

# **PARLIAMENT OF THE REPUBLIC OF FIJI**



## **PARLIAMENTARY DEBATES**

### **DAILY HANSARD**

**TUESDAY, 6TH AUGUST, 2019**

**[CORRECTED COPY]**

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## **TUESDAY, 6TH AUGUST, 2019**

The Parliament met at 9.33 a.m., pursuant to notice.

The Honourable Speaker took the Chair and read the Prayer.

### **PRESENT**

All Honourable Members were present, except the Honourable Vijendra Prakash.

### **MINUTES**

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

That the Minutes of the sitting of Parliament held on Monday, 5th August, 2019, as previously circulated, be taken as read and be confirmed.

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

HON. SPEAKER.- Honourable Members, Parliament will now vote on the motion.

The Question is:

That the Minutes of the sitting of Parliament held on Monday, 5th August, 2019 as previously circulated, be taken as read and be confirmed.

Does any Member oppose the motion?

(Chorus of 'Nays')

HON. SPEAKER.- Honourable Members, as no Member opposes, the motion is agreed to unanimously.

Motion agreed to.

### **COMMUNICATIONS FROM THE CHAIR**

I welcome all Honourable Members to today's sitting. I also welcome members of the public joining us in the gallery and those watching the live broadcast of the proceedings on television and the internet and those listening to the radio. And I thank them for taking an interest in the Parliament

. Honourable Members I also have the pleasure of welcoming Ms. Kakiata Tikataake, Deputy Clerk of the Kiribati Parliament, who is on study attachment with the Fijian Parliament.

(Acclamation)

You are most welcome and I hope that your stay with us will be productive and fruitful.

**PRESENTATION OF REPORTS OF COMMITTEES**

HON. SPEAKER.- Honourable Members, I now call upon the Chairperson of the Standing Committee on Economic Affairs, the Honourable Vijay Nath, to present the Committee's report. You have the floor, Sir.

Ministry of Industry, Trade and Tourism 2015 Annual Report -  
Standing Committee on Economic Affairs

HON. V. NATH.- Honourable Speaker, Sir, the Standing Committee on Economic Affairs is pleased to report to Parliament its findings and recommendations on the Ministry of Industry, Trade and Tourism 2015 Annual Report.

Honourable Speaker, Sir, 2015 was a year of remarkable achievements for the Ministry. It marked the launching of the Fijian Trade Policy Framework 2015-2025, which provides a long-term strategic plan, guidance and direction in achieving the Fijian Government's trade and investment aspirations.

It was also the year in which the Ministry implemented the Micro and Small Business Grant (MSBG) that aims to support the development of Micro, Small and Medium Enterprises (MSME) to help improve the living standards of all Fijians. Out of the 25,789 applications that were received and assessed by the Ministry and Fiji Development Bank, 7,744 micro and small businesses were assisted.

Furthermore, MITT also continued its support towards local businesses through the successful implementation of the Fijian Made - Buy Fijian Campaign in which 321 companies were issued licences and 1,551 local products were granted approval to use the emblems.

The Committee noted the various projects and assistance schemes within the Ministry, including the National Export Strategy (NES) and MSBG and also appreciates the Ministry's support towards uplifting of micro and small businesses during their teething period. Further to this, the role of co-operatives was also commended for uplifting the standards of living and economic participation of our rural communities.

The Committee further appreciates the Ministry's NES to sustain economic growth through export, competitiveness, value-adding and diversification. NES funding is targeted at six prioritised sectors and they are; forestry, fisheries, agro-business, mineral water, audio visual and information and communication technology. The Committee was pleased to note that Micro Small and Medium exporters were given special attention to enable them to utilise these funds.

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 George Vegnathan; Honourable Filipe Tuisawau; and Honourable Inosi Kuridrani. I also take this opportunity to acknowledge and thank the Parliamentary staff; Ms. Komal Khushboo and Ms. Lia Korodrau, who have given us invaluable support.

On behalf of the Standing Committee on Economic Affairs, I commend the Ministry of Industry, Trade and Tourism 2015 Annual Report to Parliament.

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

(Report handed to the Secretary-General)

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

Question put.

HON. SPEAKER.- The Question is:

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

Does any Member oppose?

(Chorus of 'Nays')

HON. SPEAKER.- As no Member opposes, the motion is agreed to unanimously.

Motion agreed to.

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

#### **ENVIRONMENT AND CLIMATE ADAPTATION LEVY (AMENDMENT) (NO. 2) BILL 2019**

HON. SPEAKER.- As the Honourable Members may be aware, Parliament unanimously agreed to the Standing Order 51 motion moved by the Honourable Attorney-General yesterday, with respect to the Environment and Climate Adaptation Levy (Amendment) (No. 2) Bill 2019 (Bill No. 24/2019). Honourable Members are reminded that the debate will be limited to one hour.

I call upon the Attorney-General, Honourable Aiyaz Sayed-Khaiyum, to move his motion. You have the floor, Sir.

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, pursuant to the Resolution of Parliament passed on Monday, 5th August, 2019, I move:

That the Environment and Climate Adaptation Levy (Amendment) (No. 2) Bill 2019 (Bill No. 24/2019) be debated, voted upon and be passed.

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

HON. SPEAKER.- I now call on the Honourable Attorney-General to speak on his motion. You have the floor, Sir.

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

Mr Speaker Sir, I would like to commend Honourable Members of Parliament for agreeing to have this particular motion brought in today and the Amendment Bill to be also discussed today.

Mr. Speaker, Sir, as discussed yesterday, this is a very simple amendment essentially to cover the oversight that took place. Unfortunately, there were some instructions that were not properly conveyed to the Solicitor-General's Office from FRCS. But nonetheless, as highlighted in Clause 2 of the Bill, Mr.

Speaker, Sir, we would like to replace in Schedule 2 by fully inserting the word “used” before the word “hybrid” and after the word “hybrid” wherever it appears, inserting the word “non-hybrid”.

Essentially it covers the intention of what was announced in the Budget, Mr. Speaker, Sir, just to ensure that this oversight is rectified so the ECAL actually applies to used hybrid vehicles and also non-hybrid vehicles, Mr. Speaker, Sir. Thank you.

HON. SPEAKER.- Honourable Members, the floor is open for debate on this motion.

HON. N. NAWAIKULA.- Honourable Speaker, I speak for this side of the House and we have stated our position clearly yesterday in relation to this; the purpose of which is to cure an oversight, so we fully support the Bill before the House.

HON. SPEAKER.- I thank the Honourable Member. Honourable Leader of the Opposition, you have the floor.

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA.- I would like to ask a question on what is the net effect of increasing the importation of hybrid vehicles – what is the impact on the import of fossil fuel? Will there be a great reduction? And also the effects on the vehicular population. How many do we now have in stock in bonds and how many do we expect to come out every year? Whether our infrastructure development will be in keeping with the increase of the vehicular population in the country?

Thank you, Mr. Speaker, Sir.

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, if I could please, seek your indulgence and ask the Honourable Leader of Opposition to repeat the first part of his question?

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA.- Mr. Speaker, Sir, we are going to be encouraging the importation of hybrid vehicles which should result in the reduced import of fossil fuel oil and lubricants from fossil fuel. Will there be a net effect on that or will we continue to increase importation of fuel? *Vinaka*.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir. I would like to thank the Honourable Leader of Opposition for his question. In fact, the duty on hybrid vehicles, for a few years, were, in fact, zero-rated because we wanted people to move away from the usage or purchase of vehicles that were purely dependent on fossil fuel.

Within the hybrid vehicles, there are different categories of hybrid vehicles. As the years went by, we have better quality hybrid vehicles, in other words, they depended less on the use of fossil fuels. In fact, to the extreme, we have vehicles that now do not actually require fossil fuel at all and for which the law has captured things, like electric vehicles. As I know, there is one person in Fiji who has actually got an electric BMW vehicle. Essentially what he does is that, he plugs it into the socket everyday in the morning and charges the vehicle and runs it around.

Then you have different grades of hybrid vehicles. The whole idea, of course, of promoting hybrid vehicles is two-fold; one of them is to reduce our usage of fossil fuel and the other is that, it is lot more environmentally friendly because it puts less carbon out into the atmosphere. So our purpose for that, obviously, was two-pronged.

The third one that a lot of people may have criticised because of the increase in the volume of vehicle, is to be able to give ordinary Fijians access to vehicles because the ability to use and drive a motor vehicle was restricted to many people in Fiji for a long period of time.

I told this story before in Parliament that people, for example, who work in Government and were drivers could not actually afford to buy a vehicle for themselves or their family. In the past few years, they have been able to do that and one may actually argue and say that, that is their right to do that. If they want to be able to access that and take their family out for a picnic in Deuba, they should be able to do that. They could drive around Viti Levu and take them around if they want to do that.

Of course, it does lead to other issues, such as a lot more cars on the roads and as we had announced, with the completion of the four-lane road, for example, from Nausori all the way to Suva, we will soon have dedicated bus lanes, making public transportation a lot more attractive for people to use during working days and then people can use their own vehicles during the weekends.

Those sorts of mitigation and adaptations have actually been put in place like other countries do where they have carpooling, where they encourage people to take public transportation, train, buses or ferries. In Fiji's case, of course, we have the bus system. So again for the buses, in order to encourage better quality buses and because people do not want to get on buses if it has got tarpaulin as windows and it is leaking and what have you, we also have zero-rated duty on buses now and again, so they should get more or re-fleet the bus system in Fiji.

In respect of how many cars are in the bonds, what is in the stock, what is coming, I do not obviously have those figures now. The Honourable Leader of the Opposition can, of course, ask that question separately.

In respect of the consumption of fossil fuel itself, by us as a country, of course, it not just driven by the use of fossil fuels for motor vehicles but there are other users of fossil fuel, for example, diesel-generated power stations. Those are the kind of things we need to look at but again, I can get the figures for him later on. Thank you.

HON. SPEAKER.- Thank you, Honourable Attorney-General. Honourable Ro Filipe Tuisawau, you have the floor.

HON. RO F. TUISAWAU.- Thank you, Honourable Speaker. I would like to contribute to this motion on ECAL. Even though we have supported the amendment, we would like to emphasise that as we had discussed in the Budget Address and subsequent Bills, we are not in support of the Bill to amend the increase in ECAL. I am particularly referring to plastic bags, et cetera, from 20 cents to 50 cents. The application of ECAL on white goods which are listed, including smart phones, air conditioners, fridges and TV. This increase, of course, contributes to the increase in the cost of living, et cetera.

The other issue with ECAL is not only the white goods but as we had mentioned, also the vehicles. The other amendments which we are discussing on hybrid vehicles, there is a concern regarding hybrid vehicles. The increase in price might reduce imports but at the moment, there is the disposal of batteries from the thousands of hybrid vehicles which have been imported over the years.

Those are just two of the concerns we had regarding ECAL - the amendments and the effect it has on the cost of living and on our wider population in general. Thank you, Honourable Speaker.

HON. SPEAKER.- Thank you, Honourable Member. Honourable Jone Usamate, you have the floor.

HON. J. USAMATE.- Thank you, Mr. Speaker, Sir. First of all, I would like to thank Honourable Members of the Opposition for their support for this Bill, even though it seems to me, listening to the Honourable Ro Filipe Tuisawau, I am not too sure whether everyone on that side is on the same page;

whether they are fully supporting the whole idea behind the motion that is before the House and all the programmes and activities that had been done in terms of the climate and oceans, et cetera.

I recall from the previous Parliament, there used to be a lot of negative comments about the efforts undertaken by the Honourable Prime Minister in terms of COP 23, in terms of looking at environmental issues and people were asking why he was being engaged in these sort of things? It is basically to make sure that we can protect the environment for our current generations and more so for our future generations.

One of the issues that we have heard the Honourable Tuisawau talked about is about protecting that environment, not just for our current generation but for future generations. Sometimes in order to protect the future generations, we need to incur some costs and some sacrifice now. That is why those things have been put into the Budget, not just for us who live today, but especially for those who follow us in the future.

There will have to be some things that we give up in order to make sure that we can preserve the world, preserve Fiji as a place in which our future generations can continue to flourish and continue to live. I think that is absolutely fundamental, that is something that we must always remember. If we want a better future, it requires sacrifice. I remember the old Albert Einstein...

(Honourable Members interjected)

HON. SPEAKER.- Order, order!

HON. J. USAMATE.- ...  $E = mc^2$  theory of relativity. He was one of the smartest persons ever to walk the face of the earth; he said that if you want a new or better outcome, you cannot keep doing what you are doing now. So if you want to give a better Fiji to those that follow us, there are some things that we have to give up.

Obviously, it is going to cost a price for some of our current generation but it is something that we need to do. That is why I fully support the work that has been done on ECAL. I can remember when ECAL came in, there was a lot of opposition to ECAL because there was a price to pay. But, it is a price to pay to ensure the sustainability of the world and it is a price that we have to ensure to make sure that our future generations can still live in a Fiji in which they can continue to flourish. So, with those comments, Mr. Speaker, Sir, I am very glad that we have this amendment.

There are a number of challenges that we have in Fiji. In terms of my Ministry, one of our focus is to make sure that we can provide electricity access to everyone in this country and at the same time, make sure that, that electricity and power is efficient as possible and focused on renewable energy. This is all part of protecting the environment and making sure that we can preserve the environment that we have in Fiji for our future generations.

But one of our big problem areas is, we have targets for making sure that in terms of power usage, most of this power comes from renewable sources and Energy Fiji Limited (EFL) has good targets in making sure that we convert our fossil fuel generators to start using more renewable energy.

But our challenge is always in transport, on how to make sure that the energy used in transport is renewable energy, and that is going to be a perennial challenge. But energy in terms of maritime transport, energy that is used in terms of land transport and even in aviation, how do we make sure that the energy that is being used there comes from renewable energy sources?



Obviously, this move that we have for this particular Bill where we can see that there are classes of vehicles on which ECAL will be exempted, things like vehicles for public transportation, those that are using Liquefied Petroleum Gas (LPG), those that are using Liquefied Natural Gas (LNG), solar vehicles, electric vehicles; when they are brought in, ECAL will not be charged on them. So, it is basically encouraging everyone to make use of the vehicles that use renewable energy.

(Honourable Member interjected)

HON. SPEAKER.- Order, order!

HON. J. USAMATE.- I did not get what the Opposition was talking about. I am glad that the Opposition supports it.

I am trying to tell them why it is that they are supporting this. It is important for us to encourage everyone in this country to move towards the use of vehicles that are more energy efficient and that use renewable energy forms.

I notice also in this particular Bill that we have blanket exemptions on all hybrid vehicles but now, we are saying that hybrid vehicles that have an engine capacity exceeding 3000cc, ECAL will be charged on them. So, it is a good move in terms of making sure we can move all of us to start using vehicles that use less diesel fuel, less fossil fuel and move more and more towards renewable types of energies.

This Bill will encourage people to buy more energy efficient vehicles and that is good for Fiji. It will also encourage people to lean more towards vehicles of less than 3,000cc. Ultimately, that is something that will be to our advantage. I know there have been concerns raised about the number vehicles that we have in the country but as the Honourable Attorney-General has pointed out, we will have the bus lanes. We are trying to encourage people to use public transport. It is obviously going to be something that we are focussing on at the moment, to try to ease congestion because that may be an offshoot of this.

Mr. Speaker, Sir, I fully support the motion before the House. It is not just for us who live today, but especially for those who follow us to make sure that we reduce the greenhouse gas emission into the atmosphere, preserve our environment ultimately in the long-term, and make sure that we leave a better Fiji behind for those who follow us. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Minister. Honourable Minister for Agriculture, Rural and Maritime Development, Waterways and Environment, you have the floor.

HON. DR. M. REDDY.- Mr. Speaker, Sir, I am totally surprised that the newly appointed President of SODELPA is saying that he does not support the increase in levy on our plastic bags.

Honourable Speaker, Sir, so much debate has taken place about how plastics are causing havoc in our environment and here, the Honourable Member has no regard in protecting our natural and social environment for future Fijians.

Honourable Speaker, Sir, we have been talking a lot. There is a plethora of literature out there about ocean plastics, how much of plastics are there in the ocean? How did these plastics come to the oceans? It comes from what is happening in land - what is happening here, what we are doing, the household sector, the commercial sector and the industrial sector. Too much moral situations have taken place, too much awareness and education is taking place in terms of changing people's behaviour and conduct with regards to the use of plastics.

Honourable Speaker, Sir, we all know that when you want to change people's behaviour, we need to look at both, demand and supply dimension. We need to ensure that we also use tax policies which really gets people to change their behaviour. We need to behave responsibly, if we want to protect our environment and natural resources, so that the natural resource and environment that we have benefitted from, our future generations can also benefit from the same. It is our obligation to protect our natural resource and environment so that future Fijians do not say that our forefathers did not do what they were supposed to do and today we are suffering.

Honourable Speaker, Sir, look at the newly appointed President of SODELPA saying that he does not support Government and our policy in terms of reducing the utilisation of plastics. It is rather unfortunate.

Honourable Speaker, Sir, I urge all Honourable Members there to have some conscience about future Fijians so that they can also benefit from a safer environment and from the natural resources that we are benefitting from now. Thank you.

HON. SPEAKER.- I thank the Honourable Minister. Minister for Health and Medical Services, you have the floor.

HON. DR. I. WAQAINABETE.- Thank you, Honourable Speaker. I rise to support the motion before the House and to say that I was also very happy when we all agreed to the amendment. The amendment is very minor, just to add "non-hybrid", but when Honourable Tuisawau started talking about ECAL which has already been passed in the Budget and has become law and gazetted, and now he is saying again that he opposes it which is opposing something which has already been passed.

I decided to rise because we need to support protecting our environment, from a health issue, for food security we need to protect our oceans, we need to protect our foreshore in terms of the ECAL component and also in terms of what we are doing, and also to allow our people to do exercise.

There are countries around the Pacific that have a receding shoreline. We need to be able to protect it so people have an opportunity to do their exercise. I raise this because being a 'vasu' to *Davutukia* is up in the *vanua*, all the way down to the sea and goes all the way to Namatakula, they have receding shorelines. So, my colleagues on the other side should be supporting ECAL because it is protecting the surges of the sea and the effects of the environment.

I stand because there are areas around the world now like in Asia, where air pollution is a big NCD problem and they have realised that maybe a little bit too late. We are now realising it quite early and that is why we put these features in place so that we are able to protect the environment and when we protect the environment, we protect the health of our people. Honourable Speaker, I stand to support the motion because in protecting the environment, we protect the health of our people. Thank you.

HON. SPEAKER.- I thank the Honourable Minister for Health and Medical Services. There being no further Member wishing to take the floor, I give the floor to the Honourable Attorney-General for his right of reply. You have the floor, Sir.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir. I would like to thank all the Members who were in support of this Bill. I would just urge the Opposition to please communicate better amongst yourselves before you come to Parliament because then we can have some healthy debates here. I find it rather interesting, for want of a better word, that the NFP, some of them hold themselves out to be big purveyors and guarantors of the environment, sit there in silence when they have a Member sitting right close to them, actually talking about how ...

(Honourable Members interjected)

HON. SPEAKER.- Order, order!

HON. A. SAYED-KHAIYUM.- ... plastic is detrimental to the environment and they did not utter a word. We have Members on this side basically talking about the ills of plastic but Mr. Speaker, Sir, without further ado, I would like to thank some of the Members of the Opposition, who have supported the Bill and of course, all the Members of this side, they have supported the Bill. I have no further comments to make. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Member for his right of reply. Honourable Members, the Parliament will now vote.

The Question is:

Pursuant to the resolution of Parliament passed on Monday, 5th August, 2019, the Environment and Climate Adaptation Levy (Amendment) (No.2) Bill 2019 (Bill No. 24 of 2019) be debated, voted upon and be passed.

Does any Member oppose the motion?

(Chorus of 'Nays')

HON. SPEAKER.- As no Member opposes, the motion is agreed to unanimously.

Motion agreed to.

Bill reported without amendment, read a third time and passed.

[A Bill for an Act to amend the Environment and Climate Adaptation Levy Act 2015 enacted by the Parliament of the Republic of Fiji. Act No. of 2019]

HON. SPEAKER.- Honourable Members, on that note, we will now take a break for morning tea.

The Parliament adjourned at 10.09 a.m.

The Parliament resumed at 10.41 a.m.

HON. SPEAKER.- Honourable Members, before we proceed, I remind Honourable Members that with respect to the two Standing Committee Motions listed on today's Order Paper, at the end of each debate, we will be voting merely to note the Report.

I now call upon the Chairperson of the Standing Committee on Social Affairs, the Honourable Viam Pillay, to move his motion. You have the floor, Sir.

### **REVIEW REPORT ON AIRPORTS FIJI LIMITED 2016 ANNUAL REPORT**

HON. V. PILLAY.- Honourable Speaker, I move:

That Parliament debates the Review Report on the Airports Fiji Limited (AFL) 2016 Annual Report (*Parliamentary Paper No. 64/2018*) which was tabled on 17th May, 2018.

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

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

HON. V. PILLAY.- Honourable Speaker, Sir, Airports Fiji Limited (AFL) is a fully Government-Owned Commercial Company (GCC) which was established on 12th April, 1999 under the Public Enterprises Act 1996.

AFL owns and operates Nadi International Airport and manages Nausori Airport and 13 other domestic outer islands airports. AFL also provides Air Traffic Management services in the Nadi Flight Information Region. This includes the air space of Fiji, Tuvalu, New Caledonia, Kiribati and Vanuatu.

AFL's core responsibilities are:

- Efficiently and in a regulatory compliant manner carry out international, domestic and outer island airport operations;
- Efficiently and in a regulatory compliant manner carry out Air Traffic Management in the Nadi Flight Information Region in Fiji's airspace;
- Provide world class dutyfree shopping experience to our passengers; and
- Provide reasonable returns to our shareholder, in line with its level of investment.

The Committee, upon being referred AFL's 2016 Annual Report, invited its senior officials on Thursday, 5th April, 2018, to provide its submission. During this meeting, AFL elaborated on its vision to be the world's leading small international airport and air traffic management service provider. Whilst protecting the heritage of all Fijians, in 2016 embarked in achieving the Skytrax 6th Most Improved Airport in the world.

Nadi International Airport has become the first airport in the South Pacific to receive Level 1 Airport Carbon Accreditation by the Airports Council International (ACI) and International Civil Aviation Organisation (ICAO). This achievement has put Nadi International Airport on the global map and we must commend the immense efforts, commitment and hard work by team AFL.

The Committee took note that in 2016, one of the proudest achievements of AFL was the completion of the Nadi Airport Terminal Modernisation Project, which is the iconic airport in the South Pacific right now. The biggest challenge for AFL was the widespread devastation of *TC Winston* that

destroyed Koro and Vanuabalavu Terminals, however, the team was able to complete refurbishment of the two Terminals by the end of 2016.

The Committee commends the team of committed and motivated individuals, who have worked together to bring AFL to new heights. There is no doubt that great success will continue.

Thank you, Honourable Speaker, Sir.

HON. SPEAKER.- I thank the Chairperson. Honourable Members, the floor is now open for debate on the motion.

Honourable Viliame Gavoka, you have the floor.

HON. V.R. GAVOKA.- Thank you, Honourable Speaker. I wish to contribute to the motion before the House regarding the Airports Fiji Limited 2016 Annual Report.

At the outset, Honourable Speaker, let me just say that we need to commend the work of the Executive Chairman, who has provided stewardship to the Airports during his tenure as Executive Chairman, and it is pleasing to note that he is now being made the CEO of the organisation.

I say that Honourable Speaker because SODELPA is very concerned with the many Executive Chairman in the Boards in Fiji. If you remember during the clean-up, the reason for the *coup* in 2006, we were told that there will be no Executive Chairman in the Boards in Fiji. But over the years, we have seen quite a number of Boards and organisations being managed by Executive Chairs.

One of the comments made by the Committee in the Report, Honourable Speaker, is the number of Directors in the Company. They are allowed seven, but there is only three. It brings back to the House what my colleague, the Honourable Aseri Radrodro, said yesterday about the Board members that we want and the Board Chair, that we want all the Boards to be fully complemented, to have the full membership.

Yesterday, we saw that the Fiji Public Trustee Corporation Limited has only two Board members. I know in the PAFCO we have tried to suggest to the Chairman to have more than two, and I believe there are other Boards in Fiji that should have the full complement as provided by law.

Of course, our concern that some of these Chairman are not been paid. We disagree with that Honourable Speaker, a Chair should be paid. It provides accountability and gives us a sense of comfort that they are being looked after in the way that the people of Fiji want them to be looked after. I believe President Trump can buy the White House, but the American people still want him to get paid his salary. Well, the same principle should be applied in Fiji.

While I commend the work of the Executive Chair all these years, I would like to highlight our concern that Boards should be fully complemented and remunerated.

Honourable Speaker, the Nadi Airports Terminal during the year has been rated as number six in terms of its improvements. Again, I commend the work of the team that saw that.

But, when you look at the Airport Honourable Speaker, you want to see airlines of many varieties to be parked at the airport. When you arrive back and you see the flag carriers of New Zealand, Australia, New Caledonia, Vanuatu, Solomon Islands, and even our own, it brings a sense of pride and a sense of satisfaction about our Airport. And I bring this, Honourable Speaker, to the point that Korean Airlines is going to be departing from Fiji, that in October there will be no more Korean Air.

Korean Air, Honourable Speaker, is the only airline outside of the South Pacific flying into Fiji, and it behoves us, Honourable Speaker, to try and do our outmost to rebuild the relationship and convince Korean Air to continue to provide that service into Nadi. It is a beautiful airport but it should not only be serviced by airlines from the region, it should also attract airlines from North America and from the northern part of the Pacific.

Gone are the days of Japan Airlines, et cetera, where we used to see them at the Nadi Airport. Granted that aviation has changed, that now there is no more refuelling stops on the way, there is point to point with the bigger jets, but we still can convince airlines, like the Korean Air to come to Fiji. It was the SVT Government that brought Korean Air to Fiji in the 1990s, and we worked hard with them. We had a representative in Korea, I think General Chang, who helped set all that up.

There are certain things that we need to rebuild with Korea so that we continue to see them fly into Nadi, and the connectivity that they provide is unmatched in this part of the world. Through Korean Air, you can go to any part of Asia and to any part of Europe and into the Holy Land where most of our people go to for crusades. So, it is going to be tragic, Honourable Speaker, if indeed they pull out. I mean, we have all flown on Korean Air and we know what it is like. One aircraft, one company that takes you to London, to Paris, to Frankfurt, to Tel Aviv, to many points in Asia and the European areas.

So, I hope that the opportunity is there, that Government would go out and talk to Korean Air. I have done that personally. I went to meet with the Korean Air President during my tenure as CEO of the Fiji Visitors Bureau (FVB), when we felt that things were a little slow, when they felt that the economics was not there for Korean Air to continue to service Fiji. So, I hope the Honourable Minister responsible for Aviation, the Honourable Minister for Tourism and the Government could go and meet with Korean Air and convince them to continue to provide their service to Fiji.

Honourable Speaker, on the question of the airlines, we spoke yesterday about a new jet that is coming into Fiji and that space will be provided for it, the A350. We will enjoy flying on the A350, it is a superb aircraft. But our issue is that, does it fit into the family of inventory of aircraft that we have in Fiji today?

We have the A330 family, the 300 series, and we were suggesting that perhaps, we should go for New Engine Option (NEO) that can take you to Chicago, Shanghai and to Beijing. It fits into the platform of what we have today, and that we do not have to go through all the conversion costs that we have to go through with A350.

Honourable Speaker, I have here a statement from the Dubai Aerospace Enterprise (DAE), the lessor to this Fiji Airways A350, and they say here that Singapore Airlines had cancelled the order. That is why Fiji Airways went in to acquire it.

We were told yesterday that there was no Singapore element in the whole arrangement, but it is there in their statement, Honourable Speaker. So, he can just correct that, and make sure that we were told what is genuine in this House.

Yesterday, I was blamed for having this proclivity with Boeing. I have made my peace with Boeing, Honourable Speaker, and 787 was supposed to be the aircraft to replace the Boeing. You would remember Boeing, the jumbo, remember the days from the 1970s to 2000 when Boeing changed the whole of aviation. More people travelled because of Boeing.

When it became untenable in terms of cost, airline manufacturers began to bet on where to go. Boeing went for smaller aircrafts with more frequency, airbus went for volume and they came in the A380.

A380, Honourable Speaker, is a big question mark whereas the 787 and the type, are more...

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

HON. SPEAKER.- There is a Point of Order. Honourable Attorney-General, you have the floor.

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, we are here to debate the AFL 2016 Annual Report. The AFL Annual Report does not make any reference to the merits or demerits or credibility or lack of credibility of airlines or aircraft, their type, the models, what flight can fly to Chicago, or what cannot fly to Chicago, lease finance arrangements, not users of aircraft, that is completely out of order, Mr. Speaker, Sir.

HON. SPEAKER.- Thank you. Honourable Member.

HON. V.R. GAVOKA.- Honourable Speaker, we are talking about ....

HON. SPEAKER.- Honourable Member, you will take note of the Point of Order that was raised.

HON. V.R. GAVOKA.- Yes, Honourable Speaker, indeed. We are talking about our airport, a source of pride for us in Fiji and we are proud of this Report by the Committee. We are proud of the entity, but Honourable Speaker, it does not limit the latitude to discuss what is possible through the airport; it does not limit. So the debate, Honourable Speaker, should be broader than just the Report.

Honourable Speaker, I disagree with the sentiments from the other side that we should limit it to what is said here. It is an airport that service Fiji, an airport that has potential and we must from this Report, explore the potential for this airport.

Honourable Speaker, like I said, again, we are proud of the accomplishment they have done. We just wish sometimes that perhaps the pricing at the airport could be a little less. I know it is economics that you pay a different price at the airport. It is not only in Fiji, it is all over the world, but perhaps for a country like Fiji, we are all struggling that maybe some consideration can be made to try and reduce the prices people pay at the airport. You go into the airport now, people are bringing their parcels of food.

HON. GOVERNMENT MEMBER.- What?

HON. V.R. GAVOKA.- Yes, people are eating something under the trees.

The rates they charge in food and beverage outlets is way too high. Like I said, it is not only in Nadi, it is all over the world, wherever you have an airport, the prices in the airport will be higher, but this is Fiji. I mean, this is Fiji, we can relook at things.

(Chorus of interjections)

HON. SPEAKER.- Order!

HON. V.R. GAVOKA.- People want to go to the airport to enjoy. Let us relook at some of these charges, reduce some of the costs, Honourable Speaker, and let the people enjoy the airport, not just go there, walk around and not being able to afford a milkshake or hamburger.

(Honourable Members interject)

HON. SPEAKER.- Order, order!

HON. V.R. GAVOKA.- I know the FijiFirst people live in another world. They all think that everyone in Fiji, like their supporters, are wealthy and they can go into the airport and buy whatever they want. Yes, they live in another world, Honourable Speaker.

We live in the real world. Our people cannot afford the milkshake at the airport. They want to see, they want to go to the airport, they want to go and farewell and say, “goodbye” to their relatives and friends. They want to go and welcome them. But right now, they cannot have their families over there.

So all I am saying is, come down from your high horse, not everyone is wealthy like your supporters. I know how you have won the Election, by pampering to the big conglomerate, who bankrolled their campaign. We know how they won it, this is the part that is based on reality. So, let us do something along those lines, listen to the people for a change. If it had not rained for so long, but as I said, if the weather has not been inclement in the last Election, they would have lost that Election because the people were getting tired of them.

Honourable Speaker, I commend the Report and I hope that the same message I have expressed can be taken into consideration to better tourism, to better aviation and to better the airports in Fiji. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Member for his contribution. I give the floor to the Honourable Lenora Qereqeretabua. You have the floor, Madam.

HON. L.S. QEREQERETABUA.- Thank you, Honourable Speaker. Honourable Speaker, I just rise to make my contribution on the Annual Report before the House, the Airports Fiji Limited (AFL) 2016 Annual Report.

Mr. Speaker, this Report makes some very interesting reading. It shows the attitude of the Board of Directors and specifically the then Executive Chairman who was also the Chief Executive Officer of AFL, now known as Fiji Airports Limited. He decided to send his management team accompanied by the Public Relations Manager of the company to present their slides to the Committee. If we can have the FRCS CEO appearing before the Parliamentary Standing Committees or the RFMF Commander availing himself to answer questions, why could not one of the Directors at the behest of the Executive Chairman of AFL avail himself before the Honourable Members of the Committee.

The sadness that I have, Honourable Speaker, is that the Chair or Deputy Chair in this case did not exercise the powers of the judge available under the Standing Orders to summon the Executive Chairman of AFL. This is unacceptable and we expected the Committee to take serious note of this defiance nevertheless Honourable Speaker, the Committee did recommend that there be more Directors on the Board for the sake of transparency and accountability. Currently the Fiji Airports Limited website shows there are three Directors but can we just go back to the 2016 Annual Report before the House, Honourable Speaker.

The Honourable Minister who appointed this Director cannot go through everyone with a fine tooth comb. The Minister must have certainly though, known that this particular Director, correct me if I am wrong, intrinsically is was intrinsically linked to the political party that the Minister himself who was in charge of AFL when the Director was appointed, being a principal office bearer of his political party; that is where the conflict of interest comes in, Mr. Speaker.

Mr. Speaker, we are interested to know if the recommendations of the Committee in respect of appointments and separation of contracts of the Executive Chair were adhered to before this report reached the floor of this Parliament. Because the Committee rightfully noted in the absence of the



Executive Chair appearing himself to clear any misgivings that this should be done as a matter of once again transparency and accountability.

This Executive Chairman phenomenon became a norm of this Government after 2007. We have seen disastrous results of this in the past, most notably in the Fiji Sugar Corporation where the Honourable Prime Minister told us earlier this year that the matter was being investigated.

In the case of AFL, departing passengers are not only being levied the departure tax of \$200, but airport security and development levy that we believe is \$9.30 each, totalling \$18.60. So anyone who boards a flight out of Nadi or Nausori as his or her first out bound flight pays a minimum of \$218.60. Irrespective of whatever the income percentage of AFL is, one does not have to be a genius to know that you are bound to make money. Therefore who is paying for airport development cost at Nadi? The dividend of this profiteering is going to Government anyway.

Mr. Speaker, there is a little use of brandishing financial success before us, it is insignificant. What should concern us is transparency and accountability that even this report wants. Milking money from people does not make an organisation profitable, this gravy train does not need financial ingenuity. Thank you, Mr. Speaker.

HON. SPEAKER.- Thank you Honourable Member. Honourable Salote Radrodro, you have the floor.

HON. S.V. RADRODRO.- Thank you Honourable Speaker. Yes, I commend the work that had been done by AFL in regards to the improvement in our airports particularly in Nadi, and I also support the previous speaker's presentation on the need to have more Board members in support of transparency and accountability.

In regards to the Executive Chair, Honourable Speaker, I would like to highlight again the appointment for that position. In his presentation, the team from the AFL had highlighted that they really did not have anything to do with the appointment except to receive the person who has been promoted to the position and to work with that person.

But pertinent issues that arose out of that presentation was that he did not have any employment contract with AFL because he still holds the position at Tropik Woods and according to them AFL does not give him any vehicle, does not pay him any allowance apart from the \$17,000 that was being paid by way of a grant maybe by Government to top up his salary in Tropik Woods.

Honourable Speaker, the very fact that the Government side continues to talk about transparency, accountability and again I will highlights that the reason given for the 2000 *coup* was to rid Fiji of corruption, but the very fact that we still have this kind of appointments in AFL particularly for an organisation like that, it brings to mind and we question the kind of work ethics and we question the processes that Honourable Usamate is always alluding to processes and systems that has been carried out, I mean, this is exactly, we question in this kind of appointment, Honourable Speaker. We really would look forward to having this rectified, the Board Members and also in regards if we have the Executive Chair or the Chairman for AFL then it should be, the numeration should be budgeted for by AFL and not sitting in another organisation and working in another organisation as is the arrangement in this one.

Furthermore, Honourable Speaker, I would like to highlight in regards to the maritime particularly maritime airstrips. We have heard in their report and even in the media that AFL is doing very well, extremely well in their financial performance in regards to their profit margin. We also have heard in numerous times from the Government side, even up until now they talk down on previous governments on what have they done on the leadership of previous Governments.

Honourable Speaker, I would like to highlight here that all these airstrips in the maritime particularly were constructed by previous governments and if there is anything that this Government could have done or at least bring up the standard of those airstrips and have them tarsealed. Just like they have done for Rotuma, that is one good thing but why not for Vanuabalavu, why not for Lakeba, why not for Ono, Koro, and Moala?

All those Honourable Speaker, were done by previous governments and they have not done anything to improve the facilities in these airstrips. Up until now we still have the same grassy airstrip and only one flight a week to Vanuabalavu. Previous governments, I believe, it was in the late 90s and 2000 we had three flights a week and now with only one flight going, it is not very encouraging particularly for the working population because one week you will be stuck in the islands and if this Government can....

(Honourable Government Member interjected)

HON. SPEAKER.- Order!

HON. S.V. RADRODRO.- Yes, I understand that. See the Honourable Prime Minister and Honourable Minister for Defence, National Security and Foreign Affairs are interjecting saying that there are more people in Viti Levu but if you take a population count ...

HON. SPEAKER.- Honourable Member, you have the floor exclusively, forget about them.

(Laughter)

HON. S.V. RADRODRO.- If you take a population count, there are more people from Vanuabalavu in Viti Levu than from Verata.

HON. GOVERNMENT MEMBER.- What about Bua?

HON. S.V. RADRODRO.- Bua is still nearby.

Honourable Speaker, my point is that if that kind of facility has been upgraded to Rotuma, also that kind of service could be done to the maritime airstrips and we raised the question with AFL during their presentation and they said, it is because of the no-business case. If the Government wants to create business in these outer islands, of course, they can do that.

Right now the *yaqona* is fetching very good prices and that is something that the Government could look into with the local population to be able to create some kind of business in those island communities. The Honourable Minister for Agriculture only talks about agriculture, I do not know whether he has even planted anything on the ground or not.

Honourable Speaker, the point is that these Airstrips need to be upgraded so that they can create some kind of economic opportunities for the local communities. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Salote Radrodoro. Honourable Tuisawau, you have the floor.

HON. RO F. TUISAWAU.- Thank you, Mr. Speaker, Sir. I would like to contribute to this motion on the Fiji Airports Limited 2016 Annual Report.

As indicated by the Chairman, it is critical that the Committee acknowledges the contribution of past Governments and we have heard time and again the phrase “never ever before”, as alluded to by my colleague. All the airports in Fiji when were they constructed? Before the *FijiFirst* Government, so what they are doing now is just adding to what has been already constructed.

Just for the information of the Chairman when he mentioned the history of AFL, it was previously the Civil Aviation Authority of Fiji Islands (CAAFI). It was declared as a Commercial Statutory Authority on 3rd April, 1997, declared a re-organised enterprise on 23rd May, its Charter was approved and gazetted on 12th February, 1998 and incorporated as Airports Fiji Limited on 14th April, 1998.

Honourable Speaker, I would like to remind the House that, that was during the time of the leadership of a previous Government and not the current Government which is being alluded to all the time.

The other issue I would like to raise in terms of that subject is that, there is a whole lot of public enterprises which are being discussed and we have been discussing it also in the Standing Committee on Economic Affairs. I think our Deputy Chairperson, the Honourable Bhatnagar, will be bringing that up to the Honourable Speaker. If all those public enterprises could come under the Standing Committee on Economic Affairs Committee, given that they administer the Public Enterprises Act and other related Acts and Regulations.

Listed in the fiscal update document, supplement for the Budget are the various Government Commercial Companies (GCCs), State Owned Entities (SOEs), Commercial Statutory Authorities (CSAs), so there are about 23. All these, Mr. Speaker, Sir, were formulated and incorporated before 2006, before the current Government came into place. So that is something I would like to emphasise when an Honourable Member of the Government speaks, “never ever before” to keep that in mind, and that “never ever before” does not really apply because before, a lot of companies, et cetera, developments have been made.

(Hon. A. Sudhakar interjected)

HON. RO F. TUISAWAU.- Yes, I will come to that in the report.

Mr. Speaker, Sir, on the Report itself, I have been browsing through it and I have concerns regarding some of the findings there, particularly on page 7 - No. 3 on the position of the Chief Executive Officer. The statement of General Manager position in Fiji Airports have been streamlined over the past five years and \$8 million have been saved over the last four years for the various positions restructured.

I could not work out what exactly that meant - the \$8 million that had been saved because if we add Executive positions, for example, three positions at \$180,000 per annum and maybe two Managers at \$60,000 per annum and another two positions at \$40,000 per annum, that still comes to less than \$1 million a year. So when you talk about \$8 million over four years, it is \$2 million a year in savings, but I could not comprehend that. So I am not sure whether that is a fact or whether that is exaggerated, in terms of calculating savings from salary from restructure.

The other concern I have about the Report was on page 24. This is on the verbatim. I note that the Executive Chairman did not come but Mr. Tudreu, and I think he is the Air Traffic Management Control Manager where he stated, “We do not really have a business case for each of those airports.” These are the small airports - Koro, Vanuabalavu, et cetera, where demand will determine priority.

I am not sure about this statement because AFL also has a social obligation. It should not only be focussed on profit but should also focus on social obligations to our people out there, who are in the provinces.

(Honourable Member interjected)

HON. RO F. TUISAWAU.- Yes, we will be running the Government soon. That is why I am trying to share this.

The other issue on the Report is on page 27. The loan of \$85 million from Westpac is mentioned there. I am not sure when this was taken out, probably after they removed us from the AFL Board. I was also in the AFL Board prior to 2006.

(Hon. A. Sayed-Khaiyum interjected)

HON. RO F. TUISAWAU.- Yes, I will come to that.

On the \$85 million, the question is, why did the Government not assist AFL with that, instead of taking out a loan because the impact of that is that, AFL will continue to pay the loan and in order to do that, they will be looking at their income, cost structures and operational costs. Of course, they will need to pass those payments and high operational costs to someone and that someone is, of course, those who are using the airport, the airlines, et cetera. That is another subject, the high cost.

Still on this Report on page 29, Mr. C. Chand, who I think is the Finance Manager, states, "Deputy Chair, historically there has been no master planning."

Mr. Speaker, Sir, this is an outright lie because I have copies of the previous master plan which we did as the Board, and here it is stated that there has been no master plan. So, I am not sure about the credibility of what had been presented to the Committee.

From that master plan, the current Committee used that as a base and I note that some of the designs in that master plan are being implemented now. So those are the specific comments on the Report.

On the Annual Report itself, again, I have a few concerns there. On page 23 on directors' remuneration, a total fee of \$48,053 was paid to the directors. A further sum of \$35,777 was paid for other expenses. Again, I am not sure how this is itemised. It sounds reasonable, but where is the Executive Chairman?

The other issue regarding this Report is on page 24, when you look under expenses - salaries. The salary bill there keeps on increasing from 2012 to 2016. I am not sure if this is \$14 million which is quite high, or is it less than \$14 million or \$140,000 or more. It states there in millions, \$14.3, \$14.2, \$15.5, so over the years, it keeps on increasing which contradicts the Report of the Committee, Finding 3, where there have been savings of \$8 million. So, I am not sure how that balances up because in salaries in the Annual Report, it is increasing. But here it states in the verbatim, the Financial Manager said they did a savings of \$8 million. So I am not exactly sure how that works out.

The other issue I heard was on page 49 when you look at the Annual Report. Let me read it out, and I quote:

"As part of compensation for the services provided by the Executive Chairman, the Board of Directors approved a compensation amount of \$450,000 payable to Tropik Woods Fiji

Limited. This has been accrued and included in Operational Expenses and subject to approval from Government.”

My questions is, what is this for - nearly half-a-million, \$450,000? Where is the breakdown? What exactly are these for, what services? Because from what we have heard, he is providing free services but here, it is specifically stated, “\$450,000 transferred to Tropik Woods.”

The last time we went to Tropik Woods I asked him, “Do you have an Annual Report for Tropik Woods?” He said, “No, we do not do any”, because I wanted to connect that to what is happening there, whether it is recorded as income, and income for what and where do they allocate that in the Tropik Woods budget?

Mr. Speaker, Sir, those are some of the issues regarding the Annual Report and also the Report of the Committee. I had mentioned the high cost which enables AFL to achieve super profits. The last dividend they paid to Government according to this particular document - supplementary to the Budget was \$90 million and that was in 2017-2018. But overall, a sum totalling in that period from Government investments is \$122.4 million, but then this is reduced in the 2019-2020 Budget to \$76.1 million. So a reduction from \$122 million to \$76 million which is \$46.3 million less, a reduction of 37.8 percent.

My concern here is not only the super profits they are making, but also the non-achievement of Government revenue targets in terms of Government Commercial Entities which, of course, impacts on the Budget and that is why they reduced it.

Relating to the high charges by Fiji Airports Limited, this impacts on all the operations at the Airport. When you go to the Airport, the charges by AFL relates to parking fees, immigration charges and the rent for the facilities at that Airport building. That accommodates the airlines, ATS, Customs and various other entities. All those entities are paying rent and I have no doubt that the high operational cost imposed by Fiji Airports Limited is affecting the business, which is one of the reasons Korean Airlines has pulled out.

If you look at the entities at the Airport - Fiji Airports, CAAF, ATS and Fiji Airways are all Government or partly Government-owned and they need to be talking to each other, they need to be interrelating and cohesive in a harmonious manner.

However, going back to the Honourable Minister for Economy’s speech yesterday in the Daily Hansard on why Fiji Airways would want to do the ground handling, he mentioned that it is because they can do luggage handling by themselves and catering. Honourable Speaker, this is a direct threat to ATS, a direct threat to the security of jobs to the workers and there are about 400 to 500 workers at ATS.

Another issue I wanted to ask in terms of ATS, why has there not been any Board meeting for the last 12 months to work out the issues there? Is this some kind of political victimisation because they went on strike?

From a meeting with the airlines, I have also been a manager in ATS and they have always stated (Fiji Airways) that they will not take over ground handling and that has been consistently Government arrangement, keeping in mind the needs of the workers, employment and the families. And when you count all of them, there are thousands which are involved. So for the Minister for Economy to make that kind of threat is uncalled for and it undermines the workers at the airport at ATS.

The other thing I wanted to ask, where is the Chairman of ATS? What happened to him? Because currently there is no Chairman, and they need to make a move on that, call a Board meeting which has not met from my understanding in the last 12 months. And again all these is impacted by AFL in terms

of the super profits they are making in imposing charges, rents et cetera, high landing fees and Sir, I am asking when will this profit motive end or will it keep on going on and on. It results in unemployment as this threat was made yesterday and it is on record here in *Hansard* and it has been reported in the media.

What kind of impact does it have on the families of ATS who are out there; 400 families and number about maybe, 4,000 or 5,000? So he needs to make the reassurance that the three entities, Government owned, they have the power to make decision and he should not make a threat and they will continue existing harmoniously, that is AFL, CAAF, Fiji Airways and ATS for the benefit of all those involved and the nation.

We do not have to run each other down nor do we have to close any entity just because of politics. Honourable Speaker, Sir, that is my contribution and I commend the report to the House. And hopefully, sincerely that we take all this of what I said into account. Thank you Honourable Speaker.

HON. SPEAKER.- Honourable Ro Teimumu Kepa, you have the floor.

HON. RO T.V. KEPA.- Honourable Speaker, very briefly I would like to thank the Social Affairs Standing Committee for this report of 2016. Most of what I have wanted to say has been said and articulated by the speakers from this side of the House, so I just have one issue, Honourable Speaker.

As has been alluded to from this report, we read of Nadi Airport's ranking is number six as the world's most improved airport and the first airport in the South Pacific to be Airport Carbon Accredited Level 1 Certification; that is a good achievement, Honourable Speaker.

AFL has made super profits from controlling its expenditures, keeping wages of workers relatively low, unions weakened and industrial issues basically became impossible to be aired or to be heard when AFL was designated an essential industry under the Essential National Industries (Employment) Decree 2011.

Previous to 2011, it was Civil Aviation Authority of Fiji and they were able to be heard, but, because of this Decree they were not designated and previous to this they were not designated an essentially industry, Honourable Speaker.

Honourable Speaker, increasing revenue in 2015 by raising revenue from airport concessions, landing and parking fees and air navigation charges which AFL doubled between 2011 and 2016 and this is in the report.

The company paid out \$30 million in dividends to Government in 2015 and 2016. However, higher fees have contributed to making Fiji a more expensive destination for air travellers and we have heard this from the price of milkshakes, coffee and whatever else you want to buy in the airport vicinity, it is very, very expensive both for visitors and tourists.

My concern is with all its super profits Honourable Prime Minister, the accolades received, carbon accreditation and number six ranking as the world's most improved airport, Nadi Airport sadly Honourable Speaker, is one of the dirtiest in the world, particularly its washrooms.

(Honourable Member interjected)

HON. RO T.V. KEPA.- Honourable Ministers do not go there because they use their VIP facilities.

(Honourable Member interjected)

HON. RO T.V. KEPA.- Open your eyes and see how dirty its washrooms are. This is very sad as what is stated here in the report that 96 percent of Fiji's visitors come through the airports and they use both arrival and departure. I do not know what they use in the facilities there, it is unlike any other airport in the world.

(Chorus of interjections)

HON. SPEAKER.- Order!

HON. RO T.V. KEPA.- The personnel there are not trained. Maybe, to keep them on the minimum wage of \$2.68 an hour and for the maximum super profits, we hear regularly from the Honourable Attorney-General that AFL is one such entity that Government relies on for revenue and this has been alluded to by our members here.

Honourable Speaker, however, I must say that the Nausori Airport is much cleaner than Nadi Airport. The toilets in Nadi Airport, Honourable Speaker, are almost always dirty and floors are constantly wet. Supervisors maybe because of the wage issue and lack of training, they do not seem to have any training Honourable Speaker, are either invisible or non-existent. It is very shameful, Honourable Speaker. Arrivals from overseas into the arrival areas where you collect your bags, you cannot even sometimes come down the escalator because it is not working.

In conclusion, Honourable Speaker, one of our Honourable Members has put a question mark to the Master Plan; the Master Plan is there in the report. We hear that the first comprehensive Nadi Airport Master Plan has been completed and is now under implementation.

So, we hope from this and that our member here is incorrect in saying that he has not seen a master plan, it is there in the Report so I hope that you are going to come through with this. We hope that the washrooms are included in your master plan and not as it is in its present state. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Member. The Honourable Minister for Health you have the floor.

HON. DR. I. WAQAINABETE.- Thank you, Honourable Speaker. I thought just to contribute because I have been travelling around the country and I have been seeing how beautiful our airstrips are. Kadavu, Lakeba, Savusavu and Taveuni are all tarsealed. Bureta, Gau and I was in Moala last year, it really is much better than what it was many years ago. The airstrips are much better. I was in Vanuabalavu after *TC Winston*, very badly damaged when we landed on the airstrip but Vanuabalavu is completely different now.

In 2016 where this Report has been generated, Honourable Speaker, is the time when we were faced with *TC Winston*. Despite that, Airports Fiji Limited over the last two to three years have continued on its revamping, renovations and we have an airport now which is of world standard.

Last year, Skytrax gave it an award one out of ten. In this award, it was noted that it was an airport of serving a country of less than a million people; the only developing country. It was also noted that Australia Travel Website made Fiji No. 6; Nadi Airport. It looks like a comprehensive one, they made a lot of things. Two of the things it looked at are the food and the queue.

One of the things that I also noted in the Report is that in 2016 they had 34 percent females and they were on a way over the last three years and I believe over the last three years also till now of continuing to recruit. At that time they stated in the Report that 50 percent of all recruitments or more

were females. So, this shows that it is not only the airport that is very good on the outside, it is working well to make sure that it is a world standard, something for all of us to be very proud of, the workers to be very proud of, a place to go and work and be very proud of, but also in the outlying areas where the airstrips are, these airstrips are being revamped and as I have said, Kadavu, Lakeba, Savusavu and Taveuni are now tarsealed.

Not only that, but they have also ensured that they have gone on a mechanism to ensure that they open opportunities for females to be able to join them. That is my contribution, Honourable Speaker, and I thank you for this opportunity.

HON. SPEAKER.- I thank the Honourable Minister. Honourable Niko Nawaikula, you have the floor.

HON. N. NAWAIKULA.- Thank you Honourable Speaker. With your leave, I wish to make a small contribution. I have looked at the Report and my first impression of it is very small. It does not elaborate on all the issues that the public needs to know. I do not think they deserve to be paid their allowances for that. If I was the GS, I would not pay you.

Looking at it, it looks like there are only two issues they are ever talking about, that the only airport in Fiji is Nadi Airport and the only second issue that they are looking at is profit. What about other airports? What about Rotuma?

It is mentioned in the Report in the annexure and what the public need to know is what the Government is doing together with the tourism industry to develop these other airports, because they know, as well as we know, that tourism generates, that tourism is the only reason why airports are surviving.

Go to Savusavu. What has happened to Savusavu? If the Government had lived on its promise to extend Savusavu Airport, in conjunction with the tourism operators there, you will have three or four more flights to Savusavu, and the same thing for Kadavu.

The complaints that are coming from the tourism operators there is the airport and if money has been spend on that, you will have two or three more flights going to Kadavu. Why is it that Fiji Airports Limited is giving that money to the Government all the time? Why does it not develop these other airports? In Rotuma, we were told that last year, ATR42 would be able to fly there. Could you tell us, is the ATR flying to Rotuma yet or no?

(Chorus of interjections)

HON. N. NAWAIKULA.- Thank you for that.

(Laughter)

What about Savusavu? What about Seaqaqa? And the point is, they have to work with the tourism people to develop the airports because tourism is what sustains all the airports. Also for Lau, and that goes for Lau as well, so I am teaching you that, you do that for Lau, you do that for...

(Chorus of interjections)

HON. N. NAWAIKULA.- Yes, they are like kids, we have to tell them what to do. You do that for Kadavu, you do that for Lau and you do that for other areas as well, then you will have a constant



inflow of flights going in and out of those areas. The other point that I wish to raise is that, you do not measure....

(Honourable Member interjected)

HON. SPEAKER.- Order, order!

HON. N. NAWAIKULA.- You listen. Maybe, you should make an airport in Tavua.

(Laughter)

Tavua is a viable tourism area and if we build an airport there, it will facilitate tourism going there. So it will be good for you.

The other point that I wish to raise is that, the measure of success for this public enterprise is not in relation to money. Money, money all the time, and that is what is driving customers out. It happens also for Ports Fiji Limited. When you increase your lending fees and other ancillaries, you drive your customers away. Ships no longer come to Suva, they go to Tonga and that may have happened too for Korean Airlines.

Korean Airlines, when no one else wanted to come here in 2006, when you did the *coup*, you know after you did the *coup*, no one wanted to come to Fiji, not even New Zealand and Australia. Korea was the only place that was looking after us; Korean Airlines. And now what is happening to them? They will be folding up in October and they are waiting and we want the Government to tell us, what is the outcome of your discussion with Korean Airlines? Have you done enough for them to stop them from leaving us or no? The public needs to know that and I am sure everyone from that side have travelled through Korea, and there is no other way that is more efficient than going through the Korean Airlines.

The other point that I wish to add, Honourable Speaker, is that, what has happened to the resolutions of landowners issues? Nausori Airport is an example. The instruction or the information that came to us is that, Government promised them \$5 million and because of that, one village gave their land to the Government to be acquired by the Land Bank. They have been waiting for their \$5 million, \$5 million and \$5 million, nothing! They only received \$200,000, but it is too late, they have given their land away. In Nadi as well, there are resolutions that need to be done in relation to the landowning units for the benefit that you get from the airport.

So those are important issues that the Government should look into and please, do not measure the success of airport in terms of money, it is a public company. The airports are important and you do not measure that in terms of the money that you put in or even the profit that you make.

HON. SPEAKER.- Thank you, Honourable Member. Honourable Attorney-General, you have the floor.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir. Mr. Speaker, I would just like to correct something on Page 9 of the Report in the Conclusion, just a minor correction. It says in the second line: "...commended the position of AFL since 2016 has been a busy year for the airline", it is actually the "airport", not the "airline". This should be corrected, just in case. I think some people are getting confused, perhaps that is why. He mentioned airline and they start talking about airlines.

Mr. Speaker, Sir, just very quickly, the reality of the matter is that, none of the airports in Fiji, except Nadi, makes a profit. All of the airports outside of Nadi all make losses. In fact, the amount of

capital expenditure for the outer islands was \$1.9 million in 2016, and net operating loss was \$2.5 million, so in other words, AFL put in \$4.5 million.

In 2017 the capital expenditure was \$8.5 million, the net operating loss was \$2.5 million, the amount of money, therefore, put in was \$11.1 million.

In 2018, AFL has put in \$12.9 million into the outer islands and net operating loss was \$6 million, a total input of \$18 million. So it is incorrect and absolutely false to actually say, no money has actually been put into the outer islands.

The reality, Mr. Speaker, Sir, the submissions by the Opposition can only be termed as obscurantism, which is essentially trying to obfuscate the facts deliberately.

Let me very quickly highlight, Mr. Speaker, Sir, there are a number of points that have been made unfortunately right from the cleanliness of the toilets to all other standards of the airport. The reality of the matter is that when Fiji Airports was given the award, indeed, the certification for being one of the top 10 Airports in the world and, indeed, they received green certification.

Mr. Speaker, Sir, these international awards do not come willy-nilly, they actually look at the entire operations of the airport, look at the infrastructure, they look at, for example, at the manner in which water is dispensed, soap is dispensed, how you dry your hands, to cleanliness, so all sorts of things are actually measured, Mr. Speaker, Sir.

Mr. Speaker, Sir, yes, of course, the Executive Chairman is no longer the Executive Chairman, he is actually the Acting CEO. He, like everyone else, has to go through a normal application process. I understand that the Board has appointed an outside company to actually engage with all the applicants and they will be going through that process, and we are yet to receive a recommendation by the Board.

Of course, we have another member who has been added to the Board, who is a representative of the Marriott Group of Hotels. He is now in the Board and we hope to get more people on the Board.

However, the size does not, in any way, affect that transparency. As we all know that because it is a limited liability company and I urge the Honourable Members of the Opposition to go and read the Companies Act because the Companies Act will actually highlight to you that irrespective of whether a person is a member or affiliated to a political party, that they have a fiduciary duty to the company.

In fact, it is a criminal act if you breach that fiduciary duty because the Companies Act (as we know we have got a new Companies Act, the old one has been repealed) has very high level standards and indeed onerous requirements by anyone as a Board member in particular, sitting in a limited liability company or even in a statutory body or even in a Trust where they are caught by this particular provision in the Companies Act. So it is trite to bring in and say, "This is one director" and obviously, they are talking about Ratu Viliame Katonivere, that he is a member or office holder of a political party. It is immaterial because the law says that if Ratu Viliame Katonivere actually, in anyway, breached this fiduciary duty to AFL he will be criminally responsible and culpable.

Again, Mr. Speaker, Sir, this kind of obscurantism that comes along and we have got, for example, people saying that maybe the Government is paying the top up salary. No, Government does not pay any top up salary for anyone.

Mr, Speaker, Sir, again, there was talk about, "This is the way Fiji is and let us make Fiji the milkshake price, maybe it should be kept to 50 cents, like the days when we were...", I mean, they did not say that but maybe that is what they are meaning.

But the reality, Mr. Speaker, Sir, is that, on the one hand, you want the price of milkshake and fish and chips to be lower at the airport, but you want 21st century facilities at the airport. You want 21st century facilities in the whole of Fiji.

Money does not grow on trees. You have to be commercially astute and you have to be aware of the commercial realities. Limited liability companies need to be able to fund their own operations. This is how you build strong institutions.

In the same way as we have said, the old Board, and let me give you an example. FEA now EFL, used to keep the cost of tariff way down, so essentially low income people could afford it. But now the right tariffs apply and if Government wants the low income people to get lower tariff rates, we subsidise EFL. So, EFL then does not come to us for a Government guarantee, putting pressure on taxpayers. That is how we run a modern day government and modern day company. They do not get it, Mr. Speaker, Sir. They simply do not get it.

Honourable Tuisawau talked about ATS and what is going to happen to ATS and threats and all that. Mr. Speaker, Sir, again, I feel like I am sometimes in Class 101. If Fiji Airways currently does not have catering services, if Fiji Airways currently does not have a luggage handling, Mr. Speaker, Sir, obviously will get into the business and will be hiring people. They will create jobs. Some of the people at ATS who were the good workers will actually go across.

The reality is that, you do not hold on to something where it is not run professionally. If they want to lift their game, they need to become professional. It is very simple. We have to compete in the 21st century, otherwise we will get left behind. They really do not think. They think that God is going to do the training. What utter nonsense!

Mr. Speaker, Sir, again, they talked about Korean Airways. That Korean Airways is going, therefore, we do not have any other international airline flying to Fiji. Of course, we now have Qantas flying, we have Virgin Airlines, Air New Zealand, Solomon Airlines, what about our own national carrier?

We are now flying to North Asia. We are flying to Narita. We are flying to Hong Kong. The Korean Airways decision to pull out of Fiji is their own commercial decision. Those people who know indepth knowledge about airlines would tell you that most international airlines, if you look at the big ones, like the Koreans, the Emirates, Etihad Airways, British Airways, they have a permutation of what they call "3,5,7".

In other words, it is almost lucrative if you do three times a week to a destination. It is even better if you do five times a week to a destination and the best is seven times. Of course, you can have double dailies too.

Korean airways, of course, the Honourable Prime Minister has had discussions with the Chairman and various other people in the past and they, in fact, told us many years ago that there was a particular affinity, the Chairman at that point in time had affinity with Fiji, the family would like to come to Fiji for a holiday, they kept it going. But from a commercial perspective, it is not viable for them.

There has been a change in management. Of course, they have now made their commercial decision, and we have to respect that. We are not going to go and subsidise. Do you know how much Cook Islands is subsidising Air New Zealand, just for Air New Zealand to fly to Cook Islands? They pay them \$15 million a year so that Air New Zealand can actually come to the Cooks.

We do not have a similar situation, nor do we want to get into that situation. We want our national airline to be strong. We, of course, want Korean Air to continue to come, but if Korean Air has made a decision not to come, then we will respect that.

Let us be positive. Stop being so negative and so much under siege, let us be positive. Narita is probably one hour or one and half hour away from Seoul, or maybe two hours. We should be pushing people who want to come through North Asia to come through Narita to use Fiji Airways.

Narita is also actually a hub in its own right. Many people come from North America to Narita and cut across to Europe. That is what they do. So we have got the connectivity now. Why are we downplaying that?

Mr. Speaker, Sir, again, and I want to quote what Honourable Gavoka said. He held up some lease documents, I do not know what it is. I do not know how he procured that lease document, who gave it to him, whether he found it in the internet or whatever it is.

HON. V.R. GAVOKA.- Mr. Speaker, a point of order.

HON. SPEAKER.- Point of Order.

HON. V.R. GAVOKA.- Honourable Speaker, from DAE, the lessor, and this is clarification. DAE says, Singapore Airlines was going to lease the two airbuses but cancelled its contract and Fiji Airways have now taken them over. There you are!

HON. SPEAKER.- Honourable Member!

HON. V.R. GAVOKA.- This clarification, Honourable Speaker, a statement by the lessor – DAE.

HON. SPEAKER.- Honourable Member, take your seat!

Honourable Member, you were not asked to explain on the issue. You have gone to that, and you have already done that.

You have the floor, Sir.

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

It is alright if it is a statement, but let me quote from what the Honourable Member said yesterday, and he is now talking about the statement. In the *Daily Hansard* yesterday, he said, and I quote from Page 2454:

“... Fiji Airways has a family of aircraft known as A330. It has the A330, A300, there is a new one in the market called the A330 NEO (New Engine Option). It could do the work of A350 but keeping the platform of A330 in place which would lessen the cost of training, of engineering, because they are using the same A330 platform. So why did the Fiji Airways react in this manner to buy something that Singapore Airlines did not want?”

It is completely incorrect. A statement regarding that, I will tell you what it is. This is the problem when they do not ask.

There were two A350s available that one airline actually did not want to take up. When we made the decision to buy the A350, they said that these two slots are now available because the time length to wait after you order takes years, so we were lucky to get that aircraft.

Singapore Airlines did not reject A350. This is what that statement implies. If you just simply *google* Singapore Airlines A350, you will see how much Singapore Airlines are actually pushing A350. In fact, they have got, and I stand to be corrected, approximately 60 A350s on order.

(Chorus of interjections)

HON. A. SAYED-KHAIYUM.- Only if you do a *google* search.

So, Mr. Speaker Sir, the statement that was made is incorrect, so how can we rely on a person who has made this kind of obscurantism, and then to comment about airlines and aircrafts and what have you.

Mr. Speaker, Sir, again, I wanted to comment by saying that, again, this is so trite and I, kind of, feel intellectually so maligned, that I have to respond to this kind of comments. That, “Oh, the people who are filling in the coffers were FijiFirst, are those who got the concessions. No!

Motibhai is a company, Tappoos is a company, Pacific Destinations, Rosie Tours; they are all companies. They all rent, have a concession with the Airport. No company can donate to any political party, unless you have been receiving donations from companies. We certainly do not get donations from companies, Mr. Speaker, Sir.

(Chorus of interjections)

HON. SPEAKER.- Order, order!

HON. A. SAYED-KHAIYUM.- The reality again, is that they also fail to mention that the staff of AFL in the past few years have received enormous pay increases – the Air Traffic Controllers, the people in the HR Division, everyone, have received huge pay rises.. Air Traffic Controllers are about 63 percent in the past four years, Mr. Speaker, Sir.

Mr. Speaker, Sir, again, they have not commented on how AFL actually has been investing in its staff. They now receive bonuses. They have specific career paths and these are young Fijians. So again, there has been no mention about that.

Mr. Speaker, Sir, you know, Honourable Tuisawau said he was on the Board and there was a master plan, et cetera. Mr. Speaker, Sir, I actually went to the site when the airport, which is actually a brownfield site was being renovated. It was horrendous. Everyone knows about that. They had floor sizes, different levels, different heights, sewer system underneath the departure area, all sorts of shenanigans were there.

But, more importantly also, Mr. Speaker, Sir, the land around the airport. Master plan is not only about the building structure. We now have within the AFL precincts, land that has been given away through political interference when AFL board was asked to give away leases that AFL had to individual private companies.

Mr. Speaker, Sir, this is not something to clear only after 2002, it used to happen before. Part of Nasoso, where there is an area called Qanville. Q-A-N, that comes from Qantas. Two or three pilots of

Qantas were given away land. Another pilot, who used to fly for Fiji Airways was given away land. You have now land with the CAAF land on the other side; the seaside.

There are private investors there now who were given land by Civil Aviation Authority of Fiji (CAAF). At that time CAAF was the owning company. The Honourable Leader of the Opposition may know, some of those land was actually given away in leases in that time. That is what you talk about master plan. Now, there is a master plan for Fiji Airports Limited to now have another runway, we have to go back and acquire this land at a cost to AFL. So when we talk about master plan, Mr. Speaker, Sir, you have to look at the entire precincts of the airport.

Mr. Speaker, Sir, of course, as part of the development, as you know, that the AFL land, AFL has recently leased land to Fiji Airways in building up the aviation academy. What a wonderful thing! This is what you call building resilience into your systems. Having a long term strategic plan where our pilots no longer have to fly to Singapore, more cost to Fiji Airways, they can actually do their simulation training in Fiji but more importantly also, we will be getting pilots from other countries to come and do their simulation training in Fiji; generates revenue for us. This is called strategic thinking and AFL actually developed relationship with Fiji Airways in that respect.

Mr. Speaker, Sir, again, I would like to make some comments regarding the overall need. Honourable Tuisawau, again, he always likes to say that previous governments built the airports and what are we going on about.

(Honourable Members interjected)

HON. A. SAYED-KHAIYUM.- *Areh!* Let me finish man. Come on! Of course, they build the airports. Of course, they build the airports. No one has said they did not build the airports. Of course, they built the airports. But, it does not mean we get caught in a time warp. The airport that was built then was great but now we have to expand. We have to modernise, lengthen. Your ability to adapt and adopt to the 21st century must be quick. Otherwise, you will get left behind.

People will find other destinations. Do not think that everyone is clamouring to come to Fiji because I can tell you, every other single country that wants tourism to be in their country are also marketing. It is not only about having a nice, clean beach which they want the plastics to go on to. It is not only about that but it is also about the seamless system the moment you land in the airport. It is about having the right infrastructure, about having efficiency, about cleanliness; all those things do matter, Mr. Speaker, Sir.

So, Mr. Speaker, I think quite a lot of comments have been made in respect of the individuals that have been involved. But I would like to thank the Committee for their work. I would also like to take this opportunity to thank the Board Members of AFL and more importantly also, Mr. Speaker, Sir, I would like to take this opportunity to thank the staff.

And if we look at the staff and the seniors who are holding relatively senior management positions, they are generally very young people. These are hardworking efficient people who are thinking about the future. I would like to thank them for their partnership because I have been through their bonus payments, I have been to their staff meetings and Mr. Speaker, Sir, the level of enthusiasm they have is phenomenal.

(Chorus of interjections)

HON. SPEAKER.- Order, order!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, there are a lot of things that we do, there is no photo ops. People have absolutely no inclination of what happens. This is why today these organisations are doing well. One other point, someone from the other side said that we still have Executive Chairs all over the place, No we do not.

There are only two Executive Chair positions that were there; at AFL is gone and Fiji Pine is about to finish too. So, Mr. Speaker, Sir, there is no other Executive Chairman position. Please, point it out to me unless you have created some State entity that we do not know about.

So, Mr. Speaker, Sir, once again I would like to thank the Board and we, of course have now just to highlight we need to look at the second stage of the airport in terms of development, the airport is getting filled up. We need to obviously grow the airport and we should all be proud, both of our national carrier and of our international gateway, Nadi Airport through Airports Fiji Limited. *Vinaka* and thank you.

HON. SPEAKER.- I thank the Honourable Attorney-General. I now give the floor to the Chairperson of the Standing Committee on Social Affairs to speak on his right of reply. You have the floor, Sir.

HON. V. PILLAY.- Honourable Speaker, Sir, I would just like to say that as the Chairman of the Standing Committee on Social Affairs, I wish to respond to the comments by Honourable Niko Nawaikula. All the opportunity and time is given to all the Members to ask questions. If he feels that something is left out, he can talk to his Members. The time and opportunity is given to all Members to ask questions to whichever entity is there.

Also I would like to add that in 2016 AFL contributed \$909,126 as a further support to the Fijian people through the Honourable Prime Minister's National Disaster Relief and Rehabilitation Fund and waived all fees and charges to aircrafts bringing in relief supplies to Fiji as their social obligation.

I once again congratulate the team of committed and motivated individuals who work together better than ever to bring AFL to new heights. Thank you Honourable Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Chairman. Honourable Members, Parliament will now vote to note the content of the Report. Does any Member oppose the motion?

(Chorus of 'Nays')

HON. SPEAKER.- As no Member opposes, the motion is agreed to unanimously.

Motion agreed to.

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

#### **REPORT OF THE PUBLIC ACCOUNTS COMMITTEE ON PERFORMANCE AUDITS FOR THE YEAR ENDED 31ST DECEMBER, 2014**

HON. A.A. MAHARAJ.- Honourable Speaker, Sir, I move:

That Parliament debates the Report of the Public Accounts Committee on Performance Audits for the year ended 31st December 2014 (Volume 2) which was tabled on 18 May 2018.

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

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

HON. A.A. MAHARAJ.- Thank you, Honourable Speaker. Honourable Speaker, Honourable Prime Minister, Honourable Leader of Opposition, Honourable Ministers and Assistant Ministers and Honourable Members of Parliament. Sir, as the Chairperson of the current Public Accounts Committee who is to move the motion, I take this opportunity to speak on the motion on the review made by PAC on Performance Audits for the year ended 31st December, 2014 (Volume 2) which was tabled in Parliament on 18th May, 2018.

Honourable Speaker, Sir, the main purpose of PAC is to report back to the Parliament with its recommendation to help improve the Government system and service delivery towards Fijians.

Honourable Speaker, Sir, overall it was noted that the report was for the year ended 31<sup>st</sup> December, 2014 and the issues noted may not be current. It was pleasing to note that as of to-date most of the issues that were identified in the report have either been resolved or is in the process of being addressed by these entities which I will emphasise on later.

Honourable Speaker, Sir, this Report covered the entities which appeared before the Public Accounts Committee and this included:

- Ministry of Public Enterprises;
- Department of Judiciary;
- Ministry of Lands and Mineral Resources;
- Ministry of Local Government, Housing and Environment; and
- Ministry of Forests.

Honourable Speaker, Sir, the Performance audit was conducted pursuant to Section 6 (A) of the Audit Amendment Act 2006 which allowed the Auditor-General to carry out performance audit. The objective of the performance audit is to determine whether the state entity was achieving its objectives effectively, economically and efficiently and in compliance with the relevant Acts.

First, for the Performance Audit on the Public Enterprises had highlighted follow-up audit on monitoring the Government entities. First on its monitoring arrangements, these comprises of its legislated reporting requirements and arrangements for monitoring of Non-Commercial Obligations, the procedure manual and monitoring database. Also reflected are the compliance with monitoring arrangements and the legislated requirement. These also comprises of submission of required documents by Government entities, measuring financial performance of Government entities.

At this juncture, the Ministry of Public Enterprises needs to take serious consideration of the recommendations by the Office of the Auditor-General in addressing internal administrative issues such as Standing Operating Procedures (SOPs) and a proper filing system that corresponds with the Ministry's internal database for the monitoring of the State-Owned Entities. With the introduction of the new Public Enterprises Act, most of these issues would be addressed.

Secondly, for the Performance Audit on Timelines in the Management of Magistrate Courts. It is important to note the Management of Court Processes which comprises of strategic planning, performance standards and achievements, management of case proceedings, records maintenance and access to Magistrate Court registries and preparation of cause list and resources to facilitate court processes.



It is also important to note on the monitoring and reporting of the court processes. This comprises of return of cases tried, monthly returns and external reporting. So in this case, it is important for the Judiciary Department to take serious consideration in identifying measures to reduce the time taken in disposing of cases and improvements on filing the record system, which the Committee is hopeful to be addressed by the digital Fiji programme.

Thirdly, on the Performance Audit of Management of Land Reform Programme. The Committee notes that given the issues highlighted in the Audit Report, it was recommended that the Office of the Auditor-General to conduct a follow-up audit on the Ministry of Land and Mineral Resources to gauge whether the Ministry has addressed those pertinent issues that were initially highlighted.

I must congratulate the Office of the Auditor-General for the Follow-Up Audit Report on this and I must say that we had presented a Follow-Up Audit Report on Performance Audit for the Management of Land Reforms in the last Parliament sitting. The audit has revealed that most of these issues have been resolved or are being addressed at this point in time.

Honourable Speaker, Sir, on the Performance Audit for the Monitoring of Municipal Councils by the Department of Local Government. The Ministry of Local Government as announced by the Minister is heading in the right direction and the Ministry has ensured that they get capable people to run the Municipal Councils. Having people selected on merit would ensure that we have and can rectify these issues raised by the Office of the Auditor-General. New set of Special Administrators and CEOs would ensure a systematic approach of rectifying the issues raised.

Lastly, for the Performance Audit on the Progress of Implementation of Policies and Strategies in the Fiji Forest Policy Statement 2007, the Committee needs to reiterate that the Ministry of Forests needs to take serious consideration of the Committee's recommendation listed in the Report, so that issues highlighted are addressed.

Honourable Speaker, Sir, I would like to mention this as PAC Chairperson and also echo the sentiments of my PAC Members that we really appreciate the work the Government of the day is doing to address the concerns raised by either the Office of the Auditor-General and the Public Accounts Committee. While there are certain recommendations that are addressed instantly, there may be certain areas which need systemic changes to be brought about which requires time.

The best thing that we have noticed is that the Report of the Auditor-General that is before the Committee, these issues do not appear. This is for the very reason that now we have capable people doing the work through the Open Merit Recruitment (OMR) process rather than people climbing the hierarchy just to experience or nepotism, and then wasting taxpayers money through capacity building processes which has been a common practice post-Independence.

Honourable Speaker, Sir, to conclude I sincerely commend the effort of the previous PAC Committee Members in the compilation of this Report that is before the House. We acknowledge these entities response towards this PAC Report and look forward for these entities to consider the Committee's recommendations positively, and to further continue to strive for the better and advance in their service delivery to meet the demands of all internal and external stakeholders as per the Department's legislative mandate.

Honourable Speaker Sir, with those comments, as the Member moving the motion on this PAC Committee Report, I thank you for the opportunity.

HON. SPEAKER.- Honourable Members, I thank the Chairperson for the motion. The floor is now open for debate on the motion.

Honourable Aseri Radrodro, you have the floor.

HON. A.M. RADRODRO.- Honourable Speaker Sir, I rise to contribute to the motion as a Member of the Public Accounts Committee that deliberated on this Performance Audit Report of the Auditor-General Volume 2 of 2014.

I concur with the Chairman in terms of the recommendations of the Committee. Of course, the Committee's recommendation was that the Auditor-General will conduct a follow up audit of the five entities that are reported in this Performance Audit. And I was anticipating that the relevant line Ministers for these respective entities would provide an update in this House as to how have they progressed so far since the Report was tabled in the House in the last Parliament term and it is now being brought up again in 2019 for debate.

To begin with in terms of the Ministry of Public Enterprises, there were some pertinent findings that had been highlighted by the Office of the Auditor-General (OAG). First of all, in the issue of the Public Enterprise Act, that is what we would like to get an update on.

The Auditor-General's Report highlighted that the Ministry has yet to commence with the actual review of the Public Enterprises Act 2006. Whether it has been done or not, that still needs an update. Why has the Ministry now been absorbed into a department within the Ministry of Economy?

Similarly, Mr. Speaker Sir, the Ministry of Public Enterprises need to strengthen its role. It should be monitoring the public enterprises' non-commercial obligations by co-ordinating with line Ministries and make arrangements for NCO monitoring system. You have seen the tabling of the Act but there is some discussions about the non-commercial obligations within some certain entities. These are costs that are related to social services, like for EFL and Fiji Ships, that companies need to undertake to ensure that there is genuine employment, there is maintenance of properties, the people who are involved or employees and also the conduct of the entity itself.

The other findings, Mr. Speaker Sir, in terms of the Ministry of the Public Enterprises is that, most Government entities have not been submitting the required documents to the Ministry for monitoring purposes. I think this is very important. We have seen the influx of tabling of Annual Reports, as this has been highlighted in the Performance Audit Report of the Auditor-General.

Most of the Government agencies have not been able to achieve the return on equity and return on assets set for the period 2009 to 2013. Also, we can get an update from the line Minister in terms of how they have progressed according to the Performance Audit that was conducted then.

The performance audit that was done for the Department of Judiciary, some pertinent audit findings in terms of the management of court processes, the Department has yet to identify measures or strategies to gauge reduction in time taken to dispose cases. That is one of the findings that has been highlighted by the Auditor General.

The Department has yet to improve on setting appropriate targets to appropriately reflect its performance on its ACP, and Case Management System installed needs to be updated in a timely manner.

Also the Department's Annual Report for the period 2011 to 2013 is still in its draft form. This, Mr. Speaker, Sir, we would appreciate if the line Minister could also update the House on how have they progressed in terms of Department of Judiciary's performance audit.

I would like to also highlight that one of the issues that is being highlighted in the Report, is the resource to facilities to facilitate court processes, where the audit has highlighted that the Department

should provide appropriate office accommodation and resources to the Court Registries to enable staff to carry out their duties effectively and efficiently.

Mr. Speaker, Sir, the renovations of Government Building premises is also part of the Auditor-General's finding. The audit found that the renovation of premises have been taken up by Parliament Office and probably this is where we are in right now. As a result of this, the Department have relocated various sections, as follows:

- the HR and IT has been relocated to Kelton House;
- Magistrates Court Criminals Registry - sharing premises with Civil Court Registry in the former Training Room; and
- Magistrates Courts 1 and Court 2 - housed in various Judicial Offices, including Government Building and Kelton House.

Audit noted overcrowding in the former Judicial Training Room as the room are shared by the Magistrates Court Criminal Registry and the Civil Court Registry, Mr. Speaker, Sir.

Also on the Ministry of Lands, if we could also get an update on the findings that had been highlighted by the Auditor-General. The key findings governing the administration of Land Reform, include the:

- Use of Draft Operating Procedures which are still yet to be endorsed by the Ministry;
- lack of Performance Bond Policy;
- lack of policy governing mortgages over designated lease lands; and
- absence of policy and guidelines on the administration of State Freehold land under the Buy-Back Scheme.

Similarly, additional findings that have been highlighted by the Auditor-General are:

- Systems and processes for land designations and allocations;
- Deficiencies in awareness and consultation activities;
- Recording and surveying of land prior to designation; and
- Failure to appropriately carry out land capability studies prior to land designations.

Mr. Speaker, Sir, I think the list goes on in terms of how the discrepancies have been noted in the Department of Lands on how they have been administering the land.

Also, in terms of the Land Bank activities, the:

- Absence of Land Bank Database;
- Failure to record complaints;
- Failure to maintain proper records of Land Bank activities; and
- lack of documented guidelines and the monitoring of leases.

Those, Mr. Speaker, Sir, are some of the issues that probably Honourable Minister for Lands can update this House on how they have progressed in each of these audit findings that had been highlighted by the Auditor-General in its performance audit because the Committee has also recommended that there would be a follow up audit on these respective five entities.

For the Department of Local Government, I think there has been a hot topic issue on this particular Ministry, particularly the inadequacy of legislation to clearly define monitoring management and the absence of Standard Operating Procedures to monitor Municipal Councils. I think the Honourable

Minister could help in identifying how the move that she is taking now will improve the issues that had been highlighted by the Report of the Auditor General.

In terms of the Ministry of Forestry, Mr. Speaker, Sir, there has been a whole lot of audit issues. Some of the issues that had been highlighted were presented to the Committee that had not been attended to and this is something that we would like the relevant Minister to update this House on how has the Ministry progressed in terms of the findings that had been highlighted in the Performance Audit Report.

Overall, Mr. Speaker, Sir, I agree with the Committee recommendation that there should be a further follow-up performance audit in terms of ensuring that what had been presented to the Committee as highlighted here are actually performed on the ground because this performance audit was a follow-up audit from the 2000 Audit and the 2014 Audit.

So we strongly recommend that there be another follow-up audit in this financial year or in 2020 on how has the Ministry progressed in attending the issues that had been highlighted by the OAG. Thank you Mr. Speaker, Sir.

HON. SPEAKER.- Honourable Members, I thank the Honourable Member. Honourable Professor Biman Prasad, you have the floor.

HON. PROF. B.C. PRASAD.- Thank you, Mr. Speaker. I just wanted to pick on one issue and, that is, Local Government leadership and service delivery.

The Auditor-General quite rightly made this recommendation that the Department should request its line Ministry for the review of the Local Government Act. But, Mr. Speaker, the Report raises a lot of concerns about service delivery in our Municipalities in leadership roles. I heard the Honourable Chairman correctly pointed out that the new CEO and the Administrators would have to address some of those issues.

That is why, Mr. Speaker, I have had in this House and outside of this House, repeatedly insisted for the democratisation of Municipal Councils so that ratepayers and citizens are able to elect their representatives, who are accountable to them. And, Mr. Speaker, having actually spent the best part of our lives in this country fighting for democracy and I know many of my Honourable colleagues on the other side were also part of it but today, they are actually arguing against democratisation of Municipal Councils and against democracy in general.

It is quite shocking, Mr. Speaker. I hope they understand that this is an important issue for all of us. It may give them a little bit of power today - fame to control Municipal Councils and its activities, but in the long term the interest of the ratepayers and citizens generally, can only be reflected through a democratic council.

I know, Mr. Speaker, earlier this year we were told in Parliament of various instances of corruption in elected Councils. Yes, there might have been instances, but in the Local Government Act there are provisions for the Minister to deal with that. And I think the Auditor-General has quite rightly expressed his concern about leadership, about the review of the Act and we keep hearing that the Act will be reviewed.

The Local Government Act, Mr. Speaker, actually empowers the Minister responsible for Local Government to appoint Administrators, but this is only after an exhaustive process which is the current Act which has not been changed, not willy-nilly just because you do not have an elected council.

The local Government Act which is still there is extremely clear, Mr. Speaker. It seeks to enhance leadership and service delivery that the Auditor-General expresses concern. For the record, Mr. Speaker, I just want to read through the Act and the provisions and basically argue that the appointment of the administrators may be unlawful. I do not have any issues with the people who have been appointed but I think going by the Act, the appointment may be unlawful. So, let us look at the Act. It says below:

*“Appointment of Inspector*

130. The Minister may appoint any fit and proper person to investigate and report upon the manner in which a council is exercising all or any of its functions under this Act and for the purposes of such investigation the person appointed shall have power:
- (a) to enter on and inspect any real property occupied or owned by a council or any institution under its control or management or any work in progress under its direction;
  - (b) to call for any return, statement, account or report which he may think fit to require; and
  - (c) to call for and inspect any extract from the proceedings of any council or from the proceedings of any committee thereof and any books or documents in the possession of or under the control of a council.

*Appointment of committee of inquiry*

- 131 (1) If, after consideