



STANDING COMMITTEE ON SOCIAL AFFAIRS

Review of the iTaukei Trust Fund Board 2019 Annual Report



PARLIAMENT OF THE REPUBLIC OF FIJI
Parliamentary Paper No. 59 of 2022

August 2022

Published and printed by the Department of Legislature, Parliament House, Government Buildings, SUVA

TABLE OF CONTENTS

COMMITTEE MEMBERSHIP 3

CHAIRPERSON’S FOREWORD 4

RECOMMENDATION: 5

1.0 INTRODUCTION 5

1.1 Committee Procedure 5

2.0 ABOUT THE ITAUKEI TRUST FUND BOARD 6

3.0 COMMITTEE’S OBSERVATIONS 6

4.0 COMMITTEE RECOMMENDATIONS 7

5.0 CONCLUSION 7

COMMITTEE MEMBERS’ SIGNATURE 8

APPENDIX 9

Published written evidence 9

COMMITTEE MEMBERSHIP



Chairperson

Hon. Viam Pillay MP

Government Member



Deputy Chairperson

Hon. George Vegnathan MP

Government Member



Member

Hon. Alipate Nagata MP

Government Member



Member

Hon. Salote Radrodoro MP

Opposition Member



Member

Hon. Dr Ratu Atonio Lalabalavu MP

Opposition Member

CHAIRPERSON'S FOREWORD

I am pleased to present the report of the Standing Committee on Social Affairs on the annual review of the iTaukei Trust Fund Board (TTFB) for 2019.

This review was undertaken in accordance with Standing Order 109(2)(b) which mandates the committee to look into issues related to health, education, social services, labour, culture and media. The committee first met to deliberate in May of this year and formulated questions pertaining to the Annual Reports, which were sent to TTFB for its response. Upon receipt of all relevant information on the committee's queries, the committee compiled its findings and subsequently endorsed its report in June.


In the course of our deliberations, several pertinent findings were made. We noted that the Board made significant inroads in both organisational strategic direction and development. It achieved a gross revenue of \$8,095,992 and a net profit from operations of \$1,438,770 for 2019, compared to \$3,984,876 in 2018. The decrease in profit was attributed to the written-down value of the burnt *Valenibose*.

Furthermore, the Fund launched its Strategic Development Plan (2019 – 2023), which outlines five priority areas, which are Prudent Financial Sustainability, Language, Culture and Heritage, Communication, Leadership, Entrepreneurial and Business Skills and Human Capital Management.

It was also pleasing to note that the Fund's investments continued to satisfactorily grow during the year, with its investment portfolio continuing to generate positive returns in funding the mandated objectives for the Fund.

At this juncture, I wish to thank the Chief Executive Officer of iTaukei Trust Fund Board, Mr. Aisake Taito, and his staff for their timely assistance in this review process. I also extend my gratitude to my Committee colleagues namely: Hon. George Vegenathan (Deputy Chairperson), Hon. Alipate Nagata, Hon. Salote Radrodoro and Hon. Ratu Tevita Niumataiwalu who substituted for Hon. Dr. Ratu Atonio Lalabalavu, for their contributions during the committee's deliberations.

On behalf of the Standing Committee on Social Affairs, I commend this Report to Parliament and request all members of this august House to take note of the Report.


.....
Hon. Viam Pillay
Chairperson

RECOMMENDATION:

The Standing Committee on Social Affairs has conducted the annual review of the iTaukei Trust Fund Board for 2019 and recommends that the House take note of its report.

1.0 INTRODUCTION

The 2019 Annual Report of the iTaukei Trust Fund Board was tabled in the May 2022 Parliament and referred to the Standing Committee on Social Affairs for its scrutiny.

Standing Orders 109(2)(b) allows Standing Committee on Social Affairs to examine matters related to health, education, social services, labour, culture and media.

Furthermore, Standing Orders 110(1)(c) authorises the Standing Committee to “*scrutinise the government departments with responsibility within the committee's subject area, including by investigating, inquiring into, and making recommendations relating to any aspect of such a department's administration, legislation or proposed legislative program, budget, rationalisation, restructuring, functioning, organisation, structure and policy formulation.*”

1.1 Committee Procedure

We first met in May to deliberate on and formulate questions pertaining to the Annual Report, which were sent to TTFB for its response.

Upon receipt of all relevant information on the committee's queries, we compiled our findings on the Annual Report and subsequently endorsed it in the early part of June.

We received written response from the iTaukei Trust Fund Board for this annual review. It is available on the Parliament website, at the following link:
<http://www.parliament.gov.fj/committees/standing-committee-on-social-affairs/>

2.0 ABOUT THE ITAUKEI TRUST FUND BOARD

The iTaukei Trust Fund Board was established by the Fijian government to foster the advancement of indigenous Fijians and Rotumans by promoting initiatives that will better their standard of living and enhance appropriate cultural traditions and values. TTFB contributes towards boosting the capacity of Fiji's cultural sector through the provision of scholarships, specialist services in language, culture and heritage and financial assistance. The Board is guided by the iTaukei Trust Fund Act.

3.0 COMMITTEE'S OBSERVATIONS

- 3.1 We requested the Board to provide an update on the *Valenibose*, which was destroyed in a fire in December 2019. The Board informed us that based on the Fire Report of the National Fire Authority, the Police had closed its investigation. Plans are underway to redevelop the *Valenibose*.

The *Valenibose* Redevelopment Project involves several stages. The first stage, which is the pre-construction phase, is in progress and is expected to be completed soon. It involves the following four phases:

- Site assessment;
- Market review & preliminary feasibility;
- Architectural design process management & facilitation; and
- Project feasibility & tenancy activity with analysis.

The second stage is the Construction phase. We note that the Project Manager has been appointed and the Board is currently in the process of appointing other Consultants for the Project namely; the Structural & Civil Engineer, Building Services Engineer, Quantity Surveyor, Cost Consultant, Environment Consultant and Traffic Management Consultant. The Consultants, once appointed, will assist the Project Manager and TTFB in taking the Project forward to the construction stage and completion.

The contractor, through tender process, is expected to be appointed in the last quarter of 2022. It is envisaged that the construction phase will be completed in 18 months.

We were informed that the *Valenibose* building with contents, was insured for \$6.5million. The insurance pay-out was received on 11th November 2020 and this has been invested while the Board is awaiting the commencement of the Redevelopment Project.

- 3.2 The Fund appointed Mercer of Australia to review for the first time its overall investment portfolio in the new financial year. The purpose of the review was to provide an independent assessment on the effective stewardship of the Fund's investment.

We note that this review has been completed and the Board is in the process of implementing the recommendations of the Report.

- 3.3 We applaud the work done by TTFB, through its *Vanua* Fieldwork project, to research and document distinct cultural practices and produce educational resources for iTaukei. The research and documentation also involve the revitalization of traditional skills and knowledge. Community members, men, and women, young and old are engaged in this process, including the Provincial Office to facilitate knowledge transmission.

We were informed by the Board of its plan to conduct research on and document the traditional practices and protocols of each Province and District in the country, contingent on availability of sufficient budget and revenue from its investments.

4.0 COMMITTEE RECOMMENDATIONS

1. That the Fund, through the *Vanua* Fieldwork Project, continue its research and documentation of distinct iTaukei and Rotuman cultural practices in Provinces and Districts, to help revitalise traditional skills and knowledge.
2. That the Fund fast-track the implementation of recommendations by Mercer (Australia) in relation to the review of its investment portfolio.
3. That the Fund continue to diversify its investment portfolio so as to generate positive returns for the funding of its mandated objectives.
4. That the Fund continue to monitor the progress of the *Valenibose* Redevelopment Project to ensure works are completed according to the given timeframe.

5.0 CONCLUSION

The committee has fulfilled its mandate to review the 2019 Annual Report of the iTaukei Trust Fund Board. As part of its review process, the committee received a written response from the iTaukei Trust Fund Board.

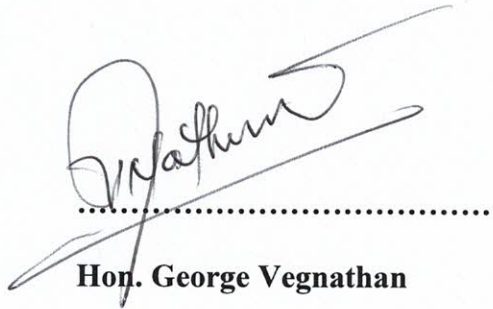
This review report highlights the committee's findings on the Board's financial and operational performance for 2019.

COMMITTEE MEMBERS' SIGNATURE

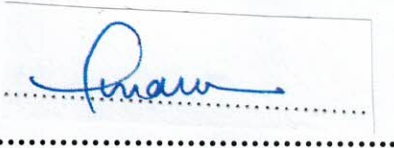
We, the Members of the Standing Committee on Social Affairs, hereby agree with the contents of this report:



Hon. Viam Pillay
(Chairperson)



Hon. George Vegnathan
(Deputy Chairperson)



Hon. Salote Radrodro
(Member)



Hon. Alipate Nagata
(Member)



Hon. Ratu Tevita Niumataiwalu
(Alternate Member)

APPENDIX

Published written evidence

Written evidence was received from the iTaukei Trust Fund Board which, together with the transcript of the public hearing, and can be viewed on the Parliament website at the following link: <http://www.parliament.gov.fj/committees/standing-committee-on-social-affairs/>