speech from free medicine, to first-home ownership, to digitisation, water, electricity, roads, Mr. Speaker, Sir, I

can bet that there will be a good old ‘copy and paste’ from previous budget speeches, with slight tinkering around the edges to the rescue but minimal movement, if any, on any of them actually becoming a reality.

Mr. Speaker, Sir, there are things visibly absent from the Budget. No carbon budget as per the Climate Change Act despite climate change and blue ocean risks that this Government constantly talks about, yet and where is the Consequential Bill for the Climate Change Act to reinstate the 10 year moratorium on deep sea mining, removed from a previous budget draft of the Bill, that the Prime Minister has been chest-thumping about to our Pacific neighbours and the world at the Oceans meeting in Portugal?

Mr. Speaker, Sir, where is Fiji’s financial commitment to our fisheries protection like surveillance and enforcement so that the nation does not have a repeat of the horrific beheading of a Fiji citizen, while on a fishing vessel in Fiji waters? Where is the duty of care for our fisheries observers and proper contracts as well as insurance cover and extensive death and injury compensation such as the conspiracy of silence over the death of a Fiji national and regional observer who died in 2016 while on board a fishing vessel in Pagopago? (I have spoken about this before in this Chamber).

Mr. Speaker, Sir, why is the temporary lifting of the *beche-de-mer* fishing ban taking away licensing approvals from the communities and giving it to Divisional Commissioners when the local customary fishing ground custodians have been showing responsible management through locally-managed marine areas and other community rules?

Mr. Speaker, Sir, why is there so much more bluster in the Minister’s speech about commitment to young people? Yet he says, I quote: “We invested in your education for years”

Mr. Speaker, Sir, we, who? That ‘we’ is the nation of taxpayers, and that ‘we’ also includes young people who are recipients of scholarships because they too pay VAT. Where is this commitment to young people if the data from Page No. 56 of the 2016-2017 Annual Report from the Ministry of Education, Heritage and Arts presents the alarming data that about 15,000 students per annum are dropping out of school every year when they fail Year 10, Year 11 and Year 13? These students cannot go back to school to repeat and unless their parents can afford to put them through a Certificate or a Diploma Programme, they will drop out of the system altogether.

Mr. Speaker, Sir, where is this commitment to young people if thousands of students who have dropped out of the schools are not given any assistance to get skills training? Where is this commitment to young people if the tertiary scholarship and loan services body is not to lowering the requirements to allow for these students to be trained in a trades or skills qualification?

Technical Colleges were a failed initiative by this Government, begun in 2015 and then fobbed off very quickly to FNU in 2018, who did not do justice because there was no budget given to them to manage the Technical College bodies. Now, it is looking like the FNU Technical and Vocational Education and Training (TVET) is also in swift decline. Where is the report, Mr. Speaker, Sir, on the forensic audit of Elections IT system, as carried out by KPMG for the Fiji Elections Office? Why is the use of public funds for this forensic audit not reported in Parliament if the Elections Office is so concerned about the perception of its independence and impartiality?

In closing, Mr. Speaker, Sir, to answer the question continuously posed throughout the Budget Address asking, what is next? I can see it now, what is next for this Government will be a lot of tears and farewells and a lot of crushed spirits after a resounding loss.

HON. A.T. NAGATA.- Mr. Speaker, Sir, the honourable Prime Minister, honourable Cabinet Ministers, the honourable Leader of the Opposition and honourable Members of Parliament; I take this opportunity to make a brief statement in support of the motion before Parliament.

Mr. Speaker, the fourth year of this parliamentary term is coming to an end. When we take a moment and reflect on our journey and the challenges we faced as individuals, as family and as Fijians, we can only give back the glory and honour to God for His unwavering and unconditional love, for without Him, we will not be here today. He was the God of Moses, Esther, Daniel, Joseph, Ruth, David and Rahab and He is still our God. He will never fail us nor leave us and for that I am forever grateful and blessed.

Mr. Speaker, Sir, I take this opportunity to convey my heartfelt gratitude to our honourable Prime Minister. Thank you for all that you do for the betterment of Fiji and the region. You have been the beacon of hope in time of crisis because of your trust in God. You are full of wisdom because you never failed to consult the great source of all wisdom. As Ellen G. White stated in her book, *“The Prophets and Kings”*, and I quote:

“The path of men who are placed as leaders is not an easy one. But they are to see in every difficulty a call to prayer. Never are they to fail of consulting the great source of all wisdom. Strengthened and enlightened by the Master Worker, they will be enabled to stand firm against unholy influences and to discern right from wrong, good from evil. They will approve that which God approves and will strive earnestly against the introduction of wrong principles into His cause.”

Mr. Speaker, Sir, I would also like to commend and congratulate the honourable Attorney-General and Minister for Economy, the Permanent Secretary of the Ministry of Economy and their hardworking team for a faithful and forward-looking Budget: a Budget that proves that the FijiFirst Government is committed to being responsible, not just physically but socially and environmentally.

I too would like to congratulate the Fijian 15s Team for beating Samoa and winning the Oceania Rugby Women’s Tournament in New Zealand; the Fiji Pearls for beating Samoa at the Oceania Netball Qualifying in Suva and to qualify for the 2023 Netball World Cup in Cape Town South Africa; and to the Digicel Fiji Kulas for beating Cook Islands in the OFC Women’s Nations Cup quarter finals and we wish them the very best in the semi-final match against the Solomon Islands. We also would like to wish all our athletes who will be taking part in the Birmingham 2022 Commonwealth Games, the very best.

Mr. Speaker, Sir, the 2022-2023 Budget continues to lay the foundations for Fijians to have better lives. This Budget will make sure that all Fijians continue to have access to the high quality public services they need and deserve, such as health, education, housing, et cetera. The Government continues to introduce new initiatives in each fiscal year. These initiatives do not benefit one particular province, group or individual, it will continue to benefit every Fijian. For so long, the *Colo kei Viti* have been under developed. I must thank the FijiFirst Government for leaving no one behind. With the introduction of the rural electrification it has indeed improved the livelihoods of our fellow Fijians in the *Colo* regions.

Mr. Speaker, Sir, change is inevitable and it has happened and will only happen in God’s timing. I would like to commend the Government for allocating \$145,000 in the 2022-2023 National Budget to enable Fiji Roads Authority to commence a pre-feasibility investigation into the construction of Viti Levu Cross Country Highway. With the near completion of the construction of the new Matewale Bridge in Navosa, many have been wondering why such a bridge with that size

would be constructed in the middle of nowhere. This allocation has confirmed our suspicions that plans for the construction of new interland highway is underway.

Mr. Speaker, Sir, the planned Viti Levu Cross Country Highway will significantly reduce travel times and will attract more job opportunities for our interior communities and increase the opportunity for commercial, industrial and tourism expansions throughout Viti Levu's interior.

The Ministry of Youth and Sports is assigned with both promoting the holistic development of Fiji's young people and fostering the nation's athletic potential. Too distinct, yet overlapping tasks. The Government recognises this inextricable link rooted in the formative role that sports play in shaping Fijian youth, instilling them with values and promoting a healthy active lifestyle. Mr. Speaker, Sir, as a Ministry, we thank the Government for the allocation and would like to state in this Parliament that we will ensure our mandated duties are carried out within our means and with that, we will rise above all expectations.

Mr. Speaker, Sir, the 2022-2023 Budget has, again, included new initiatives and areas that the allocation will allow our Ministry to continue and further the work that has impacted the lives of our young population. This initiative and areas includes:

1. supporting community-based capacity building;
2. promoting youth leadership;
3. promoting the development of sports at all level; and
4. expanding access to sporting infrastructure for the Fijian people to encourage a healthy living.

Mr. Speaker, Sir, I will be focusing on the three areas that have, again, been included in the 2022-2023 Budget initiatives. Firstly, supporting community-based capacity building. Mr. Speaker, Sir, recognising the impacts of COVID-19 pandemic on the socio-economic status of young people, the Ministry will employ a targeted approach and recovery strategies that will ensure timely restoration and reform through formulation of cohesive youth and sports plan and services, enhance partnership and trade.

