

# PARLIAMENT OF THE REPUBLIC OF FIJI



## PARLIAMENTARY DEBATES

### DAILY HANSARD

**WEDNESDAY, 31<sup>ST</sup> AUGUST, 2022**

**[CORRECTED COPY]**

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**WEDNESDAY, 31<sup>ST</sup> AUGUST, 2022**

The Parliament met at 9.36 a.m. pursuant to adjournment.

MR. SPEAKER took the Chair and read the Prayer.

**PRESENT**

All Members were present, except the honourable V.R. Gavoka; the honourable Ro T.V. Kupa; the honourable Dr. M.T. Naulumatua; the honourable Professor B.C. Prasad 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 Tuesday, 30th August, 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**

I welcome all Honourable Members to today's sitting. I also welcome all those joining us in the public gallery and those watching the live broadcast of the proceedings. Thank you for your continued interest in the workings of your Parliament.

This morning, we have members of the Australian High Commission who are here in the public gallery, visiting us. I trust that you will have an educational and an enjoyable time, although it is never enjoyable in here sometimes.

(Laughter)

**PRESENTATION OF REPORTS OF COMMITTEES**

Review Report - Housing Authority 2016-2017 Annual Report

HON. V. PILLAY.- Mr. Speaker, Sir, I am pleased to present the Report of the Standing Committee on Social Affairs on the Annual Review of the Housing Authority for 2016 and 2017. 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 Housing Authority 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.

The year 2017 has been another progressive year for the Housing Authority recording a

surplus of \$1.70 million in comparison to \$1.473 million recorded in 2016. The financial performance drivers were revenue from sale of lots and interest income from mortgage loan portfolio. A total of 107 lots in 2017 compared to 381 lots sold in 2016, 19 customers were assisted under the Social Housing Policy Scheme during the year. The scheme is directed to assist qualifying customers who are in financial distress and find difficulty in maintaining their repayments over the years. Total customer debt forgiven in 2017 was \$0.565 million.

We note that the major challenges facing the Housing Authority is to provide housing that low income families can afford. As such, the Authority has strengthened its Land and Housing Development Division and going forward, it intends to pursue design and build initiative. This initiative aims to save customers' time and effort in constructing their homes after they have purchased lots.

The Housing Authority strives to ensure that Fijians have access to decent, affordable and quality housing for their families as provided under Section 35 of the 2013 Fijian Constitution. It has set a new platform and strategic direction that will guide it towards achieving its vision of providing affordable homes for all Fijians.

At this juncture, I wish to thank the Chief Executive Officer of Housing Authority, Mr. Ritesh Singh and his staff for their timely assistance in this review process. I also extend my gratitude to my Committee colleagues namely honourable George Vegnathan (Deputy Chairperson), honourable Alipate Nagata, honourable Salote Radrodro and honourable Ratu Tevita Navurelevu who substituted for honourable 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 Parliament to take note of the Report.

(Report handed to the Secretary-General)

HON. V. PILLAY.- Mr. Speaker, pursuant to Standing Order 121(5), I hereby move:

A motion without notice that a debate on the content of the Report is initiated at a future sitting.

HON. G. VEGNATHAN.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

#### Review Report – Ministry of Agriculture 2016-2018 Annual Reports

HON. S. S. KIRPAL.- Mr. Speaker, Sir, I am pleased to present the Review Report of the Ministry of Agriculture 2016-2017 and 2017-2018 Annual Reports. The Committee is grateful to the management and staff of the Ministry of Agriculture for their commitment and endless support of its stakeholders that enabled the Ministry to achieve its key mandated objectives for the periods under review.

The Committee noted that the Ministry had aligned to its relevant outcomes identified in the Government's 5-Year and 20-Year National Development Plan, Ministry of Agriculture 5-Year Strategic Development Plan (2019-2023), Green Growth, National Climate Change Policy and National Adaptation Plans. With the vision of "a modernized agriculture sector providing food and income security for all Fijians" and its mission is "to excel in the provision of customer focused and market driven

services in the agricultural sector”, the Ministry embarked.

The 2017-2018 Financial Year was a challenging one for the Ministry as they were still trying to recover from the devastating impact of *TC Winston* on Fiji’s agriculture sector. This demands for rapid rehabilitation process which is highlighted in the 2016-2017 Annual Report which will ensure achievement of the Ministry’s mandated functions – quick economic recovery, food and income security, poverty alleviation and sustainable management of natural resources.

Despite the challenges and other constraints, the Committee noted that the staff of the Ministry have continued to improve their performance addressing issues affecting the development of the sector whilst identifying and exploring opportunities that are available.

Mr. Speaker, Sir, the Committee wishes to commend the Permanent Secretary for Agriculture and the senior officers of the Ministry for their contribution towards the final compilation of the Committee’s Report to Parliament.

Last but not the least, I wish to extend my appreciation to all the honourable Members of the Committee namely honourable Jale Sigarara (Deputy Chairperson), honourable Alexander O’Connor, honourable Mitieli Bulanauca and honourable Jese Saukuru for the successful compilation of this bipartisan Report.

On behalf of the Standing Committee on Natural Resources, I commend this Report to Parliament and request all Members of this august Parliament to take note of the Report.

(Report handed to the Secretary-General)

HON. S.S. KIRPAL.- Mr. Speaker, Sir, pursuant to Standing Order 121(5), I hereby move:

A motion without notice that a debate on the content of the Report is initiated at a future sitting.

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

Question put.

Motion agreed to.

#### Review Report – Public Rental Board 2018 Annual Report

HON. V. PILLAY.- Mr. Speaker, Sir, I am pleased to present the Report of the Standing Committee on Social Affairs on the annual review of the Public Rental Board (PRB) for 2018. 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 Report which were sent to PRB 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.

For the PRB, the year in review mainly focused on planning and re-strategising to deliver on Government’s vision of providing affordable, quality and appropriate rental housing for all Fijians. As such, the Board focused its efforts on developments to deliver one of the most basic needs to

low and middle income families.

The Board recorded a total comprehensive income of \$764,772 in 2018 as compared to \$851,207 in 2017. The total operating revenue increased by 1.24 percent in 2018, similarly the total expenditure increased in 2018 by 4.17 percent as compared to 2017. The Board also implemented the Job Evaluation recommendation for its staff members undertaken by PWC in 2017. The Board continued to promote and sustain community developments through estate meetings, community awareness and estate beautifications. These have enabled the estate communities to form youth groups, women groups and estate committees.

We note that the 2018 year also presented some challenges to PRB. Amongst others, the most notable were the rising maintenance costs of PRB flats and the difficulty faced in sourcing finance from the financial markets to fund planned capital projects.

At this juncture, I wish to thank the General Manager of the Public Rental Board, Mr. Timoci Naleba and his staff for their timely assistance in this review process. I also extend my gratitude to my Committee colleagues namely, honourable George Vegnathan (Deputy Chairperson), honourable Alipate Nagata, honourable Salote Radrodro and honourable Ratu Tevita Navurelevu who substituted for honourable 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 Parliament to take note of the Report.

(Report handed to the Secretary-General)

HON. V. PILLAY.- Mr. Speaker, Sir, pursuant to Standing Order 121(5), I hereby move:

A motion without notice that the debate on the content of the Report is initiated at a future sitting.

HON. G. VEGNATHAN.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

#### Review Report – Water Authority of Fiji 2017 Annual Report

HON. S. S. KIRPAL.- Mr. Speaker, Sir, I am pleased to present the Committee Review Report of the Water Authority of Fiji (WAF) 2017 Annual Report.

The Committee's oversight function is to scrutinise government departments with responsibility within the Committee's mandate and make recommendations relating to any aspect of functioning, administration, legislation or proposed legislative programme, budget, rationalisation, restructuring and policy formulation as legislated under the Parliament Standing Orders.

Firstly, I wish to thank the Chairperson and the Board Members of the Water Authority of Fiji who during the period under review, drove the Authority towards service excellence in delivering clean water and sanitation for all Fijians. Sir, WAF undertook the initiative in response to Government's Initiatives set out in the National Development Plan. The Committee noted that the initiative was the central guiding theme of the Water Authority of Fiji's Strategic Plan 2017–2019.

Some of the major highlights during the review period are as follows:

- Water Authority of Fiji received an award of the 2017 Global Water Awards for its water champion programme.  
]
- Water Authority of Fiji received US\$31 billion grant from the Green Climate Fund, a component towards US\$4 million or US\$5 million investments from the Fijian Government, ADB/EIP to develop the Suva/Nausori Water Supply system which would result in improved water services for close to 400,000 people.
- Carbon credit for greenhouse gas reduction, Water Authority of Fiji claims \$350,000 from ADB by reducing emissions at 22,000 tonnes. This basically showed that the Authority continues to show commitment in growth and providing all Fijians access to better and efficient service delivery as per SDG 6 - Clean Water and Sanitisation. Overall, the performance of WAF during the period under review was satisfactory, despite the challenges and constraints faced by WAF.

Last but not the least, I wish to extend my appreciation to all the honourable Members of the Committee who were part of the successful compilation of this bipartisan Report, namely; Hon. Jale Sigarara (Deputy Chairperson, Hon. Alexander O'Connor, Hon. Mitieli Bulanauca and Hon. Jese Saukuru.

On behalf of the Standing Committee, I also extend my appreciation to the Secretariat staff for their timely support in the compilation and preparation of this Report, and I commend this Report to Parliament.

(Report handed to the Secretary-General)

HON. S.S. KIRPAL.- Mr. Speaker, Sir, pursuant to Standing Order 121(5), I hereby move:

A motion without notice that a debate on the content of the Report is initiated at a future sitting.

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

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

Question put.

Motion agree to.

#### Review Report - Electoral Commission 2018 Annual Report

HON. A.A. MAHARAJ.- Mr. Speaker, Sir, I beg to start with the statement, 'The right to free and fair elections is a key component of any democracy.' The right is enshrined in Article 21 of the Universal Declaration of Human Rights, which states that "the will of the people shall be the basis of the authority of government; this will shall be expressed in periodic and genuine elections, which shall be by universal and equal suffrage and shall be held by secret vote or by equivalent free voting procedures."

Mr. Speaker, Sir, elections in Fiji are governed by the Constitution of the Republic of Fiji and the Electoral Act of 2014. The Electoral Commission is the constitutionally mandated independent electoral management body in Fiji that oversees the running and conducting of free and fair elections.

Mr. Speaker, the Committee's Report tabled this morning covers the Committee's review of the Electoral Commission Annual Report for the year 2018, which was referred to my Committee, the Standing Committee on Justice, Law and Human Rights, in February 2020.

Mr. Speaker, Sir, from the review, the Committee identified some main areas of discussion that form its key findings from the review and which are addressed in the Committee's Report, and these include:

1. That the Electoral Commission has given an opportunity to all Fijians, even those who reside in very remote locations, to be able to vote. This has been achieved through having pre-poll as part of the electoral system in Fiji.
2. That the Electoral Commission achieved a great milestone by successfully conducting another election after the D'hondt system was first introduced in the 2014 General Election.
3. The Electoral Commission is commended for being able to address the challenges encountered in the 2018 General Election, which includes the spread of false news about the Election via social media and the bad weather conditions that hampered certain voters from being able to vote on Election Day.
4. The Electoral Commission is commended for its transparent system for selecting the 3-digit numbers to be used for candidate numbers.
5. The Electoral Commission is commended for its Election awareness and outreach programmes for the year 2018, especially the 'Know Your Election' programme, which were conducted in both, urban and rural areas, inclusive of villages, communities and schools.
6. The 2018 General Election had a reasonable voter turnout when compared with other neighbouring Pacific Island countries that have a similar electoral system to that of Fiji.
7. It was noted that there was insufficient gender-related information provided in the Annual Report, however, after seeking clarification, the Committee commends the work carried out by the Commission in empowering women and girls and promoting gender equality.

Mr. Speaker, these findings were realised after extensive discussions between the Committee and the Commission on pertinent matters identified from the Annual Report, and I would like to mention a few key points from these discussions which, I believe, will help honourable Members of this august Parliament and the public in clearing some of the lingering questions they may have.

In terms of inclusion and participation of all Fijians in the Election, the Commission advised that there are certain initiatives that are being planned which it believes contributes to and promotes equal opportunities for all persons, including women, girls and marginalised persons, participating in election, and these include:

1. The Electoral Commission advised, at the time of providing the response, that it will have induction programmes for new political parties that will include awareness on women inclusiveness in political participation.
2. The Electoral Commission advised, at the time of providing the response, that it will conduct workshops on inclusivity with political parties.



3. The Electoral Commission advised, at the time of providing the response, that it will work with Civil Society Organisations in developing voter awareness on the importance of women participation in elections.
4. The Commission's work in improving participation of all Fijians by increasing support towards improved access and participation in the electoral process, for persons with disabilities.

In regard to pre-poll, Mr. Speaker, it was noted that this allows voters to physically vote in advance of the polling day, due to specific grounds which are covered by the Electoral Act 2014, which include:

1. the remoteness of the locality of where the voter resides;
2. the number of voters residing in a locality is insufficient for establishment of a polling station; or
3. a voter being -
  - (a) a resident of a nursing home or healthcare facility;
  - (b) member of the Disciplined Forces;
  - (c) under pre-trial detention or sentence of imprisonment; or
  - (d) in any other place approved by the Electoral Commission.

Mr. Speaker; it should also be noted that the criteria and guidelines for identifying pre-poll venues are set by the Commission with close collaboration with the Fijian Elections Office, whereby one of the key criteria is remoteness, and this is defined in the Fijian Elections Office Operations Guidelines which states that 'remoteness' means –

- Located in maritime zones;
- More than three hours of travel from an area office; and
- Not accessible by road.

A venue that is used for polling or pre-polling is set by a Polling Venue Selection Committee which, in 2018, reviewed and approved the recommended polling venues for the 2018 General Election and consisted of staff from the Fijian Elections Office, the Director of Operations (Fiji Police Force) and Director Geospatial from the Ministry of Lands. The role of this Committee was to recommend to the Supervisor of Elections the list of polling venues to be used for the 2018 General Election.

Mr. Speaker, there were also numerous comments on the inclusion of essential services staff as part of pre-poll which the Electoral Commission opposed, given the important services provided by essential services personnel and that the implications of having to remove them from their place of work to join a line to vote either on election day or in pre-poll is potentially disastrous to public welfare.

Mr. Speaker, in 2018, the Electoral Commission appreciated the necessity of not disrupting essential services and recognising that these individuals be away from their assigned polling stations on polling day. Thus, through consultations with the various essential services organisations, it was agreed that their staff, who are also registered voters, apply for postal voting.

Mr. Speaker, I would like to also enlighten Parliament and members of the public about the main challenges faced by the Electoral Commission during the Election year in 2018 and how these were addressed. The Committee was advised that one of main challenges faced by the Commission was the spread of false information about the Election on social media and various other platforms.

This saw the considerable effort and resources diverted to counter false information with accurate and credible information.

The Commission also had to deal with various political leaders who also produced articles that attempted to undermine the credibility of the Elections. Futile attempts had been made to discredit the results, however, quick actions by the Supervisor of Elections ensured that the misinformation was quickly identified and clarified. The other main issue was the bad weather condition on Election day that affected the turnout in the Elections.

Mr. Speaker, Sir, in terms of deciding the numbers for the ball roll, the Committee noted that the Commission believed that applying any of the set of 3-digits numbers from the 2014 General Elections in the 2018 General Elections would confuse the voters and thus, to prevent that confusion for the 2018 General Elections, the Electoral Commission decided to use a ball draw system, similar to the National Candidates Ball draw, to select the first 3-digits in the ballot paper. The process took away any illusion of bias in the selection of the first 3-digit numbers and the draw would be done live on television and the internet, and be carried out by a blindfolded person in the presence of a Police Officer.

Furthermore, Mr. Speaker, Sir, the Committee also highlighted from the review the increase in the number of voters who did not turn up in the 2018 General Elections. The Committee saw this as an opportunity to focus on the positive aspect of this issue and conducted a comparative analysis on a jurisdictional basis, to see how well the voter turnout for Fiji's Election was when compared to other Pacific Island countries with similar electoral system.

The Committee took note of New Zealand and Kiribati, since these two countries are similar to Fiji's electoral system whereby voting is not compulsory. It was noted that compared to those two countries, Fiji's voter turnout is reasonable, whereby in New Zealand it was 79.75 percent and in Kiribati, it was 75.67 percent.

Mr. Speaker, Sir, at the conclusion of the review, the Committee commends the Commission for their tremendous achievements in 2018. However, the Committee believes that it is prudent to provide the following recommendation for consideration by the Electoral Commission, that the Electoral Commission, through the Fijian Elections Office, continues with its advocacy programmes on elections which are in line with the Office's Strategic Plan 2020-2023 whereby one such goal is to strengthen electoral participation through effective outreach and engagement programmes.

Mr. Speaker, Sir, at this juncture, I would like to acknowledge the honourable Members of the Standing Committee on Justice Law and Human Rights - honourable Rohit Sharma, honourable Mosese Bulitavu, honourable Dr. Salik Govind, honourable Mikaele Leawere, and former Member, honourable Ratu Suliano Matanitobua, for their deliberation and input, and the alternate Members who made themselves available when substantive Members could not attend, and the Secretariat for their support. Also, acknowledging the representatives of Fiji's electoral management bodies, who kindly answered the Committee's request and made themselves available to answer pertinent questions which assisted the Committee in its work.

The Committee also takes this opportunity to commend the Electoral Commission for conducting a successful fair and transparent 2018 General Elections. The Committee notes the tremendous effort placed by the former Chairperson, Mr. Suresh Chandra, and other Commissioners in conducting a just and fair Election, even though on the day of Election, mother nature was not in favour, nor gave a conducive environment to conduct a smooth and hindrance-free Election in 2018.

Mr. Speaker, Sir, I, on behalf of the Committee, table this Report to Parliament and commend

the Fijian Electoral Commission for its Annual Report for the year 2018. Thank you, Mr. Speaker, Sir.

(Report handed to the Secretary-General)

HON. A.A. MAHARAJ.- Mr. Speaker, Sir, pursuant to Standing Order 121(5), I hereby move:

A motion without notice that a debate on the content of the Report is initiated at a future sitting.

HON. R.R. SHARMA.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

#### Review Report - Ministry of Lands and Mineral Resources 2014 and 2015 Annual Reports

HON. S.S. KIRPAL.- Mr. Speaker, Sir, I am pleased to present the Review Report on the Ministry of Lands and Mineral Resources 2014 and 2015 Annual Reports.

The Committee is grateful to the Management and staff of the Ministry of Lands and Mineral Resources for their commitment that enabled the Ministry to achieve its key-mandated objectives for the periods under review. During the period under review, the Committee noted that the Ministry of Lands and Mineral Resources administrates all State land and regulates all mineral resources in Fiji, with the aim to ensure that all State land, minerals and the groundwater sector is sustainable.

The Ministry has two Departments - the Lands and Surveys Department and the Mineral Resources Department. The Lands Department's programmes and activities are designed to provide the administration, development and management of all State land, including the foreshore, while the Mineral Resources Department works towards providing access to available groundwater sources that are present for human consumption, and are developed through properly-conducted hydrogeological investigation and assessment with quality boreholes. In addition, managing groundwater sources to ensure sustainability, with minimum impact on the environment.

The two Departments were supported by the Corporate Services Division and the Policy and Research Unit. A highlight of the Ministry's Corporate Division during the years under review was the preliminary work facilitated on the review of the organisational restructure and the decentralisation of authorities on finance and budget implementation. The Division also set up the Training Unit to coordinate human resource management and Post Processing Unit to simultaneously review all Job Descriptions and advertise vacancies accordingly.

The Committee reviewed that the Ministry's overall performance in 2014 and 2015 was satisfactory. It was noted that during those operational years, the Ministry met the challenges, which enabled the Ministry to promote and improve their service delivery. The Committee noted that the dedication of all the staff of the Ministry in both the years 2014 and 2015, that had enabled the Ministry to implement its programmes that were budgeted for and more importantly, in achieving its targets.

The Committee wishes to commend the Permanent Secretary for Lands and Mineral Resources and the Senior Officers of the Ministry, for their contribution towards the final compilation

of the Committee's Report to Parliament.

At this juncture, I wish to extend my appreciation to all the honourable Members of the Committee, namely; honourable Jale Sigarara, honourable Alexander O'Connor, honourable Mitieli Bulanauca and honourable Jese Saukuru for the successful compilation of this bipartisan Report.

On behalf of the Standing Committee on Natural Resources, I also extend my appreciation to the Secretariat staff for their timely support in the compilation of this Report, and I commend the Report to Parliament.

(Report handed to the Secretary-General)

HON. S.S. KIRPAL.- Mr. Speaker, Sir, pursuant to Standing Order 121(5), I hereby move:

A motion without notice that a debate on the content of the Report is initiated at a future sitting.

HON. J. SIGARARA.- Mr. Speaker, I second the motion.

Question put.

Motion agreed to.

#### Review Report – Fiji Revenue and Customs Service 2017-2018 Annual Report

HON. V. NATH.- The Standing Committee on Economic Affairs is pleased to submit to Parliament the Review Report of the Fiji Revenue and Customs Service 2017-2018 Annual Report. During the period under review, the Fiji Revenue and Customs Service (FRCS) collected \$2.83 billion in net tax revenue, recording a growth of \$252.8 million, which was about 9.8 percent over the previous fiscal year of 2016-2017.

Sir, FRCS has introduced the Standard Interpretation Guidelines (SIGs) during the 2017-2018 period which is an extremely useful instrument that enables taxpayers to understand the technical interpretations made by FRCS. These guidelines cover all complex issues which the taxpayers would be able to access and understand, especially regarding specific tax policies.

The Committee commended FRCS for transitioning towards the use of digital technology through the use of HR Information System, including the Online Performance Management System within the organisation. The FRCS designed and consulted on the New Tax Information System (NTIS) Programme and the Taxpayer Online Services during the period under review.

I would like to take this opportunity to extend our appreciation to the Chief Executive Officer (CEO) of the FRCS and his team members for making time to present before the Committee.

Finally, I would like to thank our Committee Members who were part of the team that produced this Report: the Deputy Chairperson - honourable Veena Bhatnagar, honourable Sachida Nand, honourable Inosi Kuridrani and honourable Ro Filipe Tuisawau. I also take this opportunity to acknowledge and thank our Parliamentary staff, who have given their invaluable support.

On behalf of the Standing Committee on Economic Affairs, I commend the review of the Fiji Revenue and Customs Service 2017-2018 Annual Report to Parliament.

(Report handed to the Secretary General)

HON. V. NATH.- Mr. Speaker, Sir, pursuant to Standing Order 121(5), I hereby move:

A motion, without notice, that a debate on the content of the Report is initiated at a future sitting.

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

Question put.

Motion agreed to.

Review Report – Compliance Audits Relating to COVID-19 Responses

HON. A.A. MAHARAJ.- Mr. Speaker Sir, I, as the Chairperson of the Standing Committee on Public Accounts, take this opportunity to speak on the Review Report on Compliance Audits Relating to COVID-19 Responses. This Report follows the Report of the Auditor-General of the Republic of Fiji – Compliance Audits Relating to COVID-19 Responses.

This Report summarises the audit issues raised by the Office of the Auditor-General (OAG) in relation to the following audits:

1. Implementation of COVID-19 Preparedness and Response Plan;
2. Procurement of Biomedical Equipment and Quarantine Accommodation and Stock Management for COVID-19;
3. Management of COVID-19 Aid;
4. Micro, Small and Medium Enterprises Credit Guarantee Scheme; and
5. Management of Agricultural Assistance-Farm Response Package, Home Gardening Seed Packages and Improvement of Farm Genetic.

Mr. Speaker Sir, the Compliance Audit Relating to COVID-19 Response focusses on specific control procedures implemented on the different COVID-19 response programmes. The above mentioned five Audit Reports were thoroughly scrutinised by the Committee, in consultation with the relevant Ministries and Departments. Mr. Speaker Sir, I will address this in detail.

Mr. Speaker, Sir, I would like to put this on record, that this was a very premature audit that was conducted by the OAG. The Committee fails to understand that at the height of COVID-19 pandemic when agencies were trying to control a pandemic which the world has never seen, the OAG was busy in keeping Ministries engaged in the audit process.

On one side, the Ministry of Health was trying to control the pandemic, the Ministry of Economy was assisting the people in need financially, the Ministry of Agriculture was distributing seedlings for food security, but the OAG was conducting audit and looking for SOPs within the Ministry.

We all know and understand that we never had a pandemic like COVID-19 whereby borders were closed. The country's economy was brought down to its knees. People were waiting for assistance to put food on the table. However, the OAG was conducting audit within the Ministries.

The honourable Prime Minister used to be in the Ministry of Health daily with his Cabinet making decisions there and then to assist people and the OAG was putting in recommendation that

policies do not have Cabinet approval. The Ministry of Economy received more than \$400 million in aid during the pandemic and the OAG just conducted the audit on \$23 million.

While the Reserve Bank of Fiji was assisting SMEs through concessional loans through financial institutions, the OAG was recommending to increase the bureaucratic process by duplicating what was already being done by financial institutions, Mr. Speaker. Sir, for this reason the Committee believes that this was a premature audit.

On the implementation of COVID-19 Preparedness and Response Plan, Mr. Speaker Sir, audit on this was undertaken to obtain sufficient and appropriate evidence to form a conclusion on whether the Ministry of Health and Medical Services, through their Incident Management Team (IMT), had implemented response actions in accordance with Fiji's COVID-19 Preparedness and Response Plan for Level 1 (No potential or confirmed cases of COVID-19 in Fiji) and Level 2 (Cases of imported potential or confirmed COVID-19 in Fiji without any local transmission).

The Ministry of Health and Medical Services, through responsible leads, has generally implemented appropriate response actions in accordance with Fiji's COVID-19 Preparedness and Response Plan. Implementation of the response action has enabled the state of preparedness for addressing the occurrence of COVID-19 in Fiji.

In light of the identified findings of the Ministry of Health and Medical Services, it has taken into consideration the lessons learnt with improvements:

- That in anticipation of Level 3, the Ministry will require financial resources to look at surges in cases. Similar to the responses in the second wave of COVID-19, subsequent outbreaks will require both, internal and external support. The Ministry of Health and Medical Services has mechanisms to reach out for support.
- The Ministry of Health and Medical Services' IMT has developed a matrix for expenditure and the 10 key objectives or indicators that were listed. This has now been implemented for financial management of the COVID-19 funds. The framework allows monitoring of expenditure according to key areas and assist in planning and forecast for expected spending.
- Improve communications and flow of information for future events.
- The Ministry is further planning on simulation exercises and will conduct refresher trainings and build on communication and advocacy to maintain a high degree of awareness, skills and response to COVID-19.

On the procurement of Biomedical Equipment, Quarantine Accommodation and Stock Management for COVID-19, Mr. Speaker Sir, the results of the audit had indicated that the Ministry of Health and Medical Services has a number of policies and procedures that were still in the draft phase.

Audit review of the procurement of biomedical equipment noted that all processes and procedures were followed in accordance with the Fiji Procurement Regulations 2010 and the Ministry of Health and Medical Services Finance Manual. Overall, the IMT has done really well in terms of procurement of goods and services, given the unprecedented challenges brought about by the pandemic.

On the management of COVID-19 Aid, the primary objective of the audit on this was to

obtain sufficient and appropriate evidence to form a conclusion on whether processes and controls existed were effective to manage the COVID-19 Aid. It was highlighted that the Management of COVID-19 Aid was generally being administered well with areas of improvement, such as:

1. Updating of the SOPs in consultation with other key stakeholders to capture additional operational matters, which is handled by the Climate Change and International Cooperation Division at the Ministry of Economy through lessons learnt during the pandemic.
2. The Ministry of Economy is in the process of developing a tool that will capture aid-in-kind at the whole of Government level as a strategy to increase accountability of Government Ministries, and to ensure duplicity of projects and resource allocations is well utilised across the Government.

On Micro, Small and Medium Enterprises Credit Guarantee Scheme (MSMECGS), the COVID-19 pandemic has significantly impacted all businesses, especially the MSMEs. The MSMECGS was established in 2012 with the aim of expanding lending to MSMEs and support the Government's initiatives to promote MSMEs development, investment and local business activity.

The Fijian Government had allocated funding through its COVID-19 Response Budget for the review of the MSMECGS to encourage private sector lending to MSMEs. Government had allocated an additional \$5 million to assist MSMEs affected by the pandemic, raising the total amount allocated to \$9 million. Major highlights identified that the MSME Scheme had been expanded during the COVID-19 pandemic to include micro enterprises and administered by the Reserve Bank of Fiji (RBF).

Mr. Speaker, Sir, in April 2020, the Scheme was enhanced where the Government raised its guarantee to 60 percent of the principal outstanding on defaulted MSME loans up to a limit of \$60,000 per business from 50 percent or \$50,000 previously. It is important to note what OAG has picked as an issue and made recommendations that are not practical as RBF will be duplicating the process of commercial banks and this will only increase bureaucracy.

Financial institutions giving out loans have their own set of guidelines and checklist that they go through before approving any loan. The OAG is recommending the RBF to have the same checklist and processes basically duplicating the process. However, the RBF has taken quick and decisive action to comply with standard procedures which include the:

1. RBF strengthening its procedures and added checklist that reflect the updated guidelines.
2. RBF revising its reporting template effective from 1st June, 2020 and the annual turnover is now a requirement under the new MSMECGS reporting template in line with the revised definition of MSMEs. The banks have issued a new reporting template for financial institutions to submit turnover data for their respective registered MSME business loans.

With respect to No. 2, what the OAG failed to realise was if a company was given a loan in 2012 or 2013, depending on their turnover back then, the turnover by year 2021 when the audit was conducted must have increased and now, what the Auditor-General is saying that an entity does not qualify for the concessional loan based on 2021 turnover, does not make sense.

On the management of Agricultural Assistance-Farm Response Package, Home Gardening Seed Packages and Improvement of Farm Genetic, the Ministry of Agriculture is responsible for the administration and delivery of the COVID-19 agricultural assistance to farmers and individuals meeting the eligibility criteria for home gardening, farm support and large commercial farming. An

allocation of \$1million was allocated to the Ministry as response to address the Food Security Agricultural Growth and Expansion Plan.

Given the identified issues by the Auditors, the Ministry has taken stringent measures to ensure non-recurrence of issues by ensuring that supplies of farming materials will be based on an open transparent manner with consideration given to the most economical supplier.

Mr. Speaker, Sir, overall, I thank the Executive Management of those Ministries and Departments that appeared before the Committee to clarify the audit issues that were raised. It is worth noting that this was not an easy time for Fiji, Fijians and the Fijian Government.

I would like to personally thank the Permanent Secretary for the Ministry of Health and Medical Services and the Permanent Secretary for Ministry of Economy. These two Permanent Secretaries were appointed at the height of COVID-19 and gave in 200 percent towards mitigating and controlling COVID-19 pandemic and at the same time, ensuring that the country's economy continues to run, and assisting every affected Fijian in ensuring no one slept hungry at night.

Most importantly, the Committee acknowledges the positive response from the line Ministries and Departments by putting in place measures to address audit issues and provided clarifications on the issues that were raised, and the technical clarification from the staff of the OAG.

I wish to extend my appreciation to all honourable Members of the Committee who were part of the successful compilation of this bipartisan Report namely; honourable Joseph Nand (Deputy Chairperson), honourable Ro Teimumu Kepa, honourable Virendra Lal and honourable Aseri Radrodro. I also extend my appreciation to honourable Mikaele Leawere, who stood in as an Alternate Member, pursuant to Standing Order 115(5).

On behalf of the Committee, I also extend my appreciation to the Secretariat - Mr. Savenaca Koro, Ms. Susana Korovou and Mr. Mateo Lagimiri, along with Ms. Alumita, for their timely support in the compilation and preparation of this Report. With those words, I now present this Report to Parliament.

(Report handed to the Secretary-General)

HON. A.A. MAHARAJ.- Mr. Speaker, Sir, pursuant to Standing Order 121(5), I hereby move:

A motion, without notice, that a debate on the content of the Report is initiated at a future sitting.

MR. SPEAKER.- Parliament will now vote.

Question put.

Motion agreed to.

MR. SPEAKER.- Honourable Members, on that note we will take an adjournment of half-an-hour. We adjourn.

The Parliament adjourned at 10.32 a.m.



The Parliament resumed at 11.07 a.m.

**REVIEW REPORT – FIJI NATIONAL PROVIDENT FUND  
2019-2021 ANNUAL REPORTS**

HON. V. PILLAY.- Mr. Speaker, Sir, I move:

That Parliament debates the Review of the Fiji National Provident Fund 2019, 2020 and 2021 Annual Reports which were tabled on 10th May, 2022.

HON. G. VEGNATHAN.- Mr. Speaker, Sir, I second the motion.

HON. V. PILLAY.- Mr. Speaker, Sir, the FNPF is Fiji's largest financial institution. Established over 50 years ago, it is Fiji's only superannuation fund committed to securing the future of Fijians.

The FNPF is a defined contribution fund that provides superannuation services to its members. The FNPF Act 2011 guides the operations of the Fund. As such, FNPF is mandated by law to collect compulsory contributions from all employees and employers towards the retirement savings of all workers in Fiji. Apart from retirement savings, the Fund also provides pre-retirement benefits such as housing, medical and education assistance.

Sir, FNPF is a major investor in Fiji and one of the country's largest property owners. The Fund also owns majority shares in Amalgamated Telecom Holdings Limited, Vodafone Fiji Limited, HFC Bank, and fully owns the Natadola Bay Resort Ltd., that is, the InterContinental Fiji Golf Resort and Spa, Holiday Inn in Suva, Momi Bay Resort Pte Ltd, that is, the Fiji Marriott Resort, Marriot Denarau Properties and the Grand Pacific Hotel.

The Fund recorded a net income of \$543 million in 2021, compared to \$370 million in 2020. Strong performance in fixed income and treasury investments contributed \$331.3 million towards the net income. Other investment portfolio such as equity, commercial loans and properties added \$212.1 million as well.

Due to such steady performance, an interest rate of 5 percent was declared and \$302.8 million was distributed to 389,986 members. The Funds' net assets as at 2021 stood at \$8.2 billion with a growth rate of 3.5 percent. The investments portfolio generated return on investment of 6.5 percent overall.

Furthermore, the 2021 Annual Report outlined the following key activities to be rolled out:

1. Development of disruption framework that would encompass measures to be followed during disruption events, such as pandemic, natural disaster, et cetera;
2. Review of the Fund's human resource processes to ensure its relevance is dictated by changing environment and business needs;
3. Robust learning and development programmes;
4. Continuation of the Funds' succession planning programme to ensure talent is managed appropriately and leadership skills continue to be developed and sustained; and
5. Continuation of containment efforts in ensuring the Fund continues to curb, control and

manage the effects of COVID-19 on its members and staff.

Thank you, Mr. Speaker, Sir.

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

HON. M.R. LEAWARE.- Mr. Speaker, Sir, please, allow me to contribute very briefly on the Review Report of the Fiji National Provident Fund 2019, 2020 and 2021 which is before Parliament this morning. I thank the Chairman of the Standing Committee and Members, as well as the Secretariat for this Report.

Mr. Speaker, Sir, the Fiji National Provident Fund (FNPF) was formed to ensure that workers in Fiji had a decent life at retirement and according to its vision of securing our future and in fact the mission statement also reflects what the Fund is supposed to do, that is, to understand its customers, offer services and ensure sustainable returns for a meaningful retirement.

In fact, Mr. Speaker, Sir, one must ask, what does this mean? In reality, come retirement with the 70 percent members who have below \$10,000 in their accounts, they would have virtually nothing to support them financially. The Scheme condemns the workers to extreme poverty and, in fact, into the category of destitute. This is a concern for the workers, Sir, as clearly, the richer are getting richer while the poor are condemned to poverty.

Now, with the Government imposing fixed term contracts causing job insecurity, hardship in securing bank loans for housing, education and medical treatment, the Government uses FNPF as a cash cow to help workers of this country.

We see that the Vision Statement is very odd in terms of what FNPF is currently doing. Mr. Speaker, Sir, FNPF needs to walk the talk and make workers their priority rather than using their members' funds for government borrowings and of which they have a right to be informed about.

Also of concern, Mr. Speaker, Sir, is the changing of the law to suit the Governments' agenda of choosing who they want to be Board members. This is a deviation from why FNPF was established. In the absence of the workers representatives in the Board, Sir, the Government can do whatever they want because those making decisions are like pawns in a chess game - you put them there and everywhere.

This breeds wastage, Mr. Speaker, Sir, by poor decision-making when there are no workers representatives to provide the checks and balances and does not reflect proper financial management. In the case of Fiji Airways Mr. Speaker, Sir, the Board has demonstrated its total disregard for workers' fundamental rights and has shown no sensitivity to those who put money into FNPF.

On the Committee's observation, Mr. Speaker, Sir, it is of concern that the FNPF was not able to disclose to them the entities who had defaulted on repayments. The FNPF informed the Committee that it was bound by the confidentiality clause of those loan agreements, which further assured that all loans went through a vigorous process which were vetted by a three-tiered committee system before being tabled to the Board for approval or otherwise. Of course, in the absence of the workers representatives.

A Committee of Parliament has the necessary powers to obtain any information from any entity. It begs the question, who is who in this case?

Mr. Speaker, Sir, the recommendations of the Committee are quite pertinent and I hope that

FNPF take this on board. Thank you, Mr. Speaker, Sir, and I thank the Chairman of the Standing Committee for the Report.

HON. LT. COL. P TIKODUADUA.- Mr. Speaker, this Review Report focusses on three FNPF Annual Reports, namely from 2019 to 2021, ending on 30<sup>th</sup> June, 2021. The 2022 Annual Report has not been released yet, and even if it was, it would not have been reviewed to-date.

However, FNPF Reports are released in a timely manner. One wonders, why? Maybe, it is due to the fact that FNPF is not funded by taxpayers, but by the workers of Fiji, and the Government-control Board of FNPF has no choice....

HON. A. SAYED-KHAIYUM.- Nonsense!

HON. LT. COL. P TIKODUADUA.- ....but to strictly adhere to the timeline, as far as the announcement of dividend for members, as well as the publication and release of the Report is concerned. At least, Mr. Speaker, we get to know how much debt the Government has, or where the bulk of the workers' money has gone.

As at 30<sup>th</sup> June, 2021, Government's debt stock with FNPF stood at \$3.5 billion. Undoubtedly, it has increased like it does every year, so let us make realistic comparisons. As of 31<sup>st</sup> July, 2021, the total Government debt, according to the 2021-2022 Budget Fiscal and Economic Update was forecasted at \$7.6 billion, which means that as of the last financial year, Government's debt portfolio with FNPF was 46 percent of its total forecast debt as of July 2021. Has this increased or decreased? Only the honourable Minister for Economy, the FNPF Board and the Executive Management can answer this, Mr. Speaker.

But the most alarming fact, Mr. Speaker, is that, 80.5 percent of FNPF members had balances of less than \$20,000 in their accounts as of 30<sup>th</sup> June, 2021. It meant that 359,516 out of a total of 446,658 members had less than \$20,000 as their fund balances. It is not surprising, therefore, that only a little over 4 percent of members opted for the Pension Scheme upon their retirement. This means that 96 percent of the total eligible members who have full access to their funds, withdrew every cent. Why? Because at 9 percent annuity, even a member having a balance of \$20,000 will receive \$1,800 per annum as pension or \$150 per month for their survival.

Sir, while all honourable Members of Parliament living beyond 30 kilometres of this Chamber received \$350 per day allowance or the honourable Prime Minister receiving an average of \$3,000 in daily allowance alone for overseas travel, Mr. Speaker, is this fair? The FNPF can post annual dividends of 7 percent but it does not change the fact that 18.5 percent of its members would receive a maximum of \$150 per month full pension for their survival.

When the late Mr. Ambalal Dahyabhai Patel or Mr. A.D. Patel, the founder leader of the National Federation Party moved a motion in the Legislative Council in March 1965, for the establishment of a social security scheme or a provident fund to lift ordinary workers out of poverty, he would have never envisioned that 57 years later, 80.5 percent of workers of such a scheme would have savings far below than they desired.

Fair game saw things that FijiFirst Government that taugt to shred the pension contract and force members who are decreed to a pension rate of less than 9 percent of their savings. Even if a member's balance upon retirement is \$10,000 and the member withdraws lump sum, the average spend per month would be \$133.23 and the member will exhaust the funds forever.

If the member chooses to go on pension, he or she will reserve \$100 per month because 9

percent gives only \$75 per month and the minimum rate stipulated in the FNPF Decree of 2011 is \$100. Who can survive on \$100 per month? Try telling that to the current Government which only knows its insatiable hunger for power, even if it means imposing suffering and misery on our people. We have already seen this, but this Government which refuses to get off its ivory tower in the form of Level 9, as well as from black dark-tinted Prado four-wheel drives cannot see the reality on the ground.

(Chorus of interjections)

MR. SPEAKER.- Order, order!

HON. LT. COL. P.TIKODUADUA.- Mr. Speaker, Sir, that is why we are saying that this Government is treating FNPF like a cash cow. Over 359,000 members will receive pittance, if they choose to retire and if they go for social pension scheme or welfare as well, they will receive a *saqamoli* per day for \$180 for six months. No wonder we have people with permits from District Offices to raise funds for medical treatment or burnt homes because this Government's so-called "social wages" is a colossal failure.

Kicked from pillar to post, our workers about to retire have nightmares. This is not giving anyone a leg-up, or leaving no one behind. It is trampling upon them. Why is this happening, Mr. Speaker? Because this tripartism on the FNPF has been removed and because this Government rule by Decrees and change laws to suit its agenda, long before it sets itself out to be a political party. But that will end soon, Mr. Speaker, and I thank you.

HON. S.V. RADRODRO.- Mr. Speaker, Sir, I rise to make a contribution to the Fiji National Provident Fund (FNPF) Review Report and I would like to enlighten and remind Parliament of the Mission Statement of FNPF which is "securing your future".

Mr. Speaker, Sir, in my contribution, I will focus on the membership of the FNPF Fund and as already highlighted and briefly touched on by honourable Tikoduadua, I will be specifically looking at the 2021 Report which says that the total membership is 446,658. Out of that, members that have less than \$5,000 contribution is 188,288 and of that amount, there is also those holding zero balance, which it is 58,712. It is interesting to note that the members holding zero balance continue to appear in the annual reports and they range between 50,000 and even over 60,000.

The total membership, Mr. Speaker, Sir, from those holding zero balance to maximum \$40,000, there is a total of 406,204 members. That is about 90.9 percent of the total number of 446,658. For members that hold above \$40,000 and taking it up to over \$500,000, there is only 40,634 members and that only accounts to about 9.9 percent of the total membership, Mr. Speaker, Sir. It is important for us to note these numbers because it could be misleading in regards to their Mission Statement in securing your future because 90.9 percent of this total membership sits only to a maximum of \$40,000.

Mr. Speaker, Sir, particularly after COVID-19, members were encouraged by Government policy to dip into their FNPF to be able to help themselves. Sir, that would mostly affect those who are sitting with \$5,000 to less than \$10,000, or even \$40,000 contributions. With that in mind, a lot of those people may still be out of jobs. How will these people help themselves, to be able to have a secure future, according to the Mission Statement of the Fund?

Also, there is a requirement by the Department of Social Welfare that if you have been a member of FNPF, then you would not be entitled to social welfare. So that picture gives a kind of gloom future for those sitting on \$40,000 and below, which is 406,024 members, or 90.9 percent of those members.

Mr. Speaker, Sir, the future looks very gloomy for 90.9 percent or 406,024 members in our country, particularly during this economic challenging times brought about by COVID-19. So we can anticipate that a big number of our population sitting at 400,000 would not be benefiting from Social Welfare, after they finish from the Fund. Also, you will note, Mr. Speaker, Sir, that a big number of those who hold less than \$5,000 are sitting on 55 years and above, and that is, 11,212 members.

Mr. Speaker, Sir, also with that big number, it kind of reflects an unequal distribution of wealth with those sitting with more than \$100,000 to over \$500,000. The numbers are smaller, it is only a pocket of our population who have that kind of savings in their account. Also, a question comes to mind in regards to investment. According to the Report, the Fund will explore investment opportunities in the agriculture sector, business process outsourcing, healthcare, retail manufacturing, financial and insurance sector, infrastructure assets, et cetera. A question that also comes to mind, Sir, is that in the 2019 Report, the Chairman had highlighted the FNPF's role in assisting members to achieve a better quality of life, must strike a balance with the need to save sufficiently for retirement.

Mr. Speaker, Sir, members can only save for retirement, if they are in gainful employment. Also, members who are retiring have funds. A question that we can ask is, how can these individual members be assisted? A lot of these members have worked throughout their lives, they have not really done any sort of business or engaged in businesses opportunities, whereby they could invest their FNPF savings. So, rather than just the Fund concentrating on the organisational investment, if the Fund could also look at individual opportunities for members that have FNPF savings and would like, for example, to invest in the agriculture sector.

How does the FNPF link up with the Fiji Development Bank (FDB) for small business and medium enterprises to help members invest their funds into some kind of business opportunity whereby they themselves can engage in business rather than relying on FNPF to engage on investment opportunities that are there? That is something that comes to mind when reading through the Report if individual opportunities for members could also be accorded to them by the FNPF Board, with some kind of, maybe hand holding initiative in those sectors that I have already highlighted where the FNPF intends to invest in. That being said, so the members could also be empowered with regards to investing their own savings into business opportunities that the Board could assist them access in terms of sustaining their retirement and having financial independence.

(Honourable Members interject)

HON. RO F. TUISAWAU.- Mr. Speaker, Sir, they get very excited every time I stand up.

(Laughter)

Yesterday we discussed the work of the Committee. That is an interesting point because in the Committee we have members from the Government and Opposition. In the Committee, we work very well together and that is why we produce the Committee Report, but when we come here, as I explained, we can add additional information for the sake of the public and also to assist Parliament with further information. So the bipartisanship is working well, it is just at the PM level and AG level that is not working, and they need to make it work. I note from the Report, if you look at recommendation three of the Committee, they mentioned Aspen. I support the call by the NFP leader regarding an investigation into that partnership. Aspen formed a partnership in 2019 and it resulted in the creation of a subsidiary company, Health Care (Fiji) Pte. Limited which oversees the running of Ba and Lautoka Hospitals.

The FNPF had pumped \$10.1million over the past three years into the Public-Private Partnership company with Aspen. Apart from FNPF's investment of \$10.1million, \$424,000 was borrowed by Aspen from FNPF as highlighted in the Fund's 2019 Report. Also noted in that suggestion, \$10.1 million was

injected in three instalments: 2019 - \$1.224 million; 2020 - \$3.2 million and 2021 shows an investment of a further \$5.7 million totalling \$10.1million. The public needs to know how has this been spent, and the returns, of course, might be in a few years, so what are the expected returns? Those details need to be clear.

The 2021 Report shows the value of 80 percent ownership by FNPF of Health Care (Fiji) Pte. Limited is \$6.109 million, somehow amazingly rising from \$1.87 million in 2020. So, \$10.1 million of workers' money has been pumped into this so-called partnership but the 380,000 people that were supposed to benefit are still waiting for the much promised world class health and medical services.

I would like to add that the open heart surgery which was supposed to happen in Lautoka, that has been announced quite a few times and we are still waiting for that. I think it has been shifted about four times, so the sooner that eventuates, the better, if not, do not announce it. Just announce it when it happens.

Recently on the FNPF, there have been suggestions by International Transport Workers' Federation (ITF) with FTUC and when they did that, the honourable Attorney-General said, "who are they?"

HON. A. SAYED-KHAIYUM.- Yes, who are they?

HON. RO F. TUISAWAU.- They recommended an urgent independent review. Again, we fully support this. I support the NFP Leader in his suggestion for a review and some of their recommendations to have worker representatives on the FNPF Board, separation of asset investment and management of the Fund from the functions of the Board of Directors. Regulations and laws that govern FNPF stipulates clearly, fiduciary duty, what that means in practice and regulations that stipulate how the interest of members are defined and reviewed in consultation with its members. So they note from that that it is important to have a scrutiny on government structures of these provident funds so that they do what they are intended to do. Sir, ITF and FTUC were of the view that it is critically important that the Fijian Parliament takes on board those recommendations. So that is why I am mentioning it here but unfortunately honourable Attorney-General and Minister for Economy has totally rubbished this Report and even the ITF.

HON. J.V. BAINIMARAMA.- Yes, who are they?

HON. RO F. TUISAWAU.- Let me read out the statement by the FTUC National Secretary, Mr. Felix Anthony. So it is good to read it out because we have to be here for the workers, unlike the Government of the day. It reads, and I quote:

"The honourable Attorney-General has again displayed his ignorance and arrogance when questioning the credibility of the International Transport Workers Federation (ITF). The ITF is a Global Union Federation of all transport workers' unions around the world based in London. It has 20 million members..."

He is questioning, who are they? Fiji's population is not even one million and they are asking, who are they?

"... represented in the aviation, shipping, road transport and railways in 150 countries. It has 6 affiliates in Fiji.

The Attorney-General would do himself a favour if he simply read the report and understood its contents rather than making personal attacks to deflect the real issues. The

report is a fair and independent overview of the Fund and makes clear recommendations. It is not meant to be a criticism of the Fund but to raise legitimate concerns that we believe needs to be addressed for the betterment of the Fund and its members. It must be clearly understood that the FPNF is a workers' superannuation fund and not an extension of the Ministry of Economy or the AG's slush fund."

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

HON. RO F. TUISAWAU.- It continues, I quote:

"We have raised these concerns from the reports that FPNF makes public. Thousands of members in the Fund have zero balance. Even if we were to accept the AG's explanation that 70 % of members' savings is in preserved accounts, a \$20,000 savings would mean \$14,000 in preserved account for retirement. That is grossly insufficient for a secure future which FPNF reminds us daily. The AG talks about Government's unemployment assistance but very conveniently does not talk about the millions of dollars that workers were enticed into withdrawing from their own savings to survive. He is still not talking about whether this government will repay the withdrawals that members made during the pandemic and other natural crisis to survive. He is not telling the members of the fund whether the Government or employers would refund to the workers the reduction of employer contribution from 10% to 5% and now 6% now that employers are back on their feet. These cuts are tantamount to a wage cut and continues.

The AG talks about a 'sophisticated analysis' which sounds hollow in the face of the state of the economy ...

HON. A. SAYED-KHAIYUM.- Yes, you do not have any.

HON. RO F. TUISAWAU.-

"... which he manages relying heavily on aid and budget support loans and grants from our neighbours. The increasing poverty and extreme poverty levels, unemployment, decline in real wage of the majority of workers including civil servants, increase in crime and suicides, a failed health services, mass termination of workers in WAF, Fiji Airways and ATS like never seen in Fiji's history and the list goes on. We have also witnessed and experienced the serious contraction in our democratic space like the freedom of speech, assembly, political rights, freedom of association, denial of workers' rights, press freedom, again the list goes on. Of course, the most important of all is the imposition of the Fiji Constitution with so many limitations to rights and which only protects those that were responsible for the 2006 coup and any actions taken by them or their supporters until 2014 without any exceptions. It is time we did an analysis of our human rights under this AG and his Government. This is no time for the AG to lecture as he normally does but to listen and learn.

The Fiji Trades Union Congress takes its responsibility to workers in Fiji, whether they are union members or not, very seriously and will continue to advocate for them whenever and wherever the needs arises. There is no need for sophistication to disguise the real issues. The AG needs to be schooled in trade union advocacy so that Fiji does not become an embarrassment in the international arena. An analysis since 2014 of the ILO Committee of Experts Reports on Fiji may well serve as a good example.

Mr. Felix Anthony  
National Secretary FTUC.”

So, that is what I wanted to share today in terms of FNPF and some of the issues arising from it. Thank you to the Committee, Sir.

MR. SPEAKER.- Honourable Members, let me remind you, if you are going to quote from someone, quote extracts of it, do not quote the whole statement because they are not accountable to Parliament. Here we are making a statement about someone, written a letter at length and it has taken up about 10 minutes of your presentation. Let us get that clear. What is made in Parliament is accountable to Parliament, not accountable to someone else.

HON. J.V. BAINIMARAMA.- Mr. Speaker, Sir, I rise to speak on the motion by honourable Viam Pillay. First, I commend the work of the Chairman and Members of the Standing Committee on Social Affairs on the deliberations of the Annual Reports. By the same token, Mr. Speaker, Sir, the management and staff of the Fiji National Provident Fund for their efforts in ensuring the employed members and business employers’ hard-earned savings and contributions are protected despite the challenges they face in their daily operations and administrations.

Mr. Speaker, Sir, the Fund’s role is to provide a secure future for its members by ensuring that they have a meaningful, comfortable retirement supported by the hard-earned savings they accumulated during their working life. My Government, Mr. Speaker, has been diligent in developing robust divestment, liquidity and preservation policy and regulation. For example, the allocation of 70 percent of funds into members preserved account for retirement purposes. We actively partnered with strong institutions like the FNPF to ensure that members do not have zero balances in their savings once they retire or if they become unemployed.

Mr. Speaker, Sir, the Fund also safeguards members’ interest against liquidity risk through its robust business continuity plan and risk management, the Fund is equipped to address a range of different scenarios that may crop up. In terms of ease of doing business, Mr. Speaker, Sir, the Fund works with key agencies such as the Fiji Revenue & Customs Service, Reserve Bank of Fiji, Ministry of Justice, Real Estate Agents Licensing Board, Fiji Higher Education Commission and other government agencies to carry out their duties ensuring that every member benefits from a healthy and well-regulated savings institution.

It is extremely encouraging Mr. Speaker, Sir, to see that the Fund is operating at international standards, made evident among several others the International Social Security Association Good Practice Award - Asia and Pacific Region 2022.

HON. A. SAYED-KHAIYUM.- There you go!

HON. J.V. BAINIMARAMA.- My Government’s commitment, Mr. Speaker, to not only maintaining but exponentially growing the investment capabilities of the Fund is evident. Some of the current investment opportunities being pursued focus on affordable housing initiatives, agriculture, business process outsourcing, health care, retail, manufacturing, financial and insurance sector and infrastructure assets to name a few.

Mr. Speaker, through my Government’s sound economic policy, including digital transformation and through the provision of various Government incentives through the Fund, Fiji has enhanced its superannuation services, delivered world class products and established easier communication channels thereby creating never before seen value for its members. Despite the onset



of the COVID-19 pandemic in Fiji and a hike in extreme withdrawals from the Fund by members, the FNPF is still a major investor and is one of the largest property owners in the county.

I am very pleased to see the positive results of increased net income during the review period due to strong performances for its over 446,000 members. As of 2021, the FNPF had FJ\$1.5 billion in General Reserves, FJ\$8.2 billion in net assets and had paid out an unmatched 5 percent interest to its members. Mr. Speaker, FNPF is operating at international standards of Fund diversification boasting a mix of Government securities, equities, loans and cash reserve. This is the formulae by which the Fund works to advance National Economic Development objectives while simultaneously maximising members' returns.

The recently passed FNPF Budget (Amendment) Bill is timely and has ensured that mandated rates of contributions from employees and employers increase from January, 2023. Also, trustees are allowed to invest monies held in trust for minors in the Fund thereby allowing FNPF membership for minors.

My Government has been clear and the 2022-2023 Budget is clear. This will be a year of growth, recovery, resilient building and historic achievement.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. J.V. BAINIMARAMA.- Ultimately in all that we do, we will continue to put the Fijian people first. This has been our mission from day one and it remains our mission today.

Mr. Speaker, despite this progress, you will hear the Opposition try to score points by preaching words they do not practice like governance, accountability, transparency and loyalty.

The Opposition has again raised concern that the Fund's Board lacks a diverse representation citing the recently published International Transport Workers' Federation Report on making the FNPF work for workers.

Mr. Speaker, board appointments are now merit-based as this is the case for every board we are responsible for, meaning that appointments are made based on relevant expertise and knowledge criteria, including skill sets that assist and contribute to the positive growth and development of the Fund's investment portfolio, security and maximising of members benefit.

Mr. Speaker, while it is noted that 80 percent of members had a balance less than \$20,000, this does not mean that they have exhausted their total savings. This balance is only a reflection of their General Account. As I mentioned earlier, the Fund's Preservation Policy means that 70 percent of the members' total contributions are secure and cannot be touched until the person retires.

Yes, there are members who have exhausted their 30 percent in the General Account during the pandemic, not their entire FNPF savings. To provide these Fijians with security, my Government paid over \$200 million in unemployment assistance to members whose General Account Funds are depleted during the pandemic.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. J.V. BAINIMARAMA.- There was a lot of discussion and concern regarding the legitimacy of the Fund's partnership with Aspen Medical and I urge honourable Professor Prasad, who is again not here, to listen carefully. Health Care (Fiji) Pte Limited trading as Aspen Medical is a special purpose vehicle setup for this Public-Private Partnership between the FNPF and Aspen Medical Limited to manage the Lautoka and Ba Hospitals.

The primary objective, Mr. Speaker, Sir, is to improve access to affordable healthcare services in two Hospitals. I do not know anyone in the right state of mind would argue with that, maybe some sick people down that side of Parliament. The project is bound by the concession agreement which is in line with the Financial Management Act 2004, Procurement Regulations 2010, Companies Act 2015 and other laws of Fiji. For the finalisation of this partnership with Health Care (Fiji) Pte Limited, there was extensive technical work and consultations undertaken before the Fijian Government signed the concession agreement.

Government engaged the International Finance Corporation (IFC) to assist with the design and implementation of the project, as we wanted to get it done right. There was a rigorous process undertaken by the IFC consultation with my Government, Fiji National University, FNPF, among others, to design the transaction structure itself.

An open international competitive bid process was undertaken by IFC and all bids were assessed against the stringent technical and financial criteria for the selection. Health Care (Fiji) Pte Limited has successfully transitioned into the management of Lautoka and Ba Hospitals. All the services available at the two Hospitals are free for the people and more tertiary care services will be available in Fiji, including for the first time ever, open heart surgeries, radiotherapy, chemotherapy for cancer and the 24/7 availability of cardiac surgery.

Mr. Speaker, Sir, the pandemic and ongoing Russian-Ukraine war has impacted supply chains globally, including the supply of clinical equipment such as those required for cardiac surgery. Further, cardiac surgery involves cleaning, selection and stabilisation of patients in order to optimise the outcome, including echo-cardiology and the management of comorbidities such as diabetes and obesity as undertaken prior to any intricate surgery.

For those reasons, honourable Professor Prasad, who is again not here, cardiac surgeries are complex and a lot is required prior to commencing procedures. At the end of the day, I want to make it clear, Mr. Speaker, that no amount of hard work, rigorous decision-making or length of time needed will be too much for my Government to improve the health and care of the Fijian people.

My Government will not deprive the Fijian people their constitutional right of access to better and higher quality health systems and care services, especially because we are the first Government to have prioritised a ‘never-before-seen’ medical care in Fiji. One only must think of the children’s heart hospital in Nasese.

Mr. Speaker, Sir, there is no such thing as a ‘private cash cow’, as some honourable Members of the Opposition are trying to make the Fijian public believe. Risky loans and undisciplined financial structures do not lead to award winning national provident fund.

HON. GOVERNMENT MEMBER.- Hear, hear!

HON. J.V. BAINIMARAMA.- As none of the accusers have ever contributed to the success of a world class national provident fund, allow me, Mr. Speaker, Sir, to briefly highlight one important aspect. My Government, through the Fund, has made independent assessments on its Financials and Annual Reports where auditors thoroughly produced and make recommendations for improvement and actuarialists are doing the work. Now, my dear colleagues, that is transparency, a concept that honourable Professor Prasad knows nothing about. I hope he has been paying attention to the facts I have laid them out, so I suspect the Professor will ignore this lecture, despite how sorely he needs to hear it. Sadly, his desperate pursuit of power depends on him painting the most negative picture he possibly can to other countries, including his two Party colleagues in Parliament.

Mr. Speaker, Sir, the Fijian Government is committed to growing our economy, supporting Fijian businesses and improving Fijian livelihoods. When it comes to securing pension funds for a better future, my Government does more than just listen. We implemented change through the review of policies that will deliver better investments, superannuation and national development projects. We focus on transforming Fijian lives for the better in every single decision we make.

Mr. Speaker, there has been a lot of talk from the other side about Felix Anthony, I would like to say, Mr. Speaker, Sir, that one of the best things I ever did was to get rid of Felix Anthony from the Board for abuse of funds.

Based on those remarks, Mr. Speaker, I do support the motion.

HON. S.R. RASOVA.- Thank you, Mr. Speaker, Sir, for the opportunity for me to partake on this motion before the House. I thank honourable Pillay and the Standing Committee on Social Affairs for the Annual Reports of 2019, 2020 and 2021. That is a very clear indication of things that are moving forward on the Fiji National Provident Fund (FNPF), being very updated on its Annual Reports. That has to be a reflection to all institutions of Government whereby they have to bring to par all their Annual Reports and also the review of their Annual Reports to be tabled in Parliament, and also reviewed and debated in Parliament as soon as.

On that note, Mr. Speaker, Sir, the iTaukei Trust Fund Board 2019 Annual Report and the Airports Annual Report was presented on Tuesday. The Ministry of Waterways which has lacked with six years report (2017-2018 Annual Reports) has just been tabled. The Ministry of Employment, Productivity and Industrial Relations 2016-2017 Annual Report has been tabled on Monday. This is a bad reflection on Government and the institution. The Ministry of Industrial Relations 2017-2018 Annual Report and the Ministry of Women, Children and Poverty Alleviation 2018-2019 Annual Reports. We are supposed to be in line with the Reserve Bank of Fiji.

We were so glad the other day that we debated on the latest of the Reserve Bank of Fiji Annual Report (2021 Annual Report) and this is a good reflection. I hope that all Ministers and also Permanent Secretaries of Government institutions or Departments and Ministries to bring to par the submission of their Annual Reports. I have been here for about four years and we are still discussing Annual Reports and their review even before 2018. The next government will come in and try and speed up the Annual Reports and their review.

Sir, I would like to thank the FNPF for what they have done in regard to securing the future for the workers of Fiji. Every time that we speak of things on this side of the House, this is how we look at it from this end. Government should accept the credible criticisms that we give so that it can help and enhance the way you operate.

HON. GOVERNMENT MEMBER.- It's not credible.

HON. S.R. RASOVA.- It is relevant as of today, this report is going back to 2021. So whatever that we are telling you right now, it should work and you should accept that and every time that we say something, you are very defensive.

HON. A. SAYED-KHAIYUM.- No, no!

HON. S.R. RASOVA.- There are two Military persons beside you and you seem to be defensive, honourable Minister for Defence.

Mr. Speaker, Sir, in regards to the 58,712 members that have zero balance, what are we going to do with that, honourable Minister for Economy? Are we going to pump in about \$2,000 each,

rather than giving freebies out of \$200 million that we gave? Now, that we are giving about another \$60 million which the honourable Minister confirmed yesterday that we are going to roll out about \$38 million this week.

HON. GOVERNMENT MEMBER.- Not really!

HON. A. SAYED-KHAIYUM.- Are you calling it freebie now?

HON. S.R. RASOVA.- It is in the papers, I only refer to public opinions.

HON. A. SAYED-KHAIYUM.- Which paper?

HON. S.R. RASOVA.- Your paper, the Fiji Sun.

MR. SPEAKER.- Order! Do not carry out a conversation between you and them.

HON. S.R. RASOVA.- Apology, Mr. Speaker, Sir, they are distracting me.

MR. SPEAKER.- If you finish your statement, then finish it.

HON. S.R. RASOVA.- Mr. Speaker, Sir, the one thing that I would like to stress is the FNPF, the companies, it is the largest property owner.

The Fund also owns majority shares in Amalgamated Telecom Holdings Limited (and I think this has to be public knowledge - everyone has to know about this), Vodafone Fiji Limited, HFC Bank and fully owns Natadola Bay Resort Limited (InterContinental Fiji Golf Resort & Spa), Holiday Inn Suva, Momi Bay Resort (Pte) Limited (Fiji Marriott Resort), Marriott Denarau Properties (Sheraton Fiji and Denarau Golf and Racquet Club), and the Grand Pacific Hotel. I think everyone who works in Fiji should know about this, that we should patronise those places if we want our 5 percent shareholding in FNPF, without prejudice to other big companies.

A Committee observation, Mr. Speaker, Sir, is that the Committee requested the Fund to provide data on loans issued by FNPF from 2015 until the present time, the entities of which the loans were given and their financial performance. They also inquired the amount recovered and outstanding loan balance for each of these entities and whether any entity had defaulted on loan repayment. However this information was not disclosed to the Committee by the Fund as they were informed that it was bound for confidentiality clause of the loan agreements.

The Committee was assured that all loans went through a vigorous due diligence process, which are then vetted by three type Committee systems before they have been tabled to the Board. I think that there is a good vetting system in FNPF and publicly, Mr. Speaker, Sir, everyone goes against Government when you touch any funds or without public consultations when the Government is taking funds out of FNPF. I hope that things improve - communications publicly, that we should know in fine detail because everything just seems to be a secret with Government.

Mr. Speaker, Sir, that is my contribution and I would like to thank the Standing Committee on Social Affairs, Mr. Chairman, and also the Members, and the public. Lastly, I would like to thank those students who are from the NGO who are interested in Parliament.

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, there are a number of matters that I just wish to respond to. Honourable Members from the other side, obviously, have a narrative in respect of FNPF and they wish to tow that line, irrespective of the facts.

Mr. Speaker, Sir, the honourable Prime Minister has given a very succinct elucidation in respect of where FPNF stands. I just wish to highlight a couple of issues that were raised by honourable Members on the other side. Firstly, they talked about a Government-controlled Board. They made those very flippant comments, but they do not understand that under the FPNF Act, there is a requirement now to appoint Board members who have specific skill sets that are required to run a superannuation fund.

Mr. Speaker, Sir, the honourable Members also do not talk about the fact, and I see some young people in the audience there. If these young people are working now or they would soon be working, by 2050 and 2060 when they retire, if we had not reformed the FPNF, they would actually have no pension funds left. That was a report by the World Bank, not once, but twice. Two independent reports highlighted that the way the FPNF was being managed, the funds would actually have been completely depleted.

There were members in FPNF who were receiving a rate of 25 percent. There was one particular trade unionists, I know, Sir, who was receiving a rate of 17 percent to 19 percent. They do not talk about that. Honourable Jale knows about this. They need to make inquiries about this. That was how FPNF had been run. Investments that come to mind, many of us may remember the Malt House near the Golf Course. What happened to that Malt House? FPNF funds. Bligh Shipping. PAPI leader was involved in Bligh Shipping, what happened then, Mr. Speaker, Sir? They do not talk about all of these things. They do not talk about Momi and Natadola. Honourable Rasova, we have actually salvaged it.

They were investing with people who were wanted by the law, not in Fiji but in Europe and New Zealand. One was an undischarged bankrupt. He used to come on a helicopter from Nadi to Natadola, with red carpet. If we had not intervened, Sir, the total investment in Natadola would have exceeded a billion dollars of members' funds. There is no way they would have got a rate of return on that. Momi – one of the investors has ended up in prison in New Zealand.

HON. V. NATH.- Wow!

HON. A. SAYED-KHAIYUM.- In New Zealand, it is factually available. Honourable Members can do their research, Mr. Speaker, Sir.

When investigations were done on the CEO and the Deputy CEO of FPNF post-5th December, 2006, one of them took off to NZ. I have seen receipts. When she used to go to a hairdresser, drink a cup of coffee, it was paid for by FPNF. Not from her wallet but by FPNF through their credit card. This was the kind of shenanigans that were taking place in FPNF which they do not talk about, Mr. Speaker, Sir.

HON. J.V. BAINIMARAMA.- They don't know.

HON. A. SAYED-KHAIYUM.- They absolutely do not talk about it. We have today, Mr. Speaker, Sir, salvaged FPNF. All the young people sitting here and outside these Chambers would know that their FPNF funds, if they are members today, they know at retirement, they will get their money. That was not guaranteed previously, Sir.

Mr. Speaker, Sir, they go on about Government using it as a cash cow. Government does not use it as a cash cow. In fact, I would argue that FPNF, in the past two years, used Government because there was no other investment opportunity for them to give them that rate of return. That is why, as the honourable Prime Minister read out, the interest rate on the rate of return has been 5 percent or more.

During a period when the economies in the entire world was contracting globally, yet FPNF

was able to assure that level of rate of return to the members, Mr. Speaker, Sir. And what better place to invest than the Sovereign State of the Fijian Government. If the Government is actually investing and you are getting a rate of return, why not.

Similarly, we were being criticised back in 2011 when the FNPF provided necessary funding to Fiji Airways for the A330s. They had prepaid in advance the loan. They do not talk about that. They prepaid in advance.

Mr. Speaker, Sir, they went on about members who have balances been reduced to zero. On the 2021 Annual Report if they bothered to read it rather than trying to sort of find loopholes, it says 58,712 accounts were zero accounts and it gives reasons. Reasons! Did you read the reasons?

It says, those over the age of 55, these member accounts have been reduced to zero because:

- there were no contributions paid to their accounts.
- no contributions received for re-entrant accounts.
- 98 percent accounts inherited from pre-preservation policy.
- there were inconsistent contributions and continuous withdrawals which depleted members' balance.
- 97 percent are dormant for 10 years or more.

They forget that in the last session of Parliament, we passed an amendment to the FNPF Act because the FNPF, as an organisation, was bound by the law that said that you could not write-off accounts. There are people who have migrated and have disappeared. They are not contributing but their accounts are still here. So, now with the amendment to the law, FNPF can actually close those accounts in the same way you see in savings bank accounts. The banks will advertise in the *Fiji Times* or *Fiji Sun* or wherever else they advertise. These accounts have been dormant. If people do not claim their monies which is five cents, to a hundred dollars to a thousand dollars, we will put it into whatever consolidated fund or wherever else it will go.

Mr. Speaker, Sir, FNPF was not given the opportunity to do so, that is why it is sitting on their books. Again, 56 percent of the 58,000 are below the age of 55. They are made up of members who:

- joined the workforce for a short period and had inconsistent contributions. There are so many people who work as casual labourers. They may work for three months. They go back to the village or go back working for themselves. They may come back the following year and make some contribution.
- joined the informal sector without any contribution payments to their accounts.
- 87 percent of accounts inherited from pre-preservation policy.

The reasons are given here.

Honourable Radrodro's entire thesis on her contribution was about zero balance. "Where will these people go? What will happen to them?" Not actually using her intellect to see that the reasons are here. She went on about the people who now receive \$100. No Government, Mr. Speaker, Sir, factually proven, ever gave pension to those people over the age of 65 with \$100 a month who had never worked for anyone. No Government! They do not acknowledge that.

There are so many people living in the maritime islands, there are so many people living in the rural areas, there are so many women, for example, who work in the urban corridors as what we call "house girls", unfortunately, in Fiji where the employers have never paid FNPF to them. They

are today getting \$100, bulk of the beneficiaries are women. Yet, honourable Salote Radrodro, who pontificates herself as some saviour for women does not ever acknowledge or recognise that, in the same way she does not acknowledge many things.

Mr. Speaker, Sir, these are the same people. She talked about, “let us give a helping hand.” When we give a helping hand or when we give a hand-up or leg-up they say it is freebees. What do they want? Do you know whether you are Arthur or Martha? What are you? Today you sit here, today you sit there.

Mr. Speaker, Sir, that reminds me, honourable Professor Prasad, yesterday only went on and berated us and said, “You should not have lowered the deductions, you should not have said that members should contribute less”. This is the famous article where he said that civil servants should get a 35 percent pay-cut, it is in the *Fiji Times* and I have actually brought the original *Fiji Times* which is here for everyone to see - the two-page article.

Mr. Speaker, Sir, on the second-page he says, “Employers tax payment and FNPF deduction obligation should be suspended ...

(Chorus of interjections)

HON. A. SAYED-KHAIYUM.- ...as long as they can show that money is being paid to suspended or temporary redundant employees.” He is saying, “Stop it completely.” We reduced it to 5 percent. Honourable Qereqeretabua, honourable Tikoduadua - this is the kind of hypocrisy and the disingenuity that we have from honourable Members of the Opposition.

Mr. Speaker, honourable Tuisawau actually read this whole press statement. Thank you, Sir, for telling him to just stick to his own intellect and ingenuity and way of thinking. He read out the entire press statement about this ITF Report. I have the ITF Report here. I said, “Who are they?, meaning what expertise do they have to assess the superannuation fund - a superannuation fund that has nearly 38 percent to 39 percent of our entire cash reserves in this country? Who are they?

This is the level and credibility of their report. If I could read out, Sir. In order to show that the FNPF is not doing well, they say, “The loan was attacked (the loan to Fiji Airways) by Opposition politicians. Opposition Member, Tanya Waqanika, criticised the Government Guarantees to the Airlines stating how retirement savings are being used to prop up dead or life-support government statutes and the biggest threat is Fiji Airways.” Then they go and quote honourable Gavoka saying that Fiji Airways can take the country down. Then they go and quote Mr. Mahendra Chaudhry. They used that as the basis for condemning what FNPF is doing - by quoting three people who have absolutely no clue about the superannuation fund.

Sir, this is really interesting. Again, please, read it, it is there on page 31: “The Fiji Trade Union Congress (FTUC) claimed that the loan to Fiji Airways was a justified move.” What do they want? They are saying FTUC was saying it was a justified move.

Mr. Speaker, Sir, again, they have quoted wrong figures. They are saying that we reduced the FNPF funds. On page 33, it says, and I quote:

“The FNPF rolled out withdrawal assistance programme during COVID-19 to ease the social and economic impacts of the pandemic. The FNPF reported negative net contributions of \$197 million in 2021 financial year. This is the result of \$104 million COVID-19 assistance payment paid from members’ funds during the year and a reduction in contribution totalling 8 percent - 5 percent from employers and three percent from in

employees.”

Where did they get these figures from? Completely incorrect!

This is the Report. Honourable Ro Tuisawau holds it as some kind of Holy Grail. Do you know it is like a super bullet to condemn FNPF? This paper is not even worth it - I do not know, give it to kindergarten kids to write on. That is the point.

Mr. Speaker, Sir, again, the issue about freedom of expression - I do not even go on to that. The fact that the people are able to make the statements without anything happening to them, the fact that it is gratuitously published and broadcast in *Fiji Village* and *Fiji Times* and nothing happens to them, means they have the freedom. It means that you stand here and say things, you go outside there and say things, they make all sorts of statements, correct or not correct, they get published, that is what you call ‘freedom of expression’. So, what we see from the Opposition is basically sarcasm, conjecture, obfuscation, obscurantism, speculation, disingenuity, and that is what the Opposition in themselves are actually involved in.

Mr. Speaker, Sir, the last point I wish to make just very quickly is that, they have gone on about Fiji Airways. Before I say that, Sir, one of the well-known superannuation funds in the world with high levels of contribution, to contribute to the superannuation fund in Singapore, I think, it is somewhere like 32 or 38 percent. Members contribute 18 percent of their salary and the employers contribute (I think) 10 percent or 15 percent of their salary. We have flipped it around where employers actually contributed more than the employees.

Mr. Speaker, Sir, their superannuation fund has invested in their airports and in other key strategic investments that actually help the government and the country to propel themselves. In the same way as the honourable Prime Minister highlighted, about this relationship with Health Care (Fiji) Limited. Sir, Health Care (Fiji) Limited will provide open heart surgeries. Bulk of the FNPF members who faced medical problems and those procedures that cannot be provided in Fiji, take out their funds and go to India or those who can afford it, to Australia and New Zealand. If those procedures are going to be available in Fiji, what is wrong with that? In fact, it is a benefit to the members. They will be able to actually access those services here. Money does not leave the country and when the Health Care (Fiji) Limited makes money, that money goes as an interest payment to their accounts. Again, they do not think. There is absolutely no thought about it.

Again, Mr. Speaker, Sir, the recent investment by FNPF into Fiji Airways goes to show that they have made a very smart investment and I will tell you the reason why. Because the share price which they have paid for at \$4.22. Before COVID-19, the share price in 2019 in Fiji Airways was \$16 a share. They have now bought it at \$4.22 a share. With Fiji Airways flying the way it is with the borders being reopened within two years they will be able to double or triple the share value. That is what you call smart investment. They did not do it as some willy-nilly investment and in the same way they made some smart investment in EFL.

Mr. Speaker, Sir, today Fiji Airways is 51 percent owned by the Fijian Government, FNPF owns 30 percent, Unit Trust of Fiji (UTOF) owns 1.58 percent, Qantas owns 16.45 percent and then Air New Zealand 0.68 percent, Kiribati 0.1 percent, Tonga 0.1 percent, Samoa 0.043 percent and Nauru 0.031 percent.

Sir, the last point I wish to make, honourable Rasova listed down all the hotels that Fiji had that FNPF owns. You know this is what you call smart investment. If you own the hotels you want to make sure that the hotels will be filled. And how do the hotels get filled? When you get tourists. And how do the tourists come to Fiji, because this is a maritime country they come by an aeroplane.



Who owns the aeroplane? You need to own the aeroplane. You need to have the supply chain. So you have the right packages done. A hotel can do a package with an airline to fill up the rooms and then the workers get jobs in those hotels. The young people get their pension paid when they retire, Sir.

Just very briefly these are the comments in respect of the FNPF Report. I would like to thank the CEO and his team, the board, many of the board members do not even pick up fees unlike Mr. Daniel Urai and Mr. Felix Anthony who used to pick up exorbitant fees for even sitting in sub-committees. A number of the board members of our FNPF do not actually even pick up any fees because they are doing it for the good of their country.

I would like to thank all those who are involved and we wish FNPF all the best and thank the Committee for the Report.

HON. V. PILLAY.- Mr. Speaker, I do not have any further comments to make.

Question put.

Motion agreed to.

MR. SPEAKER.- Honourable Members, on that note, we will adjourn for lunch.

The Parliament adjourned at 12.21 p.m.

The Parliament resumed at 2.36 p.m.

MR. SPEAKER.- I now call upon the Chairperson of the Standing Committee on Social Affairs, honourable Pillay to move his motion.

**REVIEW REPORT- FIJI FILM AUGUST 2016 TO 31 JULY 2017  
AND JANUARY TO JULY 2016 ANNUAL REPORTS**

HON. V. PILLAY.- Mr. Speaker, Sir, I move:

That Parliament debates the review of Film Fiji 1<sup>st</sup> August, 2016 to 31<sup>st</sup> July, 2017 and Film Fiji 1<sup>st</sup> January to 31<sup>st</sup> July, 2016 Annual Reports which was tabled on 10<sup>th</sup> May, 2022.

HON. G. VEGNATHAN.- Mr. Speaker, Sir, I second the motion.

HON. V. PILLAY.- Mr. Speaker, Sir, the Film Fiji is the Film Commission of Fiji tasked with managing Government's incentives. Film Fiji provides location services, administers the rebate processes, grants film permits and facilitates necessary approvals from authorities such as the tax department, immigration and other government departments.

Film Fiji also provides advice on production budget and assists with administrative procedures, with the aim of making business of film making exciting, stress-free, and ultimately positioning Fiji as one of the most sought-after film destinations in the world.

As a Government statutory body, Film Fiji has a large network of local stakeholders who are directly involved in the film industry, ensuring that production companies have a pleasant experience while shooting in Fiji. From January to July 2016, 32 productions were filmed in Fiji and came from various countries such as Australia, United States of America, New Zealand, China et cetera. This generated FJ\$92.4 million of new economic activity which contributed to Fiji's economic growth and also created employment for our locals. Moreover, for the period from August 2016 – July 2017, 57 productions were filmed in Fiji which generated FJ\$212.3 million of new economic activity in the economy.

Film Fiji continues to create employment opportunities for our locals by bringing film productions into the country. As majority of the productions were filmed in rural locations, most of the locals were engaged from these local communities and this helped improve the standard of living of these communities. In anticipation of the new challenges of the post-COVID-19 pandemic era, Film Fiji's working steadily on improving all areas of its operation. In its path to recovery, Film Fiji has structured its strategy under three main pillars:

1. Do more with less;
2. Tell the world what makes Film Fiji unique; and
3. Prepare for the future.

HON. I. KURIDRANI.- Thank you, Mr. Speaker, Sir, for allowing me to give a brief contribution on the motion before the House.

Mr. Speaker, Sir, I would try to draw your attention to the composition of the Film Fiji Board, based on the 2016-2017 Annual Report. The problem is, I believe there is a missing link from the Board down to the communities. Sir, I want to be clear that I am not questioning the integrity or capability or credibility of the Board Members. I want to say here that because of the Film Fiji Project are based on rural areas and villages, there should be a representative from the communities into the Board. I suggest

to the Minister responsible to co-opt a Board member from each province especially from the Provincial Office, the Roko Tui of every province to be part of the Board during the term of film making. Sir, we all understand that our provinces have slightly different approach to traditional protocol and culture. Therefore, it is the responsibility of these representatives to be co-opted from the Provincial Office to ensure that traditional protocol and culture are observed during the term of film making.

The film must not be culturally derogative in its portrayal of Fiji or the people of Fiji. For example, these people do not understand the culture ...

HON. GOVERNMENT MEMBER.- Which people?

HON. I. KURIDRANI.- The film makers and we need someone who understand the culture and the protocol ...

(Chorus of interjections)

MR. SPEAKER.- Order, order!

HON. I. KURIDRANI.- ... to ensure that these are observed during film making. I and you have noticed that so it is better for them to co-opt these provincial council representatives, the Roko Tui to ensure that these culture and protocols are being observed during film making.

Sir, I will quickly go to page 10 of the Annual Report which says “encouraging local employment opportunities”. I come from a community where they have been doing a lot of film making. Since 2018, these film makers from overseas are no longer coming to the communities or to the villages to present their *sevusevu* and discuss the reasons and the terms of staying in Fiji.

During the discussion, Sir, we normally engaged in discussion regarding the recruitment of unskilled labour, security guards, kitchen hands, beach cleaners, weavers, builders all these come from the community but we have noticed lately, Sir, that these have not been happening now. It is the Film Fiji that has been sourcing all these from other parts of Fiji, overlooking the communities to where they are based on which they are supposed to be benefiting from the film money. That is why I said, Sir, it is important for the honourable Minister responsible to consider co-opting a member from the province or the *Roko Tui* to be part of the Board. If there is a film making in Lau then co-opt the *Roko Tui* Lau to be part of the Board, if you have a film making in Bua, co-opt the *Roko Tui* Bua to be part of the Board. That is what I am trying to say, so that the benefits actually is done to the community. I hope that they will consider that, Mr. Speaker, Sir.

HON. F.S. KOYA.- Mr. Speaker, Sir, I have one word for my friend across on the other side, “absolute hogwash”. It is actually quite ridiculous, he has not done one ounce of research on Film Fiji and came here and made allegations against the Board without any basis whatsoever, and he calls them “culturally derogatory”. My honourable friend, I think you ought to go and sit down at Film Fiji and find out how culturally sensitive they are, how culturally sensitive the Board is and how culturally sensitive this particular side of Parliament is. We take care of all citizens, we make sure that all our cultures are looked after and that is the policy of this particular Government and that is portrayed in every single Board that actually exist in Fiji. It does. You ought to go and do your research before you make such statements, honourable Member.

HON. I. KURIDRANI.- Do you have the evidence where film making is being done?

MR. SPEAKER.- Order!

HON. F.S. KOYA.- Excuse me, every single culture is actually respected by Film Fiji. We do not, we must not, we shall not, we will not, we never do in terms of Film Fiji, they are being culturally sensitive from day one. So it is the generalised pie in the sky statements that he makes about culturally derogatory way in which they operate, actually that is out of order. It is absolute hogwash.

Mr. Speaker, Sir, I want to contribute to the actual Report of the Standing Committee on Social Affairs on Film Fiji for the 2016-2017 Report.

I acknowledge the Report of the Committee, especially, in thoroughly perusing the Annual Report. I am clarifying and noting relevant facts, and this is in particular to the Board of Survey, which is being carried out before the end of each financial year, following Film Fiji's change from annual calendar year to Government financial year, which is August to July each year. I also take note of the recommendations that have been highlighted by the Standing Committee in the review report, whilst time is of the essence, I shall be brief with my response. It is no secret, Mr. Speaker, Sir, that the Fijian economy was significantly impacted by COVID-19 pandemic one way or the other. So as businesses had to adapt and also to be innovative in the operations to keep afloat, Film Fiji as well has continued to persevere with improving their operation in the face of uncertainty.

There is evidence as Film Fiji continues to work in projects in the areas of digitalisation of the Film Commission's operations by implementing productions management software, and digitalising of paper work related production incentives and also the launch of their new website. This was actually internally developed with goal of offering better useability providing quicker and more complete information on available services in Fiji and actually simplifying the access to information related to film permit procedures and relevant applications. Realising the importance also of upskilling and reskilling of the staff in any organisation, Film Fiji has actually begun to build staff capacity also in digital skills in addition to working with relevant stakeholders in strengthening Film Fiji's friendly policies.

On the same note, Mr. Speaker, Sir, Film Fiji has actually set a vision of strengthening, training and developing in Fiji by launching a couple of things. One is the School Media Learning Programme, and again, this undertakes a training programme for all different parts of the community. First of all, they got a School media Learning Programme with Ministry of Education, Heritage and Arts and with the support of Australian Film Television and Radio School to bring the key media skills to Year 9 to Year 11 across the country. These skills will prepare children for the media and visual skills required by jobs in the future. We also got the professional media learning programme bringing online courses from international sources to upskill and train professional local filmmakers in Fiji and also Suva International Short Film Festival, Sir, to share international award winning short films with local filmmakers and with schools participating at the social school media learning programme.

This exposure, Mr. Speaker, to these films, is meant to provide a benchmark to promote the creation and exhibition of local films. It will be remiss of me also not to add that Film Fiji Commission is also strengthening its presence in international markets and trade shows and this is to showcase Fiji to major studios and our readiness to attract film and television productions and also the available infrastructure accessibility, our pristine locations, our English speaking crew and the current film tax rebates incentives that are offered by the Fijian Government.

Whilst these projects have been highlighted to the Parliament, that they are actually commendable, I wish to, Mr. Speaker, underscore the importance of the film industry to our Fijian economy. During COVID-19 pandemic and with the gradual opening of our borders, Fiji actually facilitated the famous reality television show "US Survivor" for seasons 41 and 42, and through the facilitation of the COVID-19 Risk Mitigation Taskforce (CRMT) and has generated employment, my dear honourable friend, it has generated employment of 408 locals and created \$70 million worth of new economic activity and that is during COVID-19 and this was across the board for everybody.

Mr. Speaker, Sir, for this year alone, till to-date, we have hosted five major productions which created a local employment of 690-odd persons with a new economic activity of about \$110.25 million. Similarly, we have 55 productions that have also filmed on our shores and generating employment for 99 locals and creating new economic activity of \$4.6 million. Prior to the pandemic, we had attracted 57-odd productions which contributed about \$43 million to the Fijian economy in 2016. In the following year, Fiji hosted around 73 productions, which in turn, generated an increase of 173.95 percent, which is \$217.8 million of new economic activity collectively for 2018 and 2019, and we facilitated a total of 203 productions which contributed about \$358 million to our economy.

Additionally, film and television productions have also contributed (and I hope you are listening), towards the surrounding communities as a gesture of goodwill and commitment to the development of Fiji, so do not tell us that we desensitise it by being, taking some particular part of our community out. These donations also ranged from school items, books, desks, household care packs, medical equipment, generators, donating cash to women's funds and education funds, to name a few.

Over the years, Film Fiji has developed new skills and talent in a number of areas that are required by production companies and the Film Fiji database, Sir, provides a list of talent and skills that Fiji has to offer and are engaged by the production companies. This is actually quite a specialised skill, the film industry, Sir, so it is not like you can hire anybody in the film industry to do these things. We are going through the necessary training with all the productions that actually come to Fiji, so local vendors are engaged to supply products and services to these particular productions and these actually include hotel accommodation, land, air, sea transportation, catering, hardware and building materials, equipment hire, financial insurance and professional services and there are also investments, Mr. Speaker, by locals into new areas of business that can provide technical support to industry. For example, certain prop designs.

In addition, Mr. Speaker, the benefits are not limited to just employment and business but includes payment of location fees to landowners where the production is located. Most productions have been undertaken in maritime zones and smaller townships and I will just stop there, pause for a moment, Mr. Speaker, you just heard what I said about payment of location fees to landowners. All of this is done in conjunction with iTLTB, so you cannot say that we are leaving somebody out. Anything and everything that happens, they are very sensitive about where they film, what they do within the particular location, so please do not mislead the public by saying that we are being desensitised, we are actually, as you said "culturally derogatory" in the way we actually operate or the filmmakers operate because they do it in conjunction ...

HON. I. KURIDRANI. - A Point of Order, Sir. He is misleading, he is misleading Parliament. I did not say that it is "culturally derogative". What I said is not to be. I did not say that it is culturally derogative. I said to make sure that they are not culturally derogative. You are misleading the Parliament.

HON. F.S. KOYA.- Mr. Speaker, Sir, that is like saying a glass is half full or half empty, you said half empty I said half full, it is still a half glass of water. You stop being culturally derogative that is what you said, do not twist it around honourable Member, you are saying it wrong, you said the wrong thing and you know it is wrong.

If it was a case of any film making company been culturally insensitive or derogatory to any of our communities, they would be taken into task and we would have a massive amount of complaints already. He has pulled something out of thin air which I find quite offensive, Mr. Speaker, Sir.

Mr. Speaker, Sir, the Ministry and Film Fiji continue to engage with a lot of other agencies, all the other government agencies that are involved; whether it is the Department of Environment, whether it is iTLTB or iTaukei Affairs, but they do before they do things. Please, do your research before you come here both locally and also internationally? We want to promote Fiji as an audio visual destination,

we have had hundreds of millions of dollars been spent on this particular area.

We want to increase the benefits also to all Fijians and make the audio visual industry a strong and lucrative industry for investment. Furthermore, Film Fiji is providing trainings for locals in critical areas of productions and also hosting of the Annual Kula Awards is helping develop a new talent in the audio visual sector.

Mr. Speaker, Sir, in respect of the second recommendation by the Standing Committee, I wish to highlight the strong focus of the Film Commission with the continuous regaining of the pre-COVID-19 markets. The European market used to be Fiji's second most important market after the USA, when the USA used to represent about 60 percent of the film production market in Fiji.

Europe at 20 percent, Australia and New Zealand at 30 percent. So, aside from building a strong presence and attendance at the three of the key trade shows that takes place in Europe, being European film market, the Film Market including Film Fiji also work closely with our tourism industry, in finding innovative approaches in regaining our European market.

HON. RATU N.T. LALABALAVU.- Mr. Speaker, Sir, I rise to also make a brief contribution on the debating of the motion that is before the Parliament and I hope that if it could be taken in the vein in which I am about to present what I have to say, Sir. I fully endorse the views raised by honourable Kuridrani, especially in his concern regarding the involvement of iTLTB and the Roko Tuis' office, in as far as engaging of local landowners, et cetera in the usage of their land and resources as well, Sir.

We fully understand the greater benefit that accrued from this filming industry and the amount of money that goes to the landowners and here based on experience, Sir, one of the biggest estate in Fiji known as "Vunilagi" belongs to my clan. It has been used quite a lot for shooting of videos and movies by the video boards and all I want to highlight regarding what was being said by honourable Kuridrani, yes, there are sometimes instead of the payment going to my clan, who are the registered landowners at Vunilagi, together with others that are there from Nakobo, et cetera, the payment goes to my village in Somosomo.

These are two different issues altogether, Sir, one is the village and the other is the registered landowner. I have had a good chance to sit with the chairman of the board and one of their key personnel who used to be a hackerman at the TV One at one time and I shared these views with them in the hope is how best we could better this.

On top of that, Sir, I only wish to bring to the attention of the honourable Minister as well is that, for the last so many years, even though COVID has come in the figure that they usually paid out to the resource owners has been the same all the time. I do not know whether they take it off from the gross receipts or gross turnover that the movie make or the film make or that is just the flat rate of cost that has been slapped on and paid to resource owners. I am talking about beautiful movie spots in Taveuni, Vurevure and especially in Vunilagi. These are the two areas that they have been regularly using to shoot whatever they want to shoot, as far as movie is concerned.

The point that I am trying to drive is perhaps, if the honourable Minister cares to just go over this with the officials because we have highlighted to them that even though the payment has come, it has gone to the wider circle of people in the village rather than the clan who are the registered owners. On top of that, some of the estate owners in Vurevure in Bouma they lived in Sydney. This is from the Hennings family and they have been asking me whether this amount is enough for the shooting of the movie. I said, as far as I know, we are lucky that they are shooting something there and they pay something. But as far as whether the amount is enough, I am sorry I cannot help you with that, you need to talk with the relevant Minister or the relevant people that runs the board of Film Fiji.

So, those are few comments that I wish to bring to the attention of this august Parliament, in as far as the point that was raised by the honourable Kuridrani.

HON. S.R. RASOVA.- Mr. Speaker, Sir, I would like to thank the Chairperson and also the Committee of the Social Affairs on this Review of the Film Fiji from 1<sup>st</sup> August, 2016 to 31<sup>st</sup> July, 2017 and Film Fiji 1<sup>st</sup> January to 31<sup>st</sup> July, 2016 Annual Reports.

I would like to comment on the Report itself and I would like to thank the Committee for scrutinising the Report. There were permanent findings emanating from the scrutiny of Film Fiji. The thing that I would like to thank is that, it was Film Fiji bringing the film to the *Tikina* of Ono in Kadavu since 2016 to 2018 and it really did a hike in the economy in the Northern part of Kadavu. I think there was the English “*Survivor*” Japanese “*Survivor*” and French “*Survivor*”.

I would like to also relate the traditional culture the amount of interference into our village activities when the “*Survivor*” comes in. We are all targeted into making money but our traditional, cultural, church and religious callings were kind of neglected at that time. It really suffered for three years. Luckily the COVID came and all the “*Survivor*” films withdrew from Kadavu and it is unfortunate. Now it is in Mana Island and I hope that if there can be a commission to inquire the effects that it does to these communities especially the villages. We have our own way of doing business in the village but then we are hoping that Film Fiji will reconsider Ono, I think it is from honourable Lenora Qereqeretabua’s island of Buliya; a small place they call Tokana that was given the opportunity to film most of the French *Survivor*.

(Chorus of interjections)

HON. S.R. RASOVA.- The village was Buliya and it involved all the seven villages in the district of Ono in Kadavu, that is where I come from, we both come from there. People were not attending their village activities, they were 24/7 in the film industry, they were drinking on Sundays, and it really affected the jobs of the *Turaga ni Koro* and the *Mata ni Tikina*. That was something that the villages and *tikina* were not prepared for with the influx of people and also of money. People were getting about \$500 a week on average salary.

As long as it was good on the recovery of the economy, but it affected the cultural and tradition of a person. The honourable Minister for iTaukei Affairs is supposed to look at that and control the iTaukei people. Yes, he is supposed to see it, get a commission to look into that. We did not say no to money, but the side effect, that we have to think of. It is coming back and I hope that it is coming back soon to Kadavu.

(Chorus of interjections)

HON. S.R. RASOVA.- We want you to also help our tradition to be protected.

Mr. Speaker, Sir, I thank the Committee for Social Affairs, my colleagues and honourable Salote Radrodro for participating and getting the Chairman to present a very well scrutinised Report.

HON. J.V. BAINIMARAMA.- Mr. Speaker, Sir, I rise to speak on the motion by honourable Viam Pillay. Mr. Speaker, Sir, first I wish to convey my appreciation and commend the work of the Chairman and members of the Standing Committee on Social Affairs in their deliberations of the Annual Report. Gratitude, of course, extends to the management, the Board and staff of Film Fiji for helping to see our film industry through the challenge of the pandemic.

Mr. Speaker, Sir, Film Fiji is the driving force in managing the incentives we have introduced to

attract productions and the issuance of the approvals and permits required to film in Fiji. Fiji is a historic film production destination that is on the cusp of becoming a global force in television and movie making. The pandemic put a hold on production globally, but just like with tourism, we will be fools not to give the audio visual industry our full support as a source of jobs for our people and exposure for the country.

Mr. Speaker, Sir, thanks to this marketing strategy, Film Fiji has helped us fully resume our film industry which is now welcoming massive pent-up demand from overseas producers. I am told the team just wrapped up another season of *Survivor* on Mana Island and well done to the crew. Fiji is the world's most beautiful backdrop, better than anything you can create on a green screen, but production need more than good scenery, Mr. Speaker, Sir, they need capacity and Fiji has that as well.

The improved network of telecommunications and infrastructure that my Government has invested in, coupled with enormous wealth of skills, talents, facilities and services within Fiji's film industry makes us a world class production destination.

Mr. Speaker, Sir, access to the production industry creates great jobs especially for young people. We have to leverage that access and exposure to attract a new generation of Fijian film makers. That is why I was proud to see that despite the pandemic, Mr. Speaker, Sir, this industry still involved our school children through the mobile movie competition. I was also proud to see a son of the Pacific, Taika Waititi win an Academy Award which I understand is the premier recognition in film for a screenplay he adapted. That is a wonderful inspiration for young Pacific people. I hope to see a Fijian with an Academy Award in my life time, involving our children in creative arts can make that possible. That is why Government is providing a platform for our children to learn and gain experience in this industry. This Government is the only one that has done anything like this ...

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

HON. J.V. BAINIMARAMA.- ... and I reaffirm our commitment to strengthen for the sake of our children and for Fiji.

Mr. Speaker, Sir, I now draw my attention to the two Reports to be deliberated before Parliament. I note, Mr. Speaker, that the Standing Committee on Social Affairs acknowledges the Committee's observation on the general satisfaction of the operation of Film Fiji and the issue on hand has been addressed by Film Fiji. Based on those remarks, Mr. Speaker, Sir, I do support the motion.

HON. A. SAYED-KHAIYUM.- Sir, just very briefly, a couple of comments. The reason why Government had offered the incentives was, of course, we are talking about diversification in the economy. There is a lot of what we call a multiplier effect of movie production or any type of production to do with film in the country.

When people come to Fiji, they are not only bring equipment but they also bring in people. People need to eat, they buy our food, they go to the market, they need to rent premises, they need to hire equipment and indeed they need to hire personnel. So the multiplier effect is enormous, honourable Rasova lamented the fact that people are getting \$500 a week which actually is quite contradictory because \$500 a week out in the island is actually a lot of money, that is, you are looking at \$2,000 a month. There is a movie production for *Real Life* TV Series for six months, we can do the mathematics on that ( $\$2,000 \times 6 = \$12,000$ ) for six months; that is not bad money actually. I think a lot of people forget that.

Mr. Speaker, Sir, I think some of the comments from the other side, I did not catch all of it appears to be only looking at how much span there is in terms of being given only to the landowners for the use of the land. It is not only about that but it is also the multiplier effect. We have seen many of the locations



where they have chosen, the local villagers actually supply food, they supply handicraft, they hire people to do the backdrop paintings, they do joinery and carpentry for the sets and they also hire punts or the local boats; a lot of that. They actually not necessarily hold back on paying. We have seen our people actually demand quite large amounts of money.

The other point I also want to make, Sir, is that it is not only about *Real Life* TV Series and also full length movies, it is also advertisements. We have seen, for example, there was one production from North America, they spent an entire two weeks to shoot I think a one minute or one and half minute TV advertisement on Natadola. That is the amount of time and resources it takes to shoot a very good production. Sir, it is actually a quick win, they have of course used Fiji Airways to come to Fiji, now they are flying to Vancouver and various other destinations, it just fulfils the requirement.

The last point I would like to make, Sir, as was mentioned by honourable Koya and also the honourable Prime Minister is that the opportunities for young Fijians, the talent pool that we have. We have seen, for example, Sir, mushrooming a lot of local talent, we have seen dance groups, Government currently, for example, provides the 200 percent or 300 percent tax rebates so hotels that go and hire *meke* groups, hire bands, hire dance groups, restaurants and various other places and they should pay their money for that, they actually claim rebates from us at a much higher rate.

So we have seen that local talent feed into that, we also have a requirement as part of getting the rebate that you have to work with the Fiji National University, the Film School. Some of them are working now with lighting, behind the scene we have seen a lot of work with the sound, that is all building talent and it provides a lot opportunities for young Fijians to be able to step into the arts. As the honourable Prime Minister said, God willing one of these days we will see a Fijian winning an Academy Award and we have a lot of faith in our young people and they have an enormous level of hidden talents which we want to tap into. So, Mr. Speaker, Sir, I would like to thank the Chairman and his Committee for this recommendation on these two Annual Reports for Film Fiji.

HON. V. PILLAY.- Mr. Speaker, Sir, I would like to thank our honourable Prime Minister, honourable Attorney-General, honourable Faiyaz Koya and also other honourable Members who have spoken positively on the motion.

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

Question put.

Motion agreed to.

#### **REVIEW REPORT - MINISTRY OF LOCAL GOVERNMENT, HOUSING AND ENVIRONMENT ANNUAL REPORTS 2015 - 2018**

HON. V. PILLAY.- Mr. Speaker, Sir, I move:

That Parliament debates the review of the Ministry of Local Government, Housing and Environment Annual Reports for 2015, 2016, 2016-2017 and 2017-2018 which was tabled on 10<sup>th</sup> May, 2022.

HON. G. VEGNATHAN.- Mr. Speaker, Sir, I second the motion.

HON. V. PILLAY.- Mr. Speaker, Sir, following reforms, the Ministry of Local Government, Housing and Environment has now been split into the Ministry of Local Government, Ministry of

Housing and Community Development and Ministry of Environment.

The Ministry of Local Government is responsible for the overall administration and regulation of Municipal Councils and oversight of National Fire Authority (NFA) through the Local Government Act 1972 and the National Fire Services Act 1994 respectively. The Ministry monitors Municipal Councils in line with specific bylaws of the 13 Municipal Councils.

The Ministry also ensures that policy reforms are in accordance with the needs of the Councils and the communities. Its programmes are funded by Government grants. To maintain public safety and security, the Ministry also works closely with the NFA in issuing operational grants, funding fire station upgrades and subsidising the purchase of emergency fleet and life-saving equipment.

The Ministry of Housing and Community Development, on the other hand, is responsible for the strategic policy, funding assistance and monitoring of Fiji's housing system. It plays a lead role in promoting and facilitating the provision of accessible and adequate housing for low and middle-income households and people living in informal settlements.

The Ministry was established in 2018 as a dedicated standalone line Ministry with a single focus on the housing sector, bringing together Fiji's long running urban housing programme, previously overseen by the Department of Housing, within the wider Ministry of Local Government. The Ministry oversees and contributes to the development and monitoring of all housing-related legislation, including the:

- Housing Act 1955;
- Fair Rents Act 1965; and
- Unit Titles Act 1985.

Some of the major achievements of the Ministry in the 2017-2018 financial year include the following:

1. Three new Fire Stations were commissioned to serve the people of Taveuni, Seaqaqa and Savusavu.
2. 73 major developments were approved, costing approximately \$324,433,890. This included; the Wainibuku Subdivision, Seashell Cove Resort and Sun Insurance Commercial Complex.
3. 430 applicants received grants, of which 156 applicants received a \$5,000 grant and 274 applicants received a \$10,000 grant.
4. Garvey Park in Tavua and Ganilau Park in Savusavu were re-developed with facilities, such as convenience, construction of the hall, pavilion, floodlights, et cetera.
5. 1,423 applications were approved for the subdivision of land.
6. 298 rural rezoning applications were approved.
7. 37 recipients of the Fire Victim Assistance benefitted and \$185,000 was paid out.
8. 11 settlement socio-economic surveys were conducted.

Thank you, Mr. Speaker, Sir.

HON. M. BULANAUCA.- Mr. Speaker, Sir, I support the Report by the Committee but I wish to say and elaborate on a few of the observations and recommendations.

Firstly, on the Lautoka Swimming Pool, a peer review has been conducted and the way forward will depend on the report by the consultant. Is that report now on hand? What does the report say that

the Lautoka ratepayers and the public need to know? How much did it cost, is it \$14 million or \$10 million?

Sir, I stand to be corrected but it is a lot of money compared to \$30,000, \$40,000 and being taken to court. Were there investigations carried out? Was FICAC investigations carried out? What is the conclusion of that? It is important as a Government to ensure that things come to conclusion of what has been done.

Secondly, on the Sigatoka River Bank Upgrade, the Sigatoka Town Council took legal action against a consultant for the structural failure. What is the status of that now? Legal action has been taken. What is the result of that legal action, particularly for the consultant and the failure of the river bank upgrade whether in Sigatoka Town or other villages nearby - Yavulo, Sigatoka, Nayawa and Laselase?

It is important to ensure that the river banks are steady rather than is the money spent there for consulting and structural work? It has failed. How much has it cost us? Those are what we need to know and need to be clarified to the Sigatoka people and the public at large. So, it is important to conclude with those and come out with a status of those projects, Mr. Speaker, Sir.

On Nabouwalu, Keiyasi, Korovou and Seaqaqa town developments, the Ministry of Local Government ensures that the development of those satellite towns and major projects be completed by scheduled deadlines.

I just want to concentrate on Nabouwalu. What was the deadline? I understand it was 2016, we have gone past that. Again, promised for the 2018 Elections and, again, 2018 has passed. Now, we are still talking about the development of Nabouwalu in 2022, six years or seven years later on. So it is important that when we have a deadline to meet, we must ensure that the funding, resources and expertise are spent and done on it to ensure that the projects are completed within that time or a little bit past that time. That is acceptable to the people. So, it is important that the scheduled deadlines are known for the Nabouwalu, Keiyasi, Korovou and Seaqaqa town developments. But if you cannot complete it, do not worry, we will come next year and complete it.

I am just letting you know of the things that need to be done. For Nabouwalu, it is important to encourage economic development in the area to ensure that the township of Nabouwalu is meaningful for agricultural purposes, industrial and manufacturing. We need to open up areas. Land is available there that can be used for agricultural, industrial and commercial purposes.

There needs to be a plan and vision surrounding Nabouwalu to develop economic activities to ensure livelihood and meaningful development of such a township. Before you can have a township like that, it is important to have a secure source of energy, particularly in Nabouwalu that has been diesel all along. At 10 o'clock at night, you off the generator until morning at about 4 o'clock or 6 o'clock, then you switch it on again. We need the power that can work 24 hours a day for seven days a week, 365 days a year all around.

It is important to ensure power is secure and as I have already mentioned and I need to repeat it - there are many sources of power around there that you need to connect them to ensure larger sources of energy around that area supply power, light, et cetera, to Nabouwalu and the whole of Bua, particularly the hydro in Nuku.

I just want to repeat that in my village of Navakasali, Nuku, it is important to ensure that hydro is completed. Feasibility studies have been carried out since 2004 and was completed. I think the honourable Seruiratu was the Commissioner Northern at that time, but I think it was already filed with

the Department of Energy and Department of Rural Development. Everything is ready but it needs funding. You have to look for funding to get it done. If you cannot get the funding, do not worry, we will get funding next year and do it.

It is important to have power, particularly for our natural resources within us like that hydro that I was talking about in Navakasali, Wainunu in Bua. In that study, it was mentioned that it is bigger than the one at Bagata. It can supply more energy, than the one at Bagata. The one at Bagata feeds Savusavu, up to Botonitoba (I think) and down to Nakorovatu. It is quite a large area, so if you develop that one here in Nuku, Navakasali, Wainunu, Bua with a bigger energy, you can electrify Dreketi, Lekutu, Wainunu, Kubulau and may be right down to Nabouwalu. But if you join that hydro with Nasawana, Driti and Dama in Lekutu and the pine grid in Wairiki, then we can have a network of power supply there that will electrify Nabouwalu Town and all other villages in the Bua Province.

If you can have a biomass in Dreketi to make use of all the waste around there in Vanua Levu, Macuata, Bua and Cakaudrove, well and fine. It adds on to the supply of energy or power to Nabouwalu and surrounding areas. So, Mr. Speaker, Sir, those are important areas that we need look into it and declare tax free zone for Nabouwalu, to encourage people to invest in the industrial and manufacturing developments that we can go into, and housing for the increase in population. We need population for a thriving town so we have to develop economic resources, housing and infrastructure to ensure a viable town is to be successful, Mr. Speaker.

With the connection of all that hydro, solar, pine grid, wind in Nabouwalu and the biomass, you will have a lot more energy around Bua itself and we can do that in other areas as well, to be a source of development wherever. So it is important to have that in mind, but if you cannot do it, forget it, we will do it next year. Thank you, Sir.

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, I rise to present some observations on the review of the Ministry of Local Government, Housing and Environment Annual Report 2015, 2016, 2016-2017 and 2017-2018. I am sorry, Mr. Speaker, but I have to ask, whether the FijiFirst Government side was wide awake when they put forward this Report for debate this week in what could be the final Parliamentary Sitting week of the 2018 Parliamentary term?

The Government has opened itself up for public condemnation through this Report. Even the Committee seems exasperated in its observations and says, and I quote:

"We note that the following major projects are yet to be completed and urge the Ministry to complete prioritisation of these development works."

Major projects from 2015, Mr. Speaker, that have been in the pipeline will continue to be in this pipeline until 2023, 2024, 2025 or until legal issues are resolved. What a stunning performance indicator to be walking into the next elections with, Mr. Speaker! Not even the distractory events, like FBC's "*sigidrigi*" concerts in Valelevu, can help them here.

This Report says that the Nabouwalu Town Development is to be realised in the 2023-2024 financial year. Really? My colleague who is not here right now, honourable Salote Radrodro, noted in her *Facebook* post of February 2020 that not one stone had been turned in Nabouwalu, despite cumulative budget injections totalling \$15.2 million since 2015. All the hype, including the *Fiji Sun* proclaiming on 21<sup>st</sup> September, 2018 that the contractor, Hussain's Hire Plant, of Labasa was awarded the contract. Then what happened?

Now, Mr. Speaker, this Report says that Keiyasi Town Development should be online by the 2023-2024 financial year. Yet, only in June this year, we see on the Government *Facebook* page that the

Ministry of Economy with its engineering consultants and 10 prospective civil works contractors, taking a site visit there. This Report was tabled in May 2020. From 2015, 2016, 2017, 2018 or whenever the funds were allocated, it is only in June of this year that a posse from the Government with their convoy of vehicles sees fit to do the trek there.

What about the Korovou Town Development project? This Report says that survey works for two sites in Korovou will be submitting a scheme plan for approval, but nothing will appear there until 2024-2025 financial year.

Let us look at the Seaqqa Town Development. This Report says surveys have been done but they will hand over to Labasa Town Council for “development purposes”. Yet, honourable Koya was in Seaqqa on Wednesday, 29th June, 2022, to visit the Seaqqa site where “a majority of the infrastructural developments would take place for the upcoming Seaqqa town.” So, basically, Mr. Speaker, this is another of those initiatives by the FijiFirst Government that is in the pipeline, but blaming climate-proofing for delays.

Now, let us turn to the Lautoka Swimming Pool festering fiasco by the FijiFirst Government and what this Report says about it. What was supposed to be a taxpayer-funded \$2 million project in 2015 exploded with cost overruns, totalling \$7.8 million, then \$12.6 million - all the gory details are captured on the *Fiji Sun Facebook* post of 31<sup>st</sup> October, 2020. Of course, in the event of a crisis, Mr. Speaker, get a consultant in to obfuscate what is already a disgusting collusion of messes that no one wants to own up to.

This Report says the Lautoka Swimming Pool is to be peer reviewed by a consultant to audit the works of another consultant. How is that for brilliant logic? Paralysis of analysis because there is too many dirty hands in there and everyone is all a-scatter, trying to avoid the fallout. No one has been FICAC-ed yet, Mr. Speaker, selected political opposition using only words, are FICAC-ed at the drop of a hat.

Mr. Speaker, what about Govind Park in Ba, costing \$4.9 million? This Report says it is supposed to be realised in this current 2022-2023 financial year. Any sign of it, Ba MPs?

Surely, it is not like the Ba Swimming Pool that now lies derelict and overrun by vegetation. Honourable Premila Kumar said in the *Fiji Sun* of 6<sup>th</sup> January, 2019, that it was to be opened in April that year. In May this year, the honourable Minister, of course, gave this in this Parliament every excuse under the sun, like COVID-19, contractor defects, I am glad that we have not started to blame Russia and the Ukrainian conflict for this. It is a project that has been on their books since 2016, for goodness sake, Mr. Speaker.

And finally let us turn to the Sigatoka River Bank Upgrade, as laid out in this Report. What did the Committee say in this Report? Of course, it is the consultants. Of course, it is legal action. But the Committee says, despite them repeating the cautions of the auditors about the laxity in internal controls and timely reconciliations, the Ministry seems to be struggling to comply because of high staff turnover and internal investigations - not a very good outlook.

The FijiFirst Government recently sacked the Sigatoka Town Council’s Special Administrator, Mr. Adish Naidu. Before the FijiFirst Government side can start their predictable rhetoric about Mr. Naidu’s friendship with National Federation Party (NFP), let us look at merit first. He is a seasoned architect with years of professional experience. When he was approached by the FijiFirst Government side, we warned him that he may be victimised. But Mr. Naidu, as an honourable and principled man, took it on because he lives in Sigatoka and was keen to serve the people in some small way. Never did he divulge to us anything about his area of responsibility, Mr. Speaker. He did not even tell us about his

savage removal, until we heard it from a third party.

The honourable Minister for Economy knows him well and he was dancing to Mr. Naidu's music, contrary to what the honourable Prime Minister says about people dancing at a recent Fiji Institute of Accountant's function and perhaps, the honourable Minister for Economy can shed some light about what happened there.

In closing, Mr. Speaker, Sir, this Report is yet another shameful indictment on the FijiFirst Government. When it is time to debate, Sir, we are on the receiving end of rude, obnoxious comments and misogynistic comments as well from the FijiFirst Government side upon the *viber* command of their master. But before us all today, is but another tip of many icebergs of sub-zero quality of their leadership in black and white.

These Review Reports and Auditor-General Reports are the FijiFirst Government manifesto that we will show the people. No wonder the FijiFirst Government side needs to distract people and cry and whinge for our manifesto. All the hot air of bravado, cemented by clay feet is about to pay the Government side their due dividends at the upcoming polls.

The people who employ us - the voters, the taxpayers of this country, are no longer interested in artistic impressions or signage of cultural concepts and build teams of infrastructure still being dreamt about, like Waila City and the CWM Maternity Hospital renovations.

HON. F.S. KOYA.- Suckers will get the better of some people one day, Sir.

HON. A. SAYED-KHAIYUM.- Listen, honourable Qereqeretabua, you will learn.

HON. F.S. KOYA.- Mr. Speaker, Sir, I want to contribute to the motion for debate which is before Parliament, and actually wish to provide some truthful, honest insights into the status of the town development projects, not things that they believe and they do not know about. The comments and the recommendations, Mr. Speaker, are noted, particularly in relation to the new town development projects.

Mr. Speaker, Sir, before I continue, I want to briefly outline, and this is not an excuse, these are the challenges that we actually face in implementing new town projects post-2018. In 2019 and 2020, we all know we faced the full brunt of COVID-19, which actually resulted in reprioritisation of the budget that was allocated for capital projects to assist in the COVID-19 Response.

In 2021, there was no specific budget allocated, for example, for the Nabouwalu Town Centre Project for obvious reasons, as the Fijian Government was investing resources in unemployment support and economic recovery initiatives.

Again, due, also to the site experiencing inundation issues, they were not anticipated in the earlier engineering studies conducted. We were required to take some remedial action, specifically with respect to Nabouwalu, and worked on redesigning of the stormwater drainage around the proposed town centre subdivision. This is the practical reality on the ground.

HON. A. SAYED-KHAIYUM.- Honourable Qereqeretabua listen, he is telling you the fact.

(Hon. L.S. Qereqeretabua interjected)

MR. SPEAKER.- Order, order!

HON. F.S. KOYA.- Mr. Speaker, Sir, the Construction Implementation Unit (CIU) of the

Ministry of Economy has been assisting on this particular project to ensure that the proper ground work is undertaken. We are not going to do this willy-nilly, like it used get done before, Mr. Speaker. Ministries actually also working with the Fiji Roads Authority to upgrade the periphery drains around the proposed town centre so that the drains do not overload during torrential rain. These are simple things, but they need to be taken care of in a proper manner and it is all calculated properly.

The contractor currently is mobilising to the site with procured materials to recommence with the civil works. Again, this is another huge issue. We have got three families who reside on that particular new location who are squatters. So, we are working on the relocation of those three families from the town centre site to a new location for which iTLTB and the landowners have already given their consent.

As you know, Sir, this is not a simple thing where you just go and drag him out, take him and put him somewhere else. No! It has to be done properly, but moving forward, Mr. Speaker, the Ministry has actually strategised to break that project into different phases, as per the 2022-2023 budgetary allocation.

In concurrently, the Ministry has commenced work also on the Nabouwalu Passengers Services facility which will be located just next to the Nabouwalu Market. This facility will provide the people of Bua, all the Fijians travelling between the two islands, a designated waiting area with kiosk provisions. The Ministry is currently also evaluating a tender for design and build facility which will be awarded around October 2022, and the construction proper should commence by December 2022.

Mr. Speaker, Sir, for Keiyasi Town, the Ministry through the Ministry of Economy, is evaluating the tender for civil works which is expected to commence in the first quarter of this financial year. The project will roll over in the next two financial years, this is because the term for civil works completion would be approximately 18 months.

For Korovou Town, the Ministry was in the process of having the agreement of lease from iTLTB through the Ministry of Lands and we have completed the periphery survey of the two sites, that is, the 10-acre site next to the market. I have been on the ground myself, Mr. Speaker, and the 40-acre beside Tailevu North College. The Ministry will be able to register and secure the leases in this financial year and thereafter, the comprehensive scheme plans for both sites will be prepared by the Ministry in this financial year, along with the engineering designs.

With respect to Korovou, Mr. Speaker, Sir, we have to be very careful. Again, we have been left with a legacy issue because these towns now sit in rivers. We have to be very careful about what we build and what is actually used in terms of the ground work that has actually been done.

We are working on also, Mr. Speaker, Sir, in identifying development partners in the dredging of the Waibula River to mitigate any future risk of flooding the Town and we may also have to build some embankment, like they have done towards Sigatoka, Sir. At the moment, there is no local expertise in that particular field, Mr. Speaker.

Sir, for Seaqaqa, the Ministry is currently finalising the scheme plan for creation of new commercial and civic lots and once completed, we will look at the engineering civil works to commence in the next financial year.

We also had to rejig some issues around there because of the community that there is that has grown, but having said this, Sir, we are actually fully focused and committed to completing and delivering these particular projects within the set timelines. But as I have said, there are no excuses. These are practical problems that have been faced, Mr. Speaker, Sir, and it is genuinely a practical problem, and it is not an excuse. Thank you, Mr. Speaker, I hope that clarifies the issue, and I thank the Committee for their Report.

HON. P.D. KUMAR.- Mr. Speaker, Sir, I rise to contribute to the motion that is before Parliament, and I will speak only on matters that come under my portfolio.

The Ministry of Local of Government acknowledges the findings and recommendations made by the Standing Committee on Social Affairs. The Ministry has taken decisive steps towards corrective actions to remedy issues by establishing good governance and financial prudence in the Ministry.

Mr. Speaker, Sir, the Ministry has managed to resolve a number of internal staffing issues, which has improved the audit qualification. The Ministry recruited five Accounts personnel, including a Manager Finance in February 2018, and four Accounts Officers between August and October 2019 to establish a more robust Finance Team.

Mr. Speaker, Sir, from 2015 to 2017, the Ministry received qualified audit opinion - this has changed. The Ministry received unqualified audit opinion for 2017-2018 and 2018-2019 financial years after qualified people were recruited by the Ministry under OMRS. To-date, Sir, the Ministry continues with the in-house capacity building on procedures and processes for effective management of internal controls. While the Ministry has taken steps to address a number of concerns, it will continue to closely monitor governance in order to be preventative and proactive.

Mr. Speaker, Sir, I will now speak on Recommendations 2 and 3 related to the timely completion of capital projects, in particular the Lautoka Swimming Pool, Govind Park and Sigatoka River Bank Upgrade. All three projects mentioned in the Committee Report were not completed as scheduled. The Ministry has to make sure that the work is done in accordance to the scope of work, work is of high standard and quality is maintained and delivered within the approved cost and time.

Because of disputes, the projects were delayed. The initial step is to amicably resolve the issue and when this fails, the matter is either filed in the court or peer review option is taken to get the work assessed independently on a mutually agreed terms of reference. Such was the case with these projects mentioned in the Standing Committee Report.

Mr. Speaker, Sir, there was a dispute between Lautoka City Council consultant and contractors that caused delay in completing this project. To resolve the dispute, a peer review exercise was carried out by an independent consultant to audit and validate the works carried out by the lead consultant and the contractors so far. The findings and recommendations in the final report by the consultant will determine the way forward. We are optimistic that we will be able to complete this project as we go along.

But talking about this project, Mr. Speaker, Sir, it seems that honourable Members do not understand the difference between public-funded projects and personally when you develop a house or any other project that you carry out as in individual. There is a lot of difference between the two. If you carry out your own project, it is your money, you decide how you are going to use, you will not be calling for tender, you will not be calling for other things, you will simply get your plan approved, and if you find a good contractor that you think is good, you will give the job to that person. That is how easy it is.

However, for the public-funded projects, there are financial regulations to be used, there are certain other requirements to be met, because we also have to take care of safety and security when it comes to any project that we deliver. There are layers of scrutiny undertaken for that particular project because at the end of the day, the Government will be held accountable for it, so we understand that. Sometimes, we often actually depend on experts, whether it is an architect, engineer, consultants, plumbers, electricians or whoever they are - they are professionals. They know the job better. We rely on them. But if they are not able to deliver the work as expected, what do you expect us to do then?



HON. MEMBER.- Penalise them.

HON. P.D. KUMAR.- Exactly. So, if it is to do with penalising, there are so many other methods, for example, taking the matter to court and peer review is another way of amicably solving the issue, and if we are not able to strike a balance, of course, the matter will go to court.

HON. A. SAYED-KHAIYUM.- Mediation.

HON. P.D. KUMAR.- Mediation is another option. So there are many other options available, Mr. Speaker, Sir, and as a Government, we have to go through all these processes to ensure that we get the best result at the end of the day.

But for individual projects, I can tell you, as an individual, when people make their houses, they go into dispute as well and sometimes their project is not completed for one year, two years or even three years. That is the reality on the ground. So, let us not come here and say that this is the only issue with public projects. It is also an issue with individual projects, but as I have mentioned that we have layers and layers of requirements to meet, it is only for good governance that we do that.

Mr. Speaker, Sir, I have also noted that from the Opposition point of view, as soon as the announcement is made, as if we are carrying a magic wand and through this magic wand, we will be able to complete the project - this is not how it works.

HON. V. NATH.- Tell them!

HON. P.D. KUMAR.- Again, there is a preparatory phase, consultation phase and land acquisition phase. Announcement is made, it takes time to complete that, and this is not the case with only local government in Fiji, it is a case with all local governments around the world. For your information, simple projects in Australia and New Zealand can take 30 years to complete. A good example is the airport they are making in Western Sydney.

HON. A. SAYED-KHAIYUM.- Badgerys Creek.

HON. P.D. KUMAR.- Yes, and it has taken them so many years to get that project started. But here we are, we have Opposition Members who do not read, they do not understand how the system works but they come here expecting things to be done overnight.

Mr. Speaker, Sir, I would also like to correct honourable Qereqeretabua as she has said that the Special Administrator that we appointed for Sigatoka and Nadi, Mr. Adish Naidu, we approached him. In fact, no, he applied, and when he applied we did not consider his political affiliation. If we had considered his political affiliation, probably we would not have appointed him in 2020 but we did because we believed in giving any work or putting anyone in a board or as special administrator based on merit - that is what we did.

But let us look around Sigatoka and Nadi. Where do you development in Nadi, Mr. Speaker, Sir? What new things have come up in Nadi? So these were the reasons as to why we had to let go the whole team for Sigatoka and Nadi so that we can appoint people who can get the job done. This is as simple as that.

Mr. Speaker, Sir, I also want to stress on another point; when the Opposition come to his House, they think that there is a lot of money sitting somewhere which can be pulled out as and when needed. And if you compare our national budget of Fiji, it is around \$3.6 - \$3.8 billion as compared to just Auckland City Council. Auckland City Council have a budget 10 times more than the national budget

of Fiji. And sometimes I wonder how the honourable Minister for Economy runs this country with that kind of money and yet, he is able to provide pension, free education and all the development work that is being undertaken. Only he is able to do it because it requires a lot of thinking and a lot of knowledge and determination to get the job done. So, do not come here and say that we were not able to complete this and that, we are doing whatever we can within our means.

Mr. Speaker, Sir, they also tend to forget that from 2016, we had 14 cyclones and they are asking, 'so?' This is the level of intelligence they have, I am sorry to say. You know what happens when you have a cyclone. When you have a cyclone, we have to divert government funds in urgent areas, Mr. Speaker, Sir. They do not understand that. If there is no road, that road needs to be fixed. When the bridge goes down, the bridge needs to be fixed. We also provide food in the area where people cannot access towns and cities, so this is where the funds are diverted, Mr. Speaker, Sir. Do not say that we are not doing what we are supposed to be doing, we are doing everything based on as situation arises.

That was cyclone, after that came COVID-19, and we all have seen, it was about life and livelihood. Capital projects were put aside, the focus was on health and survival. Now that the economy is picking up and you have heard in the last Budget, the Ministry of Economy has given around \$2.8 million to complete Govind Park. Mr. Speaker, Sir, for Govind Park, Phase 1 is a \$9,600 sitting capacity pavilion with associated facilities, such as two conference rooms, four change rooms, VIP room, two restrooms, one restroom for people with disabilities and squash room is completed.

Mr. Speaker, Sir, during the defect liability period, defects were identified which took take time to be fixed. When you identify defects, obviously, there is disagreement between the two parties and that takes some time to solve through mediation or other mechanism and that was the case in this particular matter.

Mr. Speaker, Sir, the lead consultant will lead the works for Phase 2 and contractors will be hired for the completion of this Phase. Phase 2 of the project will include the upgrade of the playing field with drainage, construction of ground parameter fence, installation of electronic scoreboard, backup generator, construction of ticket booths and the construction of embankment. This Phase is expected to complete within this financial year.

Mr. Speaker, Sir, the Ministry of Economy, Ministry of Local Government and the Ba Town Council are working together to ensure that the Govind Park Project is operational by this financial year.

Regarding the Sigatoka River Bank Upgrade, the grant was given to Sigatoka Town Council with good intention, to complete the river embankment area and the idea was to create more spaces around the river bank so that tourists can enjoy that space and activities can be held in that area, like *bilibili* races, et cetera, where people can have more access to that space. So, it was two-fold - one was to create space, and also to safeguard the erosion of the riverbank.

The project has not progressed well simply because there was a design fault by the lead consultant who happens to be an engineer from a well-known company. The design fault was, when they did the sheet piling in the river, somehow or the other the piles fell in the water so it could not hold firmly on the ground or in the river. It cannot hold, so there was some problem with the design. When you have a problem like this, I would like to ask honourable Qereqeretabua, through you Mr. Speaker, Sir, what do you expect us to do? It was a contract signed by two parties and the service provider did not provide the service according to the contract. So what do you do?

What we can do is, we can have negotiations with the lead consultant who happens to be a qualified and well known engineer. Now, if he comes to the table and still does not agree that he is at fault or he should fix that, while you can see the piles are all in the water, in that situation, we had no

other option but to take the matter to court. The matter is in the court and what we want to do is, we want to recover every cent and other related cost from the lead consultant, Mr. Speaker, Sir.

Mr. Speaker, Sir, finally I would like to thank the Committee for the Report and I hope I have given an update on all three projects and the reason why it was delayed.

HON. RO F. TUISAWAU.- I rise to contribute to the Review Report of the Ministry of Local Government, Housing and Environment Annual Report, in particular I would like to comment on the projects mentioned there.

In the Committee recommendations on the Sigatoka River Bank Upgrade, I would like to thank the honourable Minister for updating us. I would like to share some other information on the Sigatoka River Bank Project from the audit which was carried out.

A review of the reclamation of the Sigatoka River Bank Project revealed the following anomalies:

- The Council had used funds totalling \$619,708 from the total grant received of \$845,000. However, the project was yet to be completed due to structural failure defects noted, as updated by the honourable Minister. But some of the interesting issues about that project which I feel should have been adequately addressed may be there was not enough monitoring and oversight.
- The Council did not tender the works carried out for landfill upgrade which costs the Council over \$10,000.

So, those are the anomalies which the management, the Ministry or whatever could have addressed and if the tender works was not carried out, then what disciplinary action has been taken? A total payment of \$54,086 was made to an Engineer, even though there was no contract in place between the Council and the Engineer.

Again, who is responsible? Was there any contract? Has these funds been recovered? Again, I understand it is going through the court. There was no evidence to indicate the basis on which the engineer was elected, that the Council sought confirmation or undertook reasonable steps to ascertain the ability of the contractor and engineer to undertake such project.

There was a variance of \$100,731 was noted between the balance utilised as per the work in progress amount and the details of payments provided by the Council. A payment of \$75,651 was made to the contractor in 2018 for the second progress payment, even though the Progress Payment Certificate provided by the Project Manager for this payment was not signed. Again, how did this happen? This smells like corruption and collusion. Has this money been recovered?

The Management of the Council agreed with this findings and also measures to recover. So what I am asking is; what has been done about this because these are major anomalies? Here, we have everything and all sort of things reported to FICAC but this case has not been reported, so there needs to be further investigation. I know that the honourable Minister has updated us but those details point to other things which need to be actioned on and reported - not only exposing anomalies in the process. They did some things in terms of the tender process but also the management of the contract, the monitoring of the performance in terms of the contract, et cetera, even before this stage of payment, but payments were made.

On the Sigatoka Pool, I noticed as updated, of course, there is the peer-review.

HON. A. SAYED-KHAIYUM.- There's no Sigatoka Pool.

HON. RO F. TUISAWAU.- I am sorry, Lautoka Swimming Pool, my apologies. You can also do a project there, Sigatoka Swimming Pool.

For this project, the contract was \$4.8 million and the Construction Implementation Unit said that Luxury Pools had been paid a total of \$4.4 million, while another company has been paid a total of \$1.28 million.

I understand this is being looked at by the Peer Review and it is interesting that money was already paid, what was it for? To my understanding, part of it was for the completed part, but what about the other one? Again, the latest from the honourable Minister on 20<sup>th</sup> August, 2022, she stated while officiating in a function that the much anticipated Lautoka Swimming Pool will go ahead. She said that the matter was called before the Court and once the report is finalised, we will be able to discuss the report and move forward, which is commendable, I suppose on the part of the Government.

That Peer Review is ongoing and we look forward to the findings of that and further action. Some of the questions which arise, again, what kind of compliance and due diligence process was done for those projects from the beginning, especially the tender process, selection of contractors, performance and monitoring contract payments process? I note that Luxury Pools, again, as I have mentioned, was paid \$4.4 million and another company \$1.2 million. Is this justified? What actions have been taken regarding these anomalies who were responsible and whether these cases warrant reporting to FICAC?

Those are the issues which I would like to raise, Sir, on these Reports.

HON. J.V. BAINIMARAMA.- Mr. Speaker, Sir, I rise to speak on the motion by honourable Pillay. First, Sir, I wish to convey my appreciation and commend the work of the Chairman and honourable Members of the Standing Committee on Social Affairs, in reviewing the Reports of the Ministry of Local Government.

Mr. Speaker, Sir, the Ministry of Local Government is mandated under the Local Government Act 1972 and the National Fire Services Act 1994, to administer and regulate all Municipal Councils in Fiji and provide oversight to the National Fire Authority.

Mr. Speaker, Sir, I have always emphasised my Government's intent to modernise the nation's laws, some of which have not been updated since the Colonial era, to improve the efficiency and effectiveness of the delivery of Government services in the 21<sup>st</sup> century.

The ongoing review of the Town and Country Planning Act demonstrates my Government's commitment, to ensure that we make space for more modern and sophisticated development planning. Past Governments in Fiji used to go about urban development as if they will all die the next day, as if roads would never needed to be widened, water pipes would never needed to be replaced and buildings would never needed to be taller than palm trees. Mr. Speaker, Sir, we do not work that way, my Government considers and plans for development over decades. We work towards a long term vision that accommodates for future needs before they become urgent - life or death matters. I commend the Ministry of Local Government for applying a lens of strategic innovation to the policies that are relevant to town and residential planning.

The issues identified by the Standing Committee on Social Affairs are currently being addressed by the respective Ministries. Working towards a goal requires effective collaboration and planning, Mr. Speaker, and I welcome the work of the Ministry of Local Government and the 13 Municipal Councils, in getting blocks rezoning, building and subdivision and locations with growing population.

Mr. Speaker, Sir, before she abundant her parliamentary post, I recalled Lynda Tabuya speaking of, and I am quoting her directly here; "...the explosion of informal settlements in our cities and towns around the country under this Government." That is a lie and there is no surprise. Lynda has never been a leader and has always been disingenuous. She lied when she stood in this Chamber, and she continues to do so ever since she ran out from her voters. The truth is that, the explosion in informal settlements happened during the mass expiry of land leases among farmers during the SDL Government. That is part of the mess they left that we are cleaning up now.

Mr. Speaker, Sir, my Government does not create problems, we solve them. We are the Government that is regularising squatters in informal settlements - to grant them the dignity and stability of secure tenure where we can. We are the Government that is creating solutions to the longstanding rural to urban drift and the corresponding need for wider scope of development in peri-urban, rural and maritime areas. That work is twofold, we must ensure our towns and cities can reliably serve their residents, and we must ensure that services are readily available in the rural and maritime areas in Fiji so that people who want to stay where they live can do so. The revised Act will address how we plan for the expansion of our towns and cities and generally, a more equitable Fiji.

Mr. Speaker, Sir, I encourage the Ministry to continue implementing the initiatives under their ambit, and I reaffirm my Government's support and commitment to deliver its strategic priorities, supported by budgetary initiatives.

Based on those comments, Mr. Speaker, and those remarks, I support the motion.

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, before I respond to some of the comments made from the other side, on Page 11 of the Committee's recommendations, the first recommendation is that, the Ministry of Housing and Community Development complete the review of the National Housing Policy which is pending due to COVID-19 pandemic. None of the speakers actually spoke about that. The honourable Prime Minister, of course, has alluded about the squatter growth and the reasons as to why there has been a squatter growth.

Regarding the policy review, Mr. Speaker, Sir, overall, it is still in progress. In 2019, there was a Policy Advisor who was appointed with funding assistance from New Zealand, the Ministry of Foreign Affairs and Trade (MFAT), to assist the Ministry. The National Housing Policy review has reached the consultation phase but, of course, was disrupted as a result of the pandemic and which we are going out to members of the public and that will continue.

In respect to that and carrying on from what the honourable Prime Minister said, Sir, there is a number of informal settlements throughout Fiji that we are in the process of formalising. No one spoke about this but in respect of the work we have already had, for example, in the lot allocation, these sites have already completed: Ledrusasa in Nadi, Cuvu in Nadroga and Waidamudamu in the Central Division (near Goat Road), just before you reach Koronivia.

The following projects have been tendered out for construction: Tore and Tavela in the Western Division and Wakanisila and Sasawira in the Central Division. We have scheme plans now for Nabara and Delaisaweni in the Western Division. There is quite a lot of work going on, Sir. Of course, we have the following projects that have been allocated in the 2022-2023 Budget: Capital works will commence in Sakoca, 30 percent of the works have already been completed; Tavela, as I mentioned; Tore Field 4, Wakanisila, Caubati, Nadonumai, Vunika, Lovu Seaside, Valewaqeyaya, Tauvegavega and also Sasawira.

Sir, all of those works are currently on foot. There are literally thousands of people who live in these areas. In the next few weeks, we will also be going out to many of the other sites. Most of the sites,

Sir, where we have informal settlements that we are trying to formalise are on *iTaukei* land where Government has essentially taken out development leases.

We are paying monies directly to *iTaukei* Land Trust Board (*iTLTB*) and then *iTLTB* is disbursing those funds to members of the landowning unit. In some cases, Sir, the development leases were taken five years ago and, therefore, they have expired and we are now negotiating to get another five or seven years of development lease. Because there are over 40 sites, we are also looking at some public private partnerships in respect of developing those sites because if we continue to depend solely 100 percent on Government budgetary allocation, it can take a long time. We need to expedite those projects.

As the honourable Minister for Local Government had highlighted and honourable Members of the Opposition do not actually discuss these issues, when you run Government and decide on policies, when you look at various policy measures, you do not do these things in a silo. Honourable Qereqeretabua's comments are very (what I call) "siloistic", apart from being pedestrian. Why was not this done?

If anyone has been to Nabouwalu, for example, I am sure honourable Salote Radrodoro goes there a lot when she takes the boat, Mr. Speaker, Sir, the fact is that, where the site has developed it is actually not very conducive. It is not flat land, there are various creeks and rivers. The soil texture is so prone to landslides. If you go down further East towards the fish market, you will see it gets inundated by rising tides because of inundation of waters due to rising sea levels. These are challenges. You do not just flick a finger and it all goes away.

Honourable Qereqeretabua and others who commented on this, standing up there with a lot of sarcasm and making those comments, obviously, do not appreciate the fact that these are everyday challenges that we face. What they do not also mention is that, this is the only Government that actually said, "Let us build a town in Nabouwalu." This is the only Government that said, "Let us build a town in Keiyasi, let us build a town in Seaqaqa. Get some municipality set up. Let us get streetlights. Let us get water. Let us get electricity." They do not mention that at all.

Mr. Speaker, Sir, NFP is completely obsessed with the elections. All their comments this week, they stand up and talk about elections. Of course, this is marked by the large absence from their chairs. The fact is that, we have also called out Members of Parliament - we have called out honourable Tuisawau, honourable Bulanauca, honourable Gavoka and every one of them, exactly on the same matters that honourable Qereqeretabua has made. Just because we point out to her, she says that we are being misogynistic.

I think that is actually quite derogatory. Just to hide behind that comment and saying we have been misogynistic. So that means biologically, following through that if we do not pick on anything that she says, if we do not point out that the narrative is wrong, if we point out to her that she got the law wrong, then it is okay. That I think is an insult to many other women, who are highly intelligent. They will not mind actually having a useful discussion or constructive discussion, but the moment you point out anything to her, it is about misogyny. She does not pick on the fact that her leader made misogynistic comments about journalists in Fiji. Not a word, not a word about that comment. Mr. Speaker, Sir, I think it is quite unbecoming to hide behind that.

Mr. Speaker, Sir, the other point I wish to also make is that, if they had come to the budget consultations, honourable Qereqeretabua, like at least honourable Rasova turned up and two or three of his other colleagues, we had been inviting them since 2014, they bothered not to come. They would have heard not just from us, but from the team at the Ministry of Economy what are the significant changes we have to go through.

The honourable Minister for Local Government is absolutely correct. When you have three cyclones in one season, we already had a budget approved, you have to divert funds for funds that are not being used or funds actually that could be put on hold. What she is saying is that, “Oh well, do not worry about those people whose electricity poles have fallen down and the roads being cut off from their villages or the bridges gone away, do not worry about them but continue building the town, because we will stand up and criticise you, if you do not build the town.” That is what she is saying.

Mr. Speaker, Sir, they do not understand the fundamentals of running a Government. You have to divert the funds. We had only one cyclone in the last season, but the road was completely washed out at the highway near Maro, Kabisi, the entire highway went. One lane went near Semo, one lane went near Nalawa. We have to build the highway, and we have to get the money from somewhere, people are not going to be disconnected, if we discontinue with the Nabouwalu Project for a period of time but people will be disconnected, if we do not build the road. It just makes logical sense, Mr. Speaker, Sir, and the other point I wish to also make is that, all governments have this issue. In fact, we recently had, a couple of years ago with ADB too.

There is a Government Tender Board, if government tenders out work. A lot of the municipal council works for example, goes to the Municipal Tender Board. They have their own tender process but, as has been highlighted by honourable Tuisawau and I hope he understood what he was reading out that the Construction Implementation Unit (CIU) now, from the Ministry of Economy has been called in to provide their expertise to the Municipal Councils, to be able to assist them to get across some of these difficult situations they have found themselves in, because CIU is a much bigger organisation and they handle much bigger contracts.

Mr. Speaker, Sir, the tension is, do you give it to the cheapest tender? He says no. Now, if tomorrow for example, Sir, this is not an easy issue because sometimes, you may have some who may tender for a work that is \$7 million. The next highest could be \$11 million or the next cheapest, I should say. There is a weighing of these issues.

In the same way, we have said to the ADB, we no longer can give the road works to the cheapest company because they may not have a good outcome, as far as the quality of the construction is concerned, as far as the longevity of the project is concerned because you have some companies, they may be very cheap but there may be a lot of variations. Some companies may be very cheap, after they have completed the work, there is potholes within three months but ADB told us to give it to the cheapest company, so we are stuck, so honourable Rasova drives on the road and said oh government is useless, there is a pothole after three months. But we had actually followed a particular tender process through the ADB and we have said to them we no longer want to do this. We also need to look at quality. In the same way for government tender works also, we need to look at quality now, not the cheapest.

I know honourable Tuisawau would pick it up and say I know there was a tender for \$7 million, why have you not given it to him. He was the cheapest or must have been underhand dealing, that is why you gave it to the other guy. That is what they all stand here and pontificate. Honourable Qereqeretabua says oh FICAC. How can you FICAC somebody? You report the matter to FICAC but before you report any matter to FICAC, you need to exhaust, you need to establish whether there is any untoward dealing and let me say this again, Sir, this is the only government that has not hesitated to report people to FICAC both within government, within the civil service, within the municipal councils. Honourable Premila Kumar will tell you how many people they have reported to FICAC, as far as Municipal Councils are concerned. How many civil servants? The scam that has been revealed under this government and they have the audacity to come here and say that we only are selective or it is a political machination that is in place.

Sir, the other issue that I wish to also make is that, they seem to think that the word “consultant”

is a dirty word. Yes, if you are a fly-by-night consultant, then it is a dirty word. If you give it to people who do not know what they are doing then it is a dirty word but you have reputable companies, you need people to project manage. It would appear that, if they were able to form government, God forbid, they themselves will go and manage the projects without having absolutely any knowledge. We would like to give the job to the people who actually know the business, not for people who want to think that they know the business, Mr. Speaker, Sir.

Mr. Speaker, Sir, the other point that we wanted to make was that, about this whole conspiracy, this whole conspiracy about we give stuff to people or we do not give stuff to people just because they support NFP or support some other party. There are currently engineers, who through the government tender process, have won tenders and they actually are open supporters and donors to NFP. But they have the contracts fair and square. They do not mention that. But they and their supporters including SODELPA go and harass our people, who are actually legitimate donors. They belittle them. They troll them. Yet this is a government that gives people awards or tenders based on merit, not on their political affiliation. If that was the case, then Adish Naidu would have never got that job.

He actually applied for the job and honourable Qereqeretabua stands up here and says that why did you select him. He applied. See, this is the level of obfuscation that takes place and I can tell you, Sir, this article that I am holding up again is a completely perfect example of the amount of obfuscation and disingenuity that comes from the Opposition. Here we have the Leader of NFP saying, “do not pay superannuation, do not pay FNPF” and then he stands up two days ago saying we should have not deducted or reduced FNPF when here he is saying, “take it off completely”. When he says, “I never said that you should have a pay cut”, over here he says “cuts civil servants pay by 30 percent” in your favourite tabloid. That is the culture that exists in that party and I am afraid to say it is creeping into SODELPA too.

Mr. Speaker, Sir, the last one I want to make, honourable Tuisawau made about how tenders may not be called. As you would know working at USP when those days when USP used to be somewhat okay that there are certain thresholds. As you know, for example honourable Jale will tell you that if you have, for example, works that would be less than a particular threshold, you do not actually call for tenders. You do not go and call for tender for something that is going to be \$5,000, you get three quotations.

The Government has a threshold of \$30,000, \$50,000, municipal councils may have different thresholds. You did not bother to find out what was the threshold, you said \$10,000, maybe the threshold was \$20,000. Did you bother to find out if they have got three quotations or not? But you stand up in Parliament and make these comments trying to create disquiet and saying I am just reading the report. You have an added responsibility, Sir, to actually get all the facts before you stand up and talk about a particular issue.

Mr. Speaker, Sir, as far as the rest of the works are concerned and honourable Koya has also highlighted the works pertaining to Town and Country Planning and so as the honourable Minister. I would like to commend the Committee, some of the Members of the Opposition have said that the Committee has highlighted and said the work should be completed too. I also would like to urge the Committee to perhaps go deeper and find out exactly why sometimes these works are not completed. There are various reasonings behind it, there are very rationale reasons and very good reasons behind the non-completion of sites on time or indeed there are supply chain issues.

Honourable Qereqeretabua, again I find it so flippant to say we blame everything on Ukraine and we will blame this on the Ukraine war. In fact, it is a huge insult, there are people today in various countries that do not get access to food as a result of the war in Russia and Ukraine. Women and children are suffering, in certain countries they actually fight for bread in the morning which is their staple diet.



We have today Fijians, Mr. Speaker, Sir, who are paying much higher prices for wheat, flour and various other commodities as a result of the war. So please, in your quest for political ascendancy, do not belittle the ordinary Fijians, do not belittle people who are suffering directly as a result of the war because it is very unbecoming, Sir and it is in fact a very pathetic display of what political life should be like. Mr. Speaker, Sir, I thank the Committee for the report.

HON. V. PILLAY.- Mr. Speaker, Sir, I do not have any further comments to make.

Question put

Motion agreed to.

MR. SPEAKER.- Honourable Members, for the purposes of complying with Standing Orders with respect to sitting times, I call upon the Leader of the Government in Parliament to move the Suspension Motion.

### **SUSPENSION OF STANDING ORDERS**

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

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

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

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Mr. Speaker, Sir, under Schedule 1 on motions for debate, we still have an outstanding item and of course the eight Oral Questions under Schedule 2 thus the request to sit beyond 4.30 p.m. today.

MR. SPEAKER.- Honourable Members, the floor is now open for debate on the motion. Anyone wishing to take the floor? Honourable Leader of the Government in Parliament, do you have anything further to add?

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- No, thank you, Mr. Speaker, Sir.

Question put.

Motion agreed to.

MR. SPEAKER.- Honourable Members, on that note it is just 4.30 p.m., we will take a break for afternoon tea.

The Parliament adjourned at 4.30 p.m.

The Parliament resumed at 5.07 p.m.

## **REVIEW REPORT - NATIONAL FIRE AUTHORITY 2015 ANNUAL REPORT**

HON. V. PILLAY.- Mr. Speaker, Sir, I move:

That Parliament debates the Review of the National Fire Authority 2015 Annual Report which was tabled on 11<sup>th</sup> May, 2022.

HON. G. VEGNATHAN.- Mr. Speaker, Sir, I second the motion.

HON. V. PILLAY.- Mr. Speaker, Sir, in exercising its powers under National Fire Services Act, the National Fire Authority's (NFA) responsibilities include:

- The corporate governance of NFA including the establishment of sub-committees;
- Administration and operations of the national fire services;
- Establishing strategies and objectives;
- Monitoring the performance of management;
- Ensuring effective and efficient communication with all stakeholders;
- Appointment of officers of NFA;
- Ensuring effective human resources programmes for NFA; and
- Overseeing the development strategies for senior and high performance officers.

To streamline communications and better administer the organisation, the Authority established three fire divisions namely, Central/Eastern, Northern and Western Fire Divisions and appointed Divisional Fire Officers to head these three Divisions. At the time of scrutiny of NFA's 2015 Annual Report, there were a total of 21 fire stations around Fiji serving of which eight were commissioned in the past five years.

Sir, NFA also formed a multi-agency taskforce committee to review sub-standard electrical appliances in early 2020. The NFA employed aggressive fire safety awareness messages on television, radio, dailies, house to house awareness visit, and billboard and bus stop advertisements throughout 2015 in efforts to curb the occurrence of fire incidents and fatalities. In 2015, the Authority continued to meet all of its obligations and fulfil its responsibilities whilst continuing with the efficient provision of fire and emergency management services to various communities.

HON. J. SAUKURU.- Mr. Speaker, Sir, before I make very brief contribution to the motion, I take this moment and stand with the *Bose ni Momo ni Yasana ko Ba* and the *Yasana o Ba* to pay tribute to the Head of the *Vanua o Betoraurau, Momo Levu na Tui Sabeto*, the late Ratu Tevita Susu Mataitoga. Sir, *Na Momo Levu na Tui Sabeto* is a paramount chief and overlords seven *yavusa* in the *Vanua o Betoraurau* namely Conua, Leiwavuvavu, Nasara, Waruta, Leweidrasa, Ne and Leweikoro. I join the chiefs of Ba, the RKS Old Boys community in the West and friends to thank *Na Momo Levu na Tui Sabeto* for his contribution to our province and send our condolences to the *Vanua o Betoraurau* and in particular the family. May the *Momo Levu na Tui Sabeto's* soul rest in peace.

Mr. Speaker, Sir, I choose to focus my contribution today to other matters raised by the auditor in relation to National Fire Authority's 2015 accounts and specifically for subsection (1) and I quote:

“The Authority has not been exercising Section 32(e) of the National Fire Service Act 1994 whereby the owner of the property that is not insured is liable to pay to the Authority reasonable costs and expenses incurred by the Authority in providing firefighting services.”

Mr. Speaker, Sir, \$60,000 have been billed by the Authority which is part of the outstanding debtors to- date. Here we have the National Fire Authority trying its best to provide service for the protection of properties and in the process is accumulating a lot more debts. Therefore, I call on Government to either explore the provision of an affordable insurance for every household in Fiji as a property cover or to subsidise the cost incurred by the Authority in their effort to protect properties. Sir, with those words, I fully support the motion before Parliament.

HON. LT. COL. I.B. SERUIRATU.- Mr. Speaker, Sir, thank you for the opportunity to speak on the motion. Let me first acknowledge the Chairman and the Committee Members for the Report and I also wish to acknowledge the executive management and service men and women of the National Fire Authority. Although my contribution will not focus on the Report, for a few reasons I wanted to speak on this motion particularly based on the achievements, the progress and maybe the honourable Minister responsible will elaborate further on this; the achievements and the progress made by this institution since this Report.

The honourable Saukuru has talked about the debt but like every organisation, they are doing their best in terms of debt recovery so that they can sustain their own operations and of course contribute to the overall development as well, not only in their specific area of work but of course in the wider development needs of Government, Mr. Speaker, Sir. This is an organisation that we can say has made significant progress particularly in terms of its revenue collection, an institution that used to struggle previously. Of course there are challenges, the laws that we have and affordability as well when it comes to new rates, insurance and so forth that most of the people that we live within the municipal boundaries particularly do face.

Mr. Speaker, Sir, I did not contribute in the previous motion on local government and environment because I would want to speak when we have this motion debated. But if you can allow me just to say a few things, additional to what has been aired here in the previous motion, particularly in terms of the delays in the municipal councils about the implementation of projects. As the honourable Prime Minister, the honourable Minister for Economy and the honourable Minister for Commerce, Trade, Tourism and Transport stated that it is not that simple. This is not the only Government that has these huge delays in big projects, Sir.

I would recall that in Labasa there has been plans for ages to move Labasa Town to the other side of the river, but that has never taken place until 2008. Now we have Damodar building their new complex there, FNU although the project is stalled and that has been discussed already in this Parliament. We now see new investments taking place but that is a typical example of what has been in the pipeline for so long but never implemented, Mr. Speaker, Sir. Of course, there are some self-interest as well in that, that delayed the project but these are typical examples.

Mr. Speaker, Sir, the Labasa Hospital, I remember when the honourable Prime Minister came in one of his earlier visits to Vanua Levu and he was briefed by the Ministry of Health staff then (SDMO) about the project, that has taken about 10 years or so but still not completed. What was projected to be a \$3 million or \$4 million project has reached about \$12 million and yet it is not completed. The honourable Prime Minister made a promise that within 12 months from this date we will complete this hospital and services will be provided to the people. So that was delivered but delayed. It is not that simple as seems to be portrayed by a few Members who probably have not had enough experience in serving in institutions as such.

Mr. Speaker, Sir, back to the National Fire Authority, I talked about the progress and the improvements in this organisation that probably is worth mentioning in Parliament. Over the last few years, the National Fire Authority has constructed nine fire stations throughout the divisions particularly the Central, Northern and the Western Divisions. In the Northern Division, Taveuni, who would imagine

that Taveuni would one day have its own fire station together with the capabilities that are there? I am saying this as the Minister responsible for rural development. The new Fire Station in Savusavu, one in Seaqqa although we are talking about Seaqqa being declared as a town but the Fire Station is already there. It brings a lot of confidence and assurance to the communities in Seaqqa when we have this facility there. We are talking about Nabouwalu becoming a town. There is already a Fire Station state of the art sitting in Nabouwalu as we speak today, Mr. Speaker, Sir.

In the Central Division Korovou is yet to be declared a town as well but they have the Fire Station already there and hopefully next will be the swimming pool for Korovou Town before Sigatoka.

In Davuilevu and Nakasi we have the new Fire Station there. In the West one in Rakiraki Town, one in Korolevu. In this year's budget, \$1million has been allocated for a new Fire Station in Navua Town. This is an achievement that probably is beyond the imagination of most of our communities but of course thankful to this Government and the Executive Management of the National Fire Authority - these projects are happening throughout Fiji.

The National Fire Authority is also operating beyond its primary areas of focus and tasks. I wish to commend them particularly on Humanitarian Assistance and Disaster Response (HADR). They play an important role in rescue operations, particularly water rescue in the provision of water for hospitals, schools, Government facilities and even in the cleaning up of towns and cities - they play a prominent role.

Provision of manpower: As I have said this is beyond their areas of responsibilities as they deliver rations, they do extra work and also even in the Emergency Operation Centres (EOCs) at the Division or at the district level, they form the core of the operations and the planning team in the respective Divisions.

An area that we are also progressing together with the NFA is the possibility of using them as well. This is something that we learnt from the Australians and the New Zealand fire fighters, particularly, during *TC Winston* when they were also able to do structural damage assessments on buildings. I remember that the school in Vanuabalavu was assessed by the Fire Authority Australia and New Zealand and this hopefully will be covered.

Most recently, just over the weekend the unfortunate incident in Kasavu, we saw the fire fighters again doing rescue and trying to do their best but unfortunately we lost two senior citizens as a result of that incident but this is something that needs to be acknowledged. Their presence as I have alluded to in the Divisions, particularly in the rural stations has brought a lot of confidence to the local communities and not only that, they are very much part of the national building process in their respective communities.

Another benefit that is coming out of these places is the value of the properties has improved because of NFA's presence in those areas, Mr. Speaker, Sir. Like other Disciplined Forces, the NFA is very prominent in sports as well these days, Mr. Speaker, Sir, is our national teams, particularly in rugby – Rugby 7s and 15s. We have members of the NFA in these teams. Therefore, I feel obliged to express our appreciation to an organisation that deserves to be given that, as I have alluded to earlier on, based on the progress and the developments that have taken place in the institution over the years.

Of course, we wish them well, Mr. Speaker, Sir, and hopefully, more good things will come out of the organisation and significant improvements as well in the Report that we have before Parliament. Of course, I support the motion before us.

HON. DR. RATU A.R. LALABALAVU.- Mr. Speaker, for my brief contribution this afternoon, I would like to, first of all, thank Parliament for allowing the Committee to go for site visits to see firsthand and listen to the challenges by NFA, especially in the North, in Savusavu and Labasa, and how we were

fortunate to be accompanied by the CEO, Mr. Puamau, and their National and Divisional Fire Officers. We are thankful to the NFA and also the CEO, that they even invited us to the opening of the Nabouwalu Fire Station.

As a Member of the Committee, I just wish to touch on a few recommendations. On Recommendation No. 1 - a Community Fire Warden framework be implemented in all communities to raise the level of awareness on fire prevention and mitigation.

Mr. Speaker, Sir, this is a very important recommendation based on the fact that previously, there used to be voluntary services which have now been regularised into regular fire officers. This recommendation was brought about when we asked questions to the Chairman and members of his staff that it would be another stepping stone for our community to find a permanent employment in the field of NFA.

Recommendation No. 2 - recognise the importance of taking the NFA services to the rural communities and recommend that future plan establishment be prioritised and implemented. The honourable Minister for Defence has alluded to that - the opening of the new NFA Station in Nabouwalu. With regards to the budget, I am sure we were told that there would be a sub-station coming up in Matei in the near future, and we look forward to that. It is important that fire services is centralised to the rural communities as well.

Finally, Mr. Speaker, on Recommendation No. 4 - the NFA continues to invest in upgrading its vehicle fleet that are conducive to all road conditions and comply with international standards. I am sure this is important recommendation as well and hope that the NFA will take that on board, based on the fact that they need the vehicles to transport water and Fire Officers to the various parts where they are needed and in doing so that the vehicle itself has to be conducive to the road conditions, especially the hilly parts for where they serve. That is my contribution Mr. Speaker, Sir, and I wish the NFA well in their service to the country. *Vinaka.*

HON. J.V. BAINIMARAMA.- Mr. Speaker, Sir, I rise to speak on the motion by honourable Pillay. I begin by thanking the Chairman and Members of the Standing Committee on Social Affairs for their comprehensive deliberations of the Annual Report.

Mr. Speaker, Sir, the National Fire Authority (NFA) provides an essential service for our nation. Keeping our people safe is of utmost importance to my Government and NFA plays a crucial part in ensuring that we are able to do so.

Since its establishment, NFA has grown and broadened its services to provide a wide range of risk reduction and fire response and suppression services, significantly minimising the effects of fire and related life-threatening emergencies. Today, Mr. Speaker, Sir, there are 21 Fire Stations in the country, eight of which were commissioned in the last five years.

Mr. Speaker, Sir, earlier this year, I opened a new \$1.35 million Fire Station in Vanua Levu and we continue to invest in improving our emergency services. My Government recognises the critical need for access to efficient and effective emergency services for all Fijians. Additionally, by investing in this critical sector, we also increase business and homeowner confidence, and reassure investors that Fiji can provide the safe environment they are looking for.

I note that during the review period, Mr. Speaker, Sir, NFA responded to 127 structural fires, mainly electrical-related. This has continued to be a concern as NFA reported that they responded to 687 structural fires across the country from 2017 to 2021. Fire safety should be of paramount concern and priority for all Fijians and I urge everyone to be vigilant.

Mr. Speaker, Sir, NFA does not only focus on putting out fires but also on prevention, safety and recovery. I commend their commitment to raising awareness on fire safety, particularly during the COVID-19 pandemic when most people were at home. It is devastating when people face loss that could have been prevented with due diligence - even one fire is one to many.

As we continue to strengthen Fiji's emergency services, Mr. Speaker, Sir, including the NFA, I urge all Fijians to ensure fire safety measures are being observed at home, at work, at school, in places of worship and everywhere else where people converge.

As we continue our resilient recovery, it is critical, Mr. Speaker, Sir, that we practice fire safety, along with COVID-19 safety for the benefit of all Fijians. Based on those remarks, Mr. Speaker, Sir, I support the motion.

HON. P.D. KUMAR.- Mr. Speaker, Sir, I rise to contribute to the debate on the motion that is before Parliament. The Ministry of Local Government and the National Fire Authority (NFA) have considered the recommendations made by the Standing Committee on Social Affairs, and I would like to thank the Committee for this Report.

Mr. Speaker, Sir, I would like to specifically focus on the seven recommendations made by the Standing Committee on Social Affairs. On Recommendation No. 1 – NFA has identified 1,193 settlements around Fiji to implement the Community Fire Warden Framework in the next five years. The Authority received positive feedbacks from the communities where Community Fire Warden is established.

Since the launch of this programme at Yako Village in 2021, NFA has trained a total of 428 Community Fire Wardens in 23 communities. Mr. Speaker, Sir, these Community Fire Wardens were trained in the area of fire safety surveillance so that fire safety compliance are met within their communities or villages. And at this point, I want to respond to honourable Dr. Lalabalavu's question. He was asking whether these Community Fire Wardens will be absorbed in the service and whether they will find an employment. This is a volunteer programme which is launched by NFA and this is only to protect the village and communities. So, when these wardens are trained, particularly in the surveillance work and compliance, they will be able to check the village to see that people meet that compliance.

Mr. Speaker, Sir, communities that have recently completed their Community Fire Warden Training Programme, include; communities in Bau Island in Tailevu and Nabukavesi Village in Namosi. This year NFA will conduct training in 36 communities around Fiji, and this programme is more of a community awareness-related and it is done through community volunteers, what we called as 'wardens'.

Mr. Speaker, Sir, on Recommendation No. 2, NFA acknowledges the importance of taking NFA services to rural communities. Even though is legally mandated to operate within the boundaries, they have been providing services to rural communities outside the municipal boundaries and gazetted district. This is in accordance with the Government mandate to provide same level of services received by urban communities to those living in the rural communities.

In addition to three Fire Stations they have established in the rural areas which we have heard from honourable Seruiratu, NFA has acquired nine pieces of land for future establishment. Mr. Speaker, Sir, NFA has also identified areas to establish fire station but land is yet to be acquired, for example, in Matei, Taveuni and in Dreketi, Macuata, to name a few.

Mr. Speaker, Sir, on Recommendation No. 3, I am pleased to inform Parliament that the priorities of the NFA has been streamlined into a five-year Strategic Plan 2021-2026. The Authority is now conducting compulsory fire safety inspections to determine compliance in all commercial buildings,

including MSMEs. MSMEs with an annual gross turnover of below \$500,000 is exempted from paying the instruction fees.

To address the fire and emergency safety issues, NFA implemented the Fire Safety Awareness Programme in all Divisions. Mr. Speaker, Sir, this Programme includes daily activities in all Fire Stations around the country, involving house to house visits, business house visits and school visits. For general awareness, radio and television advertisement on fire safety messages are used. Radio Talk Back Shows, Buses carrying fire safety messages and fire safety tips on billboards are placed. In addition, the Authority conducts Fire Safety Training for relevant businesses. This training is designed after Fire Safety Compliance Inspections are carried out in the building premises.

The training programmes relate to firefighting team training, confined space training, breathing apparatus training, fire safety at work training and fire evacuation drills. And as we have heard from the honourable Prime Minister, the Authority attended to 687 structural fires across the country where Fijians lost \$288 million. Further to the fire safety training, the Authority is in the process of developing its Disaster Recovery and Business Continuity Plans.

Mr. Speaker, Sir, on Recommendation No. 4, the Authority invests in upgrading its fleet. The current fleet includes; 21 twin cabs, 53 fire and specialised appliances, 9 emergency ambulances and 3 executive vehicles for 21 Fire Stations around the country. Sir, NFA will be procuring another 2 x 3,000 litre fire trucks and 2 ambulances in this financial year with the Government grant. And recently with Government funding, NFA procured two 4 x 4 300 litre fire appliances at a cost of \$900,000 which are designed for rugged roads.

Mr. Speaker, Sir, on Recommendation No. 5, NFA is working closely with Water Authority of Fiji (WAF) on fire hydrants and GIS mapping of water mains. Such information will assist NFA to demarcate areas which will need support in boosting the water, a water pressure during a fire emergency. Discussion is going on with WAF to link GIS to NFA's command centre. This will help officers to liaise with WAF contacts to boost water pressure where pressure is low during fire emergency.

Mr. Speaker, Sir, NFA is building capacity of its workforce locally and internationally. They have been trained in fire and rescue operations with counterparts in Japan, Indonesia, Singapore and Malaysia.

On Recommendation No. 7, to strengthen fire emergency response and operations, NFA has engaged with local companies such as BIMA Holdings, Rattans Transport, Water Authority of Fiji, Kashmir Transport and Juicy Transport to provide water tankers during fire emergencies and with Vatukoula Gold Mine for fire trucks.

Sir, NFA engages with overseas agencies such as the Country Fire Authority in Australia (that is in Victoria) for fire investigations and other fire operation and consultation. NFA is collaborating with relevant stakeholders to create a guideline on the standards for importation of electrical appliances into the country, 31 percent of structural fires are as a result of electrical.

A multi-agency taskforce is set up to review sub-standard electrical appliances and electrical components coming to Fiji. The taskforce consists of representatives from the Ministry of Commerce, Trade, Tourism and Transport, Consumer Council of Fiji, Department of Energy, Energy Fiji Limited, Solicitor General's Office, Fiji Competition and Consumer Commission and Suva Retailers Association.

Mr. Speaker, Sir, Committee members have received a list of appliances that can be monitored in Fiji and the list will be finalised soon. The Committee will also develop standard for electrical components that enter Fijian market, anything below that standard will be stopped at the border.

In conclusion, Mr. Speaker, Sir, the Authority has taken genuine steps to rectify the issues highlighted by the Committee. I also take this opportunity to respond to honourable Saukuru, he raised his concern that NFA is not collecting the debts. This debt is related to uninsured properties so if the property is uninsured when NFA provides services, then the property owners are charged.

Sir, NFA is working on a Cabinet Paper to amend section 22(e) because we realise that only 10 percent of properties in Fiji are insured and the chances are that fire can occur anywhere and when fire occurs, people lose their properties, belongings and on top of that, they have to pay NFA and it is not fair. We will be developing a Cabinet Paper on that Mr. Speaker, Sir.

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, the honourable Minister had already said that but I just wanted this to be brought to the attention of Parliament the amount of money that we make available to NFA. As the honourable Prime Minister highlighted and also the honourable Minister highlighted, there has been a record number of outlets (I could say for one of the better word) for NFA throughout Fiji. In the past five years the allocation of \$3.85 million for capital projects and also \$2.3 million operating grant including ambulance services that they do provide through NFA too. I would like to thank the Committee's Report.

MR. SPEAKER.- Honourable Members, I now call on the Chairperson of the Standing Committee on Social Affairs to speak in reply.

HON. V. PILLAY.- Mr. Speaker, Sir, I would like to thank the honourable Prime Minister, honourable Attorney-General, honourable Ministers and honourable Members of Parliament for speaking on the motion. Thank you Sir.

Question put.

Motion agreed to.

MR. SPEAKER.- Before we move on to questions proper, honourable Members, I would like to thank the Minister for Infrastructure, Meteorological Services, Lands and Mineral Resources, the honourable Jone Usamate for his response to Written Question No. 152 of 2022 which was asked by the honourable Jese Saukuru yesterday. This has been conveyed accordingly and a copy is available on the Parliament's Website.

Honourable Members, we will now proceed to today's Oral Question. The first Oral Question was supposed to be asked by the honourable Dr. Mere Naulumatua but she is sick at the moment and I have allowed for the honourable Ro Filipe Tuisawau to ask that question. The Minister responsible for this will be answering virtually as he is home on sick leave.

## QUESTIONS

### Oral Questions

#### Creation of Employment Opportunities (Question No. 147/2022)

HON. RO F. TUISAWAU asked the Government, upon notice:

Can the honourable Minister for Employment, Productivity and Industrial Relations, Youth and Sports update Parliament on the progress made by the Ministry to create employment opportunities?



HON. P.K. BALA.- Mr. Speaker, Sir, I thank the honourable Member for the question.

Mr. Speaker, Sir, the visionary leadership of the FijFirst Government not only focusses on local employment opportunities but also opportunities with our neighbouring partners - Australia and New Zealand, which was clearly demonstrated when we were struck by the pandemic, causing temporary closure to majority of our local workplaces.

However, Mr. Speaker, Sir, given the employment opportunities through the Vuvale Partnership, many of our Fijian citizens were still able to travel to Australia for employment. Sir, to-date, a total of 6,192 Fijians have joined the Seasonal Work Programme both, in Australia and New Zealand, and from 2019 the Pacific Labour Scheme Programme.

Mr. Speaker, Sir, since the reopening of our borders in December 2021, we are seeing an increasing number of Australian approved employers coming to engage our workers. This, Sir, signifies the confidence that they have in our workers and the operation in terms of selecting the best workers.

Mr. Speaker, Sir, the positive multiplier effect of Fijians participating under the Pacific Australia Labour Mobility (PALM) Scheme going on a four-year work visa is most significant towards our economic recovery. The spinoff, Sir, includes, amongst others, the remittance inflow, family income, growth of new small and micro-enterprises, new skills and experience.

At this juncture, Mr. Speaker, Sir, there has been some talks about remittance in the last few days. Let me, once again, say to this august Parliament, that we have always mentioned about remittance in the past, we are making it now, and in the future we will also acknowledge the remittance, as far as the workers of this country is concerned.

Mr. Speaker, Sir, on the local front, the Ministry is assisting our local employers in facilitating attachés and volunteers on three months' or six months' engagement as part of capacity building. Our unemployed citizens, through our formal employment 'service first', as of now a total of 1,656 clients were provided the pathway to local work attachment that provides our young people with the opportunity to gain employability skills in order to be absorbed into permanent employment. Sir, over 70 percent of these work attachés were able to secure permanent employment.

Mr. Speaker, Sir, our Fiji Volunteer Service (FVS) facilitates the needs of our local employers wanting graduate trainees coming out from the tertiary training institutions. This engagement is through our volunteer programme where the Ministry in partnership with the local employers jointly contribute 50 percent each towards the weekly allowance of these volunteers. A total of 439 graduate volunteers benefitted from this initiative.

Mr. Speaker, Sir, following the onset of the pandemic, the Ministry in partnership with the National Training and Productivity Centre of the Fiji National University, provided opportunities for those who were affected by the pandemic through reskilling and upskilling short courses to ensure that they are job-ready for the labour market.

Mr. Speaker, Sir, through our Youth Capacity Development programmes, many youth have graduated and ventured into income-generating initiatives. As of now close to 6,000 youth are now engaged in the youth farm. As part of the Ministry's commitment to ensure that we adapt to the new norm and continue to explore new employment opportunities, my Ministry is working very closely with the International Labour Organization (ILO) to review Fiji's National Employment Policy 2018.

HON. RO F. TUISAWAU.- Mr. Speaker, Sir, could the honourable Minister, please, explain the

procedure or processes within the Ministry in handling grievances or issues arising from the employees in the PALM Scheme?

MR. SPEAKER.- I do not think he heard your question.

HON. RO F. TUISAWAU.- He is explaining, but it is not heard.

HON. P.K. BALA.- Mr. Speaker, Sir, we have grievances processes in place and whenever there is any grievance from any worker in Australia or New Zealand who has been engaged under these programmes, they are dealt with in accordance with the Grievances Policy.

Plans to Promote Agriculture Export  
(Question No. 153/2022)

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

Can the honourable Minister for Agriculture, Waterways and Environment update Parliament on the Ministry's plans to promote agriculture export?

HON. DR. M. REDDY.- Mr. Speaker, Sir, I rise to answer the question raised by honourable Lal and I want to thank the honourable Member for asking this question.

Mr. Speaker, Sir, primary produce exports had never played an important role in Fiji's overall export agenda up until the early 1990s. So up until the early 1990s, non-sugar primary agricultural produce (fresh and chilled) was never on the export agenda and there was no export strategy as well.

Mr. Speaker, Sir, its prominence was never brought to the forefront for two reasons. Firstly, sugar exports from sugarcane, given its volume, value, number of farmers and households involved in it and a historical significance, always overshadowed the small volume and value of primary produce exports that was undertaken at that particular point in time. The entire discourse was in terms of agricultural exports and from sugarcane to sugar manufacturing and export, it was basically sugar.

Secondly, because most of the primary produce was domestically sold and consumed, the surplus was low, so mostly at that particular point in time, most of the non-sugar primary produce, such as *dalo*, cassava or whatever, were mostly consumed domestically and that is how, at that particular time, the target was with the Government and the Ministry. So the surplus was a very small amount and that surplus then was exported by a few exporters at that particular point in time.

Mr. Speaker, Sir, all along, the strategy for non-sugar agricultural export was pretty much only for food security at that particular point in time up until 1990s to feed the nation - food security. So all discussions up to then, resources and strategies were focused on sugarcane production, sugar manufacturing, milling, exports, preferential price, subsidies and grants to the sugar industry. Later on, two other extractive sectors joined sugar – forest and fisheries.

Mr. Speaker, Sir, however, over the last 25 years, we have seen the exports of non-sugar primary produce emerging as a potential export sector, to reckon with. Initially, it was driven by private sector players and exporters. So, initially, there were a dozen or so of private sector exporters, who were basically exporting at that particular point in time from the 1990s to early 2000, horticultural crops, fruits and vegetables mostly from Sigatoka right up to Nadi and to some extent, Lautoka.

Mr. Speaker, Sir, noting its growing export volume, the Ministry of Agriculture and Ministry of Industry and Trade then started taking a lead in organising the exporters and also organising trade

missions to explore new markets overseas.

Mr. Speaker, Sir, the journey in the last 25 years has seen major developments in the agricultural landscape in Fiji. Now, non-sugar agricultural exports (fresh and chilled) in 2021 stands at \$121.3 million whereas the traditional sugar export came down to \$66.6 million. The entire ball game has changed now. It is the non-sugar agricultural exports.

Now, leading this is kava. Last year, kava alone, after consumption locally, is now \$41.9 million in export earnings, from \$5.7 million in 2000 (21 years). *Dalo*, last year was \$30.2 million from \$12 million in 2000.

Turmeric was not at all in the picture, but just came in the picture about three years ago - \$23 million. The third most important export crop is turmeric. From \$0.1 million in 2000, so it was basically a non-existence 21 years ago.

Ginger - \$6.4 million now. Ginger was a high export earner sometime back but due to complete ban by Australia and all kinds of restrictions, the ginger exports have come down to \$6.4 million and we are working on that, together with the Ministry of Industry and Trade.

Fruits and vegetables is now \$7.9 million from \$4.7 million about eight years ago. Poultry products, one of the livestock sector that we are 100 percent self-sufficient is poultry products - \$4.7 million export after feeding the entire nation. It was \$0.7 million about eight years ago. So, Mr. Speaker, Sir, this export income received is then shared amongst all the players in the supply chain.

Now, one must understand how important the agriculture sector is when they get to have a good grasp of the entire supply chain. Who are the players in the supply chain? The landowners, farmers, farm households, labourers, the financial sector players who are financing, the other input suppliers, the hardware shops, fertilizer companies, exporters and middle supply chain operators. There is an old terminology that they use called “middlemen”, which is really not very sensitive in terms of gender. So I say that they are the middle supply chain operators. Then we have Government coming in to facilitate the various Ministries, including Biosecurity Authority of Fiji (BAF) as well.

Mr. Speaker, Sir, with those players sharing the proceeds, the country also benefits and grows because the money then multiplies. From the primary sector, the money is pushed to the non-urban area for investment, the spending on supermarkets for the financial sector, et cetera. So those have massive multiplier effect. From those days, we now see 375 active operators, exporting our fresh and chilled produce from Fiji, surpassing our traditional sugar export.

Mr. Speaker, Sir, based on the 2020 Census data, we have a total area of 194,768 hectare in a rounded figure, 195 hectares of land under agriculture. Of this, 54 percent of agriculture is undertaken on *mataqali* land, 23.7 percent agriculture is undertaken on land lease from iTLTB, 13.9 percent of agriculture is undertaken on freehold land, 6 percent on State Land lease, 2.1 percent through informal arrangement and 0.2 percent with no arrangement and the farmers are doing work on a small scale.

Mr. Speaker, Sir, so agriculture sector directly employs more than 83,395 farmers, along with additional labourers from the area. Of these 83,395 farmers, 14 percent are female and 85 percent are male. Mr. Speaker, Sir, in Fiji no other sector contributes to interior rural development, as much as the agriculture sector does, no other sector including tourism.

So, whilst we do not have a detailed data on the various exporters transfer of money to the rural areas, I am using AMA as an example. Mr. Speaker, Sir, in 2017-2018 AMA's total sale was \$2.3 million, of these, 762,000 was exported. Most of it, Mr. Speaker, Sir, is transferred to the rural area. In 2018 from \$2.3 million went to \$2.6 million, of the \$2.6 million \$1.3 million was export earnings. In

2019 from \$2.36 million to \$3.3 million, of these \$3.3 million, \$1.7 million was from export. In 2020 from \$3.3 million has gone to \$5 million of that, \$3.2 million is from export. Last year, the total sales was \$6.6 million. So, from 2017 from \$2.3 million, AMA alone has grown substantially and from \$6.6 million, 90 percent of it is from export earnings.

Mr. Speaker, Sir, almost all these money is transferred, over 5,000 contracted farmers AMA has on its book throughout Fiji and the rule is that, they will buy and pick up produce from those in the interior maritime who cannot come to the market because of the transportation and the rule is that, they will not buy those in the interior and maritime who cannot come to the market because of the transportation costs and other logistics, Sir. So, the amount of money they make and those areas where exporters will not go and pick up the private sector exporters. May be, you do not want to cannibalise on where the private sector operators are working.

Mr. Speaker, Sir, this journey to surpass sugar exports was not easy. A lot of investment from Government took place; from ground level right to exporters, so that they are able to pick it up and send it overseas.

Over the last 10 years, the Ministry of Agriculture spent \$3.35 million in providing direct support to exporters and agro processors, in terms of freezer trucks, cold storage facility, pack house, collection centres and processing centres, so that they can collect the produce, process it and export it.

Sir, in this year's Budget, we have expended, noting the entire supply chain. We can equip the exporters but there must be enough to produce for them to pick. At the moment, we are re-routing kava from Vanuatu. We are not able to fulfil the kava demand.

Mr. Speaker, Sir, \$7 million have been allocated to ensure that farmers bring in their productions, existing land to assist them on a 50/50 cost sharing basis, so that there is enough produce for exporters to pick up.

Protected Agriculture, so that we do not want to hear complaints from the tourism sector or the middlemen that offseason, we are not getting enough supply.

Nursery material, hydroponic, last year, we provided to 10 hydroponic farmers.

Irrigation equipment, so that during dry season, they continue to produce and supply to the exporters and middlemen.

No restriction in planting as long as they return the open pollinated seeds or planting material back to the Ministry within three years' time, again provided at no cost to them.

Mechanisation, Mr. Speaker, Sir, this year, to assist the farmers, so that mechanisation which is a critical binding is dealt with. So, we have excavators and 90 percent of ginger comes from Lomaivuna. I was there last week and we have allocated five excavators for cooperatives there, for them to buy with one-third contribution from them. Sir, 25 tractors will be given out to cooperatives on a one-third, two-third basis. Organic manure is promoted and supply to farmers at no cost to them.

This year's Budget, Mr. Speaker, Sir, we have for agro-processors \$10,000 grant. We are looking at about 25 agro-processes to get \$10,000 grant, to upgrade basic facilities that they have.

Commercial farm and this is the second year that the Ministry has rolled out, again with half a million dollar grant to get them to make large investments on their processing facility through a loan from

Fiji Development Bank where Government through the Ministry of Agriculture, will provide 20 percent equity.

So, Mr. Speaker, Sir, these are the strategy to leverage our supply chain right from the production farm level, supply post-harvest issues to the exporters and get them to the market where we have a brand image. We want to ensure that we maintain the brand image and export it to that market that we have in Australia, New Zealand and America, in particular.

HON. S.R. RASOVA.- A Supplementary question, Sir. I thank the honourable Minister for the update on the promotion of agriculture export. You have mentioned all the time “rural”. Is that rural inclusive of maritime rural of Kadavu, port of Vunisea, port of Naleca, port of Levuka, Gau, Koro, Vanuabalavu Lakeba and Rotuma?

HON. DR. M. REDDY.- Mr. Speaker, Sir, of course, yes, that is part of rural and maritime. We have a separate allocation for rural and maritime for agriculture development.

Update on Seizure of Hard Drugs  
(Question No. 154/2022)

HON. RATU T.N. NAVURELEVU asked the Government, upon notice:

Can the honourable Minister for Defence, National Security and Policing, Rural and Maritime Development and Disaster Management update Parliament on the progress made by law enforcement agencies in the seizure of hard drugs, including crystal methamphetamine, cocaine and heroin?

HON. LT. COL. I.B. SERUIRATU.- Mr. Speaker, Sir, I rise to respond to the question by the honourable Navurelevu and I wish to thank him as well for raising this question.

Again, as I have stated here during the Monday proceedings, that our war against drugs, particularly given what we are going through, is not that easy and it is very relevant as we progress in the cases of handling hard drugs such as cocaine, heroin and methamphetamine.

Mr. Speaker, Sir, this is not only happening in Fiji as we are all aware, it is happening in the US, Australia, New Zealand and even very closely Tonga; one of our closest neighbour is having serious issues with hard drugs. For us being the hub in the region, we are vulnerable and of course, we continue to see the influx of illicit substances from within the region and of course, from outside the region as well. The recent discovery of drugs washed ashore in the Lau Group, is an indication of the movement of drugs within the region.

Mr. Speaker, Sir, from 2017 to to-date, the Fiji Police Force has registered a total of 6,282 cases. Out of the 6,282, 302 are on methamphetamine, 22 cocaine and 5,958 cases are on marijuana. The honourable Member included heroine as well, there was no heroin confiscated in Fiji during this period. But again, most of the cases are on marijuana but probably, we will focus more on the methamphetamine (302) and the 22 cocaine cases.

If I may break that down by years:

Drug	2017	2018	2019	2020	2021	2022	Total
Methamphetamine	11	46	92	100	43	10	302
Cocaine	2	2	7	4	2	5	22

Mr. Speaker, Sir, on these cases, most of the offences comprises of unlawful importation, exportation, possession, cultivation, supply, transfer and transportation of illicit drugs, together with controlled chemicals and even laboratory equipment as well in some instances, Mr. Speaker, Sir.

I just wish to acknowledge the co-operation between the agencies and the Fiji Police Force, particularly the National Substance Abuse Advisory Council, the Fiji Revenue and Customs Services, Biosecurity Authority of Fiji, INTERPOL, Department of Immigration, Fiji Navy, RFMF, Corrections Services, Social Welfare Department, other NGOs and CSOs, Mr. Speaker, Sir, that worked with us, not only in our fight but of course, in our approach and advocacy as well to eliminate these drugs from Fiji.

I did mention about the Narcotics Bureau as raised by the honourable Ratu Navurelevu in his supplementary question about the Drug Squad in the Fiji Police Force. We have slowly formed the Narcotics Bureau, we have 84 personnel in the team so that speaks volume but still probably we can say insufficient for now. But as I have alluded to earlier, hopefully we are moving towards having this independent from the Fiji Police Force, probably by 2027, based on the Singapore model that we are monitoring very closely.

Mr. Speaker, Sir, I will stop there for now and if there are any further questions, I will be glad to answer it.

HON. DR. RATU A.R. LALABALAVU.- A supplementary question, Mr. Speaker, Sir. Thank you, honourable Minister for Defence for answering that question.

My supplementary question is in regards to have methamphetamine being produced locally and if so, what are the mechanisms within your Ministry to target large purchasing of common household items in terms of methamphetamine production.

HON. LT. COL. I.B. SERUIRATU.- Mr. Speaker Sir, I thank the honourable Dr. Lalabalavu for the question, which is very relevant as well. Of course, we have had some cases but the majority of the methamphetamine, the 302 cases are coming from offshore. I was told by the Police that the price is really lucrative, it is about a million dollar to a kilogram now. But we had instances where the ingredients, materials were sourced locally and this is why we are going on the Illicit Substance Drug Act that we are now trying to finalise with SG's Office. Because most of the materials or the ingredients can be available in the local pharmacists, you can just Google, see how to cook it.

We had an instance in Nadi, where there was a top floor nightclub, a level down, they were doing the cooking there but the Police are on to it. Our efforts towards drug dealers, we just need the information and if we can all work together on this, co-operate with the Fiji Police Force and other agencies, we should be able to have it under control I would say. But of course, we have had instances where this is being attempted to be produced locally as well.

Maritime Essential Services Centre Project  
(Question No. 155/2022)

HON. H.R. POLITINI asked the Government, upon notice:

Can the honourable Minister for Defence, National Security and Policing, Rural and Maritime Development and Disaster Management update Parliament on the Maritime Essential Services Centre project funded by the Australian Government?

HON. LT. COL. I.B. SERUIRATU.- Mr. Speaker, Sir, I wish to thank the honourable Member for raising this question. This has been a topic of interest lately, but it is a good project for Fiji and the

region, particularly, given our responsibilities to the International Maritime Organization (IMO), which is not with the Fiji Navy but with the Ministry of Infrastructure and Transport. Both have links to the IMO. I wish to clarify as well the issues relating to this project. At the outset, I wish to again extend our profound appreciation to the Government of Australia for its continued partnership with Fiji, particularly in supporting Fiji's defence and security capabilities.

Mr. Speaker, Sir, the establishment of the Maritime Essential Services Centre (MESC) as we commonly refer to is being funded by the Australian Government as part of Fiji's ever growing *Vuvale* partnership with Australia. The MESC project comes at a cost of around AUS\$38 million which is equivalent to FJ\$56.2million and will also create around 445 jobs depending on the various stages of the project. We all know that Black Rock has been completed and this is the next big project that has been agreed between Australia and Fiji.

Again, MESC will be an inter-agency facility which will essentially house the command element of the Republic of Fiji Navy who are currently based at Stanley Brown Naval Base, Walu Bay; the Fiji Hydrographic Office; the Fiji Maritime Surveillance and Rescue Coordination Centre and the 3DP Suva Coastal Radio Station, and other normal facilities like gymnasium, mess hall, et cetera.

Mr. Speaker, Sir, again we are thankful to the honourable Minister for Transport. I need to clarify this because the land is already a State land under MSAF. We had other options, but, unfortunately, the geotechnical survey ruled out the use of *RFNS Viti* in Togalevu and even in Walu Bay itself. The ideal location for us is in Lami. For those who are not aware of this site, this is where the lower leading light is located. There are two that the ships use when they want to come into the harbour, the lower light and the upper light. So, once the two are aligned then you enter. The facility is where the lower light is and that is or was previously owned by MSAF. We are thankful to the honourable Minister because we are desperate to have the project proceed, and the honourable Minister came to our rescue and we are indeed grateful for that.

There has been some issues raised lately but I must assure the general public that the consultations began way back in 2019. We started having consultations with the local communities. Most recently, because of some concerned citizens, we have again, I personally tasked the Permanent Secretary for Defence to go and lead those discussions rather than the Australians who are there providing the project management team because this is a national project belonging to the Ministry of Defence. We are to be in the frontline and my Permanent Secretary is having discussions now with the communities in Lami but the benefits are huge, Mr. Speaker, Sir. An investment of approximately FJ\$50 million, creation of jobs and most importantly our roles as we have committed to under the IMO, particularly on hydrography. As you are well aware, Mr. Speaker, Sir, we have an issue of unsurveyed waters and of course the need for us to resurvey our waters as well. So, when they have, with the ships available now and with a better facility, we should be able to fast track all the outstanding works.

When we move up to that station as well, Mr. Speaker, Sir, when it comes to coastal radio – coastal radio monitors all the movement of the ships within the local waters. We will have 100 percent coverage, Mr. Speaker, Sir, when we move up to that location. And of course, search and rescue, we have that responsibility not only for Fiji but for our neighbouring islands as well – Kiribati and are few others, Mr. Speaker, Sir, so we have that responsibility.

Lastly, Mr. Speaker, Sir, when we have this project in Lami, definitely the real estate value in the surrounding areas will improve and most importantly that base alone will provide security to the area and this is probably something that we need to assure our people that the base itself will bring security to the people in there. I will stop there for now, Mr. Speaker, Sir.

Development of Farm Access Roads – Update of  
(Question No. 156/2022)

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

Can the honourable Minister for Agriculture, Waterways and Environment update Parliament on the development of farm access roads nationwide?

HON. DR. M. REDDY.- Mr. Speaker, Sir, I want to thank the honourable Member for asking this question. I do understand why he has asked this question. Farm roads are very important in interior rural areas.

Mr. Speaker, Sir, with farm roads, it is not only about accessing the market from the farm. It is from the village to the farm as well. There are a number of places, Mr. Speaker, Sir, we are still organising our work to ensure that farmers have access to the farm, they can take machineries so that they can take large scale work there, land clearing with machines. Without a farm road, machinery use is not possible.

Directly, Mr. Speaker, Sir, we will be opening up these farming areas to market and that again gives incentives and boosts the moral for these farmers to expand their area, expand the production and contribute to not only their development but national development as well. It also, Mr. Speaker, Sir, boosts the moral of the farming households who stay there, the children to go to school, go to health centres, a lot of places. Farm roads are used for more than farming activities and communities do understand and appreciate the investment that we are making to construct these farm roads because it immediately enhances the value of them staying in that particular area.

Mr. Speaker, Sir, over the last four years, we have established 118 kilometres of farm roads. On an average, 30 kilometres per year. We have got on our books now 243 kilometres of farm roads to be established.

Mr. Speaker, Sir, we have got on our books now 243 kilometres of farm roads to be established. Now it is not because suddenly there are these is new farm roads that needs to be established. Mr. Speaker, Sir, we have inherited these places where farmers have been struggling for so long and now over the last 10 years started to construct farm roads then these requests are coming because Government is now establishing these farm roads for them. Before Mr. Speaker, Sir, there was no allocation for farm road establishment, it is this Government who has decided that we will establish farm roads. So, Mr. Speaker, Sir, 101 roads of a total of 243 kilometres needs to be established as now in our books.

Mr. Speaker, Sir, as we speak, we have got three sets of machineries in three areas. Nukulau in Ra, farm road work has started for this financial year, Lomaivuna in Naitasiri, farm road work started on Monday for this financial year and Vunivau in Bua, farm road establishment started from today.

So, Mr. Speaker, Sir, looking at the past data of 30 kilometres per year, this 243 kilometres will take us years. For that reason we have decided to have a combination of outsourcing using contractors who have got a separate allocation for farm roads in the Budget as well using the machinery we have, as well as the \$7 million that has been allocated will also be utilised. With the combination of these three approaches, we are looking at, at least this financial year undertaking close to 80 kilometres of farm roads.

With that, Mr. Speaker, Sir, in three years' time we should be able to deal with these lot of farm roads that we have on our books now – 243 kilometres. The Central Division has 60 kilometres, Western Division has 38 kilometres, Northern Division has 133 kilometres (largest), Eastern Division has 12 kilometres. So, the largest farm road request is from the Northern Division 133 kilometres, second comes



the Central Division with 60 kilometres and then Western Division with 38 kilometres and Eastern Division with 12 kilometres.

HON. RATU T.N. NAVURELEVU.- A supplementary question, Sir. These development includes the repair and maintenance of the existing farm roads?

HON. DR. M. REDDY.- Yes, this includes the maintenance of the existing farm roads that we have there.

HON. S.R. RASOVA.- I thank the honourable Minister for giving us a brief on the amount of kilometres; 12 kilometres on maritime, Eastern Division. We want the Eastern Division (Kadavu, Lomaiviti, Lau and Rotuma) to contribute into your agricultural export. When are you going to do more farm roads on these islands in the Eastern Division?

HON. DR. M. REDDY.- Mr. Speaker, Sir, this is a request we have on board. The Ministry of Rural and Maritime Development just did a farm road in Ra, they are also undertaking the work. So, if there is a request from Kadavu or any other place, we are happy to look at it.

HON. J. SIGARARA.- We have done it in Kadavu, but he was not there.

(Laughter)

US Treaty Agreement  
(Question No. 157/2022)

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

Can the honourable Minister for Fisheries update Parliament on the significance of the US during the PIFs meeting on the increase in US Government's annual contribution under the US Treaty Agreement?

HON. CDR. S.T. KOROILAVESAU.- Mr. Speaker, Sir, I thank honourable Kirpal for the question. The announcement made during the Pacific Islands Forum Leaders Meeting by the US Vice President is significant for many reasons. The US Treaty was first negotiated in 1983 and finalised in 1988. It is a Treaty between Pacific Island nations and the US and has been the platform for collective collaboration and partnership in which assistance and funding is channelled to the region. The increase to US\$60 million represents a jump of 153.8 percent which will generate a total of \$600 million during the term of the agreement.

Mr. Speaker, Sir, the overall management and sustainable use of the Pacific region's tuna stock is accredited to the assistance of the US Tuna Treaty. As a matter of fact, the Treaty led to the recognition of Pacific Island's sovereign rights over its many Exclusive Economic Zones (EEZ). This was a milestone achievement given the fact that tuna stocks are highly in migratory and move across different maritime boundaries.

Mr. Speaker, Sir, since 2016 the US Government's annual contribution under the Treaty was at US\$21 million. These funds which are kept and administered by the Forum Fisheries Agency (FFA) are equally divided between the 15 FFA members which includes Fiji.

Mr. Speaker, Sir, the increase in the US Government's contribution is significant as it strengthens the collective partnership under the Treaty and meets the needs of the broader FFA membership. It reaffirms the commitment from the US to address the growing concern of tuna politics in the region and brings about balance in the wider membership.

Additionally these funds go directly to member fisheries development initiatives. The increase allows for countries to channel additional funds towards the development and realisation of national fisheries aspirations. This includes providing funds for fisheries projects, access to innovative science within the fisheries sub-sector and boost self-reliance, market access and economic progress.

Mr. Speaker, Sir, the increase of \$60 million also elevates support towards national and regional capacity building initiatives. The increase will help in the development of fit-for-purpose training and technical assistance that there will be more options available as funding is available.

Lastly, Mr. Speaker, Sir, the increase in US\$60 million will provide significant support towards broader cooperation in addressing illegal, unreported and unregulated fishing. Through the US, there will be more support from surveillance asset providers which includes partners such as France, Australia and New Zealand. All these developments will serve as a deterrent to illegal distant-water fishing fleets that would otherwise target areas of less surveillance. It solidifies our rights as sovereign nations and enable us to set management measures to sustainable harvest and protect the region's tuna stock.

HON. A.D. O'CONNOR.- Supplementary question, Mr. Speaker, Sir.

MR. SPEAKER.- We have one here and one there. I will take the lady first.

HON. S. ADIMAITOGA.- Mr. Speaker, Sir, can the honourable Minister inform this august Parliament on how these funds are received? Does it come directly to the Government for utilisation every year or is there a process to enable access?

HON. CDR. S.T. KOROILAVESAU.- I thank the honourable Member for the supplementary question. The US Treaty Funds is a fund that actually comes to the Government. Over the past, it has been agreed for the funds to stay within the Forum Fishing Agency which is based out in Honiara and the members would need to provide project development proposals for the funds to be released. Now, the funds come through via authorisation from the Ministry of Foreign Affairs and then it is given to the Ministry of Economy, which then details the utilisation of the funds as per requirement.

HON. A.D. O'CONNOR.- Mr. Speaker, Sir, a supplementary question; noting the use of Treaty funds for fisheries development and realisation of fisheries explorations, can the honourable Minister inform Parliament with examples of how Fiji has utilised these funds in the past?

HON. CDR. S.T. KOROILAVESAU.- Mr. Speaker, Sir, I thank the honourable Member for his supplementary question. As highlighted in my earlier response, the US Tuna Treaty Funds is made available to cater for national fisheries programme initiatives and needs. The fund is given after it has been divided among the 12 members of Forum Fisheries Agency (FFA) and then each country dictates what the funds will be used for.

Mr. Speaker, Sir, in Fiji's case, most of the funds go to the grassroot communities, an assistance that is provided to them, channelled through the Ministry of Economy as priorities are given by the Ministry of Fisheries. It also provides scientific assistance from other agencies, so this fund is also allocated to fund that.

It is also given to villages and *tikina* around the country. I think the fisheries associations that are established around the coastal areas and the maritime islands, I think one of the best examples is the Bua Fisheries Association. They have been given a fiberglass boat with a 75 horsepower. They generated funds and they have been one of the most successful fisheries association and at the moment, they have round about \$15,000 in their bank account after they were donated with the boat and the engine that was provided through the FFA funds.

HON. V. LAL.- Sir, a supplementary question; with an increase in the US Government contribution to the region's Forum Fisheries membership, is that \$60 million all that is paid to fish within our EEZ, or is there a separate payment received for fishing access?

HON. CDR. S.T. KOROILAVESAU.- Mr. Speaker, Sir, I thank the honourable Member for his supplementary question. The simple response is, no. Access to fishing in the EEZ for members to catch tuna is dealt with under a different arrangement in the Treaty.

This is an ongoing discussion in the re-negotiation process and depending on the amount agreed upon, members are then paid according to the amount of days the fishing fleet access members' EEZ to fish. This is done on a *pro rata* basis.

Improvement of Inter-Island Ferry Services  
(Question No. 158/2022)

HON. A. JALE asked the Government, upon notice:

Can the honourable Minister for Commerce, Trade, Tourism and Transport update Parliament on the measures taken to improve inter-island ferry services to maritime islands which has affected the delivery of supplies?

HON. F.S. KOYA.- Mr. Speaker, Sir, I have said this before that we must all realise that when we are dealing with the maritime sector, we have two kinds of routes - the economical and the uneconomical routes. I am not pointing at you too.

As a maritime economy, Sir, Fiji's shipping sector, Mr. Speaker, plays a critical role in our trade and our economic development and basically sustaining our everyday livelihood, so we understand it. The question is actually alluding to the uneconomical routes through the Government Shipping Franchise Scheme.

Today, Mr. Speaker, Sir, we are serving 18 ports with and without jetties. For 10 routes with an average of about 15 trips a month, and the routes which are serviced are Lower Southern Lau, Rotuma, Lomaiviti, Northern Lau, Kadavu, Upper Southern Lau, Yasayasa Moala, Yasawa, North East Vanua Levu, Beqa, Yanuca and Vatulele.

Despite, Mr. Speaker, the private vessel operators withdrawing services to our maritime islands, shipping services actually continued. Passengers are actually travelling and cargo continues to be transported to our maritime islands. This was only made possible through some private vessel operators, such as Brighton Holdings and Valeisasa Shipping who, despite the hard times, Mr. Speaker, they faced through the increase in the price of fuel and cost, et cetera, they withstood the hardship and continued they contracted services and more.

We also have our 12 Government Vessels which are part of the Ministry's Government Shipping Services (GSS). The Government fleet has been providing continuous service to all our franchise routes and providing charter services to ensure continuation of our Government development programmes.

The FijiFirst Government is actually strongly committed to improving its services and from the \$2.3 million in 2019-2020 financial year to \$3.14 million in the 2022-2023 financial year, is actually the increase, so we have got an increase in subsidies for different routes. For example, for Rotuma in the previous budget, we were allocated a subsidy of \$25,000 per trip per month whereas in this financial year, Rotuma will be allocated \$44,000.

The Lower Southern Lau which includes Ono-i-Lau, was previously allocated a subsidy of \$18,000 and in this financial year, it goes up to \$29,000. This is, obviously, only possible through the commitment of the Government and the new budgetary allocation to the Government Franchise Scheme which came into effect on 1<sup>st</sup> August, 2022.

In relation to passengers and cargo, Mr. Speaker, Sir, there may have been some minimum disruptions in service, and to-date, we have transported about 6,537 tonnes of cargo in 2020 and 12,441 passengers were moved between the main ports and the island ports. In 2021, it was about 4,650 tonnes of cargo transported and 6,000 odd passengers.

This is an indication, Mr. Speaker, Sir, of the magnitude of movement of cargo and passengers between our maritime islands. Despite the heightened passenger movement due to the COVID-19 restrictions, we had developed mechanisms to allow the movement of cargo.

We have been working hard to ensure minimal disruptions also in terms of provision of services to our maritime islands. This is made possible with Government fleet taking over some of the franchise services as and when suspended or cancelled by the private vessel operators.

During financial year 2021-2022, GSS was able to cater for about 34 franchise trips that enabled it to transfer 7,069 odd tonnes of cargo and accommodate 1,353 odd passengers, Sir. From the 34 provision of franchise trips services, we have provided to Upper Southern Lau, Yasayasa Moala, Beqa, Yanuca, Vatulele, Lower Southern Lau, North East Vanua Levu, Rotuma and Yasawa.

Mr. Speaker, GSS has taken about 347 odd voyages for the period of 2018 right through the 2022, Sir, and so for the same period, about 15,000 odd passengers and 13,000 odd tonnes of cargo to the maritime islands. Some of these services are actually wholly and solely funded by Government to provide only supplies to the maritime islands, particularly for items for our cooperatives and our shops, fuel for generators, fibreglass boats and general cargo. For example, in July, Sir, the *MV Vunilagi* had to deliver supplies only to Rotuma, to ensure that groceries and fuel were delivered urgently.

Our team at the Ministry are also in daily contact and they communicate daily with the representatives from the Ministry of Rural and Maritime Development, iTaukei Affairs, particularly with the Provincial Administrators, the District Officers, *Mata ni Tikina* and *Turaga ni Koro*, to establish and determine the supplies and the fuel that are needed on the islands to enable urgent deployment of vessels.

Whilst the Government is playing its part, Sir, we plead with our travelling public to maximise the use of the services provided. For example, in the lower Southern Lau route which consists of Kabara, Fulaga, Ogea, Vatoa and Ono-i-Lau, a total of 12 trips must be deployment in any given year.

In 2019, 12 trips were deployed and utilised; 11 trips in 2020; seven trips in 2021 due to the impact of the pandemic and seven trips in 2022 up to last month. And in all trips, Sir, an average of 60 percent of the capacity of the vessel is utilised in each service, meaning passenger and freight. Therefore, our maritime islands are actually encouraged to increase their utilisation capacity to ensure that we get maximum delivery of those services.

This is also an indication, Sir, that we are actually catering for the entire maritime travelling public and we still have capacity to increase the numbers. The team in the Ministry is in collaboration with other Ministries and we will continue to provide the services to our maritime islands efficiently and effectively. I hope that answers his question.

MR. SPEAKER.- Honourable Members, this question was supposed to be asked by honourable Nand but who has had to attend to an urgent matter, therefore, the question will be asked by honourable

Sharma.

Economic Benefits of Nadi-Vancouver Flight  
(Question No. 159/2022)

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

Can the honourable Attorney-General and Minister for Economy, Civil Service, Communications, Housing and Community Development inform Parliament on the economic benefits of the direct Nadi-Vancouver flight?

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, I have to publicly acknowledge and thank the six honourable Members from the Opposition who have decided to remain in Parliament. I think we should acknowledge your presence for having the perseverance to stay on. The others, of course, have chosen to leave which, I think, is quite an abomination in respect of their respect for Parliament and, indeed, the respect for the taxpayers of Fiji, who are actually paying for their salaries. The Nadi-Vancouver flight officially commences on 25<sup>th</sup> November. Of course, Mr. Speaker, Sir, it offers a multitude of opportunities for Fijians and also Canadians.

Mr. Speaker, Sir, the flight to Vancouver covers four major cities which includes Vancouver and Surrey in Canada and Seattle and Portland in the United States. Currently, the closest connecting flights for them are Los Angeles and San Francisco for these two American cities, both of which are over 1,000 kilometres away. Seattle is only a couple of hours away from Vancouver, Sir. So, it is a huge catchment area, not just for Canada from a Canadian perspective but also from American perspective.

I will be brief, Sir. We also inform that Seattle and Portland not only has Fijians but also Tongans and Samoans, who reside in those two cities. For them, it will be a lot easier to come to the Pacific and, indeed, further creating Nadi as a transit hub for the Pacific.

Mr. Speaker, Sir, this opportunity to fly to Vancouver was not something that was thought of overnight, as honourable Gavoka seems to imply in his statement. I think he sometimes seeks relevance and that is why I make statements willy-nilly. Similarly, people like Mahendra Chaudhry made statements on it calling it a junket.

We were essentially, Sir, on the ground for about 36 hours with that. We left Fiji on Tuesday. We were on the promotional flight in the evening. We arrived there on Tuesday morning, their time, round about midday and then we spent about three or four hours at the airport. There were a lot of celebrations. We would like to publicly acknowledge and thank the Fijian diaspora who turned up at the airport. They were very, very excited about the fact that we will have direct flights.

There were flights, Sir, a number of years back, where Fiji Airways used to fly a 737 that used to go from here to Hawaii, and then on to Vancouver. This is a completely different product, Sir. It is a one flight, there is no stopovers, and it is obviously going to be A330 and God willing, if we are able to get a bigger aircraft, we could fly the A350 to Vancouver and that will depend on the loads that we will see.

Mr. Speaker, Sir, the idea is not only to tap into the 100,000-odd Fijians that live on the Northwest Coast of Canada, but also Fijians on the Eastern Seaboard of Canada, including Canadians themselves because many Canadians do fly to Hawaii and to Mexico as holiday opportunities but Fiji is a new destination for them where they will have direct connectivity.

In the team that went on the promotional flight, Sir, we had a number of travel agencies that went with us, and also Tourism Fiji. In fact, Sir, they went on a promotional tour, after we came back the next

day. They went to Toronto and San Francisco which included, of course, Fiji Airways, Tourism Fiji and other hotel operators, including someone we saw who was from the Pearl Resort in Pacific Harbour. A number of other operators, Sir, were also there and they spent a couple of weeks there in terms of promoting Fiji, of course, as a destination.

Sir, the other point that I wish to make also, following on from what the honourable Minister for Agriculture mentioned, is the potential for trade and also export of Fijian products and produce with direct flights. The current forecast is that, we expect about 15 tonnes of cargo per flight, which will be made up of fresh and frozen vegetables, *dalo*, cassava, frozen seafood such as fish, crabs, *kai* and not forgetting, of course, kava. Sir, even things like eggplants and *bhindi*, and you would be surprised how the Fijian diaspora want to eat things from Fiji. I mean, we have people coming from Australia and buying Bongo and Twisties from Fiji because they think it has a different taste and then it reminds them of home. So, there are a lot of Fijians there and this will create opportunities for them and also for the Fiji Agro Marketing Authority, and they will be pursuing that.

Mr. Speaker, Sir, currently, the Fiji Airways is in discussions with Biosecurity Authority of Fiji (BAF) to ensure that a regulatory pathway is open for our exports with BAF's counterpart in Canada because we have to overcome the quarantine issues. Some former Fijians in Vancouver are also tapping into this opportunity, a lot of them actually did talk about it. Some of them have stores, they want to be able to sell things.

On the flip side, of course, Sir, is that, we can bring in fruits and various other produce from Canada. When we were there, this is only a couple of weeks ago, they were selling cherries, strawberries and various other stone fruits because they were in season and are really, really inexpensive. Cherries were \$2 a punnet in Canada. Of course, it is off-season in Australia and New Zealand, so we have the opportunity. So when it is on-season in Canada, we can have the fruits coming in from Canada and when it is off-season in Canada, we have the on-season fruits from Australia and New Zealand because they are in the Southern Hemisphere. So, those kind of synergies and opportunities do exist and, indeed, we have spoken to them. It will also mean that in our hotels, they may be paying top dollars to just serve strawberries in their restaurants or in their hotels now, but they can get much affordable fruits and vegetables which they want from overseas, Sir.

Mr. Speaker, Sir, again, one of the things that we found now, we have seen that our Los Angeles flights are bringing in a lot of transit cargo that are going onward to Auckland or to Sydney or Melbourne and various other places. So, again, this is another opportunity for Nadi to act as a transit hub, as far as airfreight is concerned.

Mr. Speaker, Sir, the other point that we also wish to make is that the connectivity we are currently seeing a lot of people who fly from Australia to go to West Coast of North America are again transiting through Nadi they come on the Sydney flight arrive here at 7.00 p.m. and then the 10.00 p.m. flight to Los Angeles. As we know Sir that the Fijian Government has recently amended the laws where you can stay in Fiji for five days or less you actually do not pay departure tax. We know we want to use that opportunity, we may have Canadians wanting to go to Australia, they come to Nadi spend three-four days jump on the next plane to Sydney - these are the opportunities.

Sir, we had an interesting discussion too where we met with the Vancouver Airport CEO and we met a lot of former Fijians who work at the airport - the number of opportunities in that way. We also met up with two British Columbian Ministers. British Columbia is equivalent to State that is over Canada. We met honourable Ravi Kahlon who is the Minister for Jobs, Economic Recovery and Innovation. The Minister for Labour, honourable Harry Bains and we also discussed with them about opportunities in industrial hemp because we have been informed by the United Nations (UN) that Canada has some of the best industrial hemp seeds.

Honourable Gavoka, I saw there was an article in the Fiji Times saying that “we want to introduce industrial hemp as a back door bringing marijuana” which is really quite obtuse too for him to say that. I do not know again probably desperate to get some publications printed under his name but industrial hemp is obviously quite different to normal marijuana that you smoke with the THC levels that is higher than 1 percent and they were quite keen to assist us in respect of helping us getting industrial hemp seeds in collaboration with the Fiji National University Agriculture School and of course through the Ministry of Agriculture once we are able to roll that out and there is quite a lot of work been done in that respect.

So Mr. Speaker, Sir, all in all we are very excited about the Canadian direct flight, Fiji Airways as we have said fly to San Francisco to LA from November to Vancouver fly to Narita, Hong Kong when it opens up, we fly to Singapore, Eastern Sea Board of Australia and now including Adelaide and of course Auckland, Wellington and Christchurch and not forgetting the other Pacific Island country destinations. The only continent that Fiji Airways does not fly to is South America. We fly to every other single continent that are the rims of the Pacific Ocean except South America and we need to be all very proud about this.

We have also had discussions, I think honourable Gavoka the other day mentioned about we need to fly to some England places and USA and again those are the opportunities we are looking at to be able to tap into what we call middle-America and the east coast of USA. Thank you Mr. Speaker, Sir.

MR. SPEAKER.- I thank the honourable Attorney-General. Honourable Members as there being no supplementary question the Question Time is now over.

Honourable Members, I thank you for your forbearance and cooperation for today and we now adjourn till tomorrow morning at 9.30.

The Parliament adjourned at 7.03 p.m.