Mr. Speaker, Sir, in the 2022-2023 Budget, the Ministry is allocated \$500,000 for youth capacity building and training including ongoing funding for our youth farming initiative projects, income generating youth projects and climate change related projects.

Mr. Speaker, Sir, the Youth Development and Grants Programme is aimed at empowering and equipping young people with the knowledge and skills to enable them to become self-reliant and resilient through developing income generating opportunities that are innovative, viable and sustainable, enabling our youths the opportunity to contribute to economic development. These initiatives are key pillars in the Ministry's 5 Year Strategic Plan.

Secondly, promoting youth leadership. Mr. Speaker, Sir, to further support these key pillars, the Ministry operates youth training centres around the country along with rural and urban mobile skills training in areas of skill shortage or reskilling young people in new areas for income generation and sustainable employment.

Enhance partnership and collaborations with relevant line Ministries and organisations is critical to ensure effective and programme implementation. Mr. Speaker, Sir, in the 2022-2023 Budget, the Government will continue to support youth training programmes with a funding of \$160,000. These programmes in the Ministry of Youth and Sports fill a vital gap and addresses youths who have not made it in the formal education sector.

Thirdly, promoting the development of sports at all level. Mr. Speaker, Sir, the third key area that the Ministry of Youth and Sports continues to focus on is the promotion of the development of sports at all levels which involves the sports development amongst our youths and communities. The Ministry of Youth and Sports use sports development as an integral component of developing and empowering young people and the country as a whole. This perception has been established from the fact that young people closely associate themselves with participation in sports.

Mr. Speaker, Sir, through the technical assistance offered by the Fiji National Sports Committee and other sporting bodies in terms of sports outreach programmes, we as a Ministry, are actively engaged in the communities and sports stakeholders around the country to promote sports.

Mr. Speaker, Sir, the 2022-2023 Budget has again allocated \$250,000, especially focused on community sports association development activities carried out by the Fiji National Sports Commission. Considering the power of sports, play community building, the Fiji National Sports Commission believes empowering communities to take ownership of sports rather than waiting for sporting bodies to come around is the best way to encourage people towards being active.

Mr. Speaker, Sir, the Commission through Government funding have helped set up 46 community sports associations around the country. The Community Sports Association is an association of members of registered youth clubs, single or multi-sports clubs who work together to facilitate community sports and physical activities. Government is providing funding this year for this community association to grow and lead the revival of community-based competition with a multi-sports focus.

Mr. Speaker, the Ministry understands and appreciates the current position in this post-COVID-19 era and acknowledges the work that has been carried out to allow us to access budget funding to support the reviewed work that the Ministry has been tasked to carry out as part of the whole of Government effort to inject economic activity by supporting our Fijian youths who make up approximately 70 percent of the Fiji population and labour force through the youth development and sports development programmes noted thereof. Through active participation, young people are empowered to play a vital role in their own development, as well as that of their communities.

Mr. Speaker, when youths are empowered, they feel confident and capable. They become active contributors and collaborators, excited to explore the impact on the world around them. Sir, with this continued focus, Government investments on youth development programmes, we are recognising that young people are a major human resource for development and key agents of social change, economic growth and technological innovation.

Mr. Speaker, with that being said, I fully support the 2022-2023 National Budget.

MR. SPEAKER.- Honourable Members, that brings to an end the batting list for today. We will continue with the debate tomorrow. The batting list for tomorrow is being sent to you online. You will get the hard copies when you arrive tomorrow for tomorrow's sitting. Just to warn you, I will give you the first eight speakers for tomorrow:

1. Hon. J.N. Nand;
2. Hon. Ro T.V. Kupa;
3. Hon. S. Nand;
4. Hon. A.M. Radrodoro;
5. Hon. V. Nath;
6. Hon. S.V. Radrodoro;
7. Hon. A.D. O'Connor; and
8. Hon. S.R. Rasova.



Those are the first eight speakers, so you can go home tonight, rest and take it easy, not be surprised by tomorrow morning. We adjourn to tomorrow morning.

The Parliament adjourned at 9.38 p.m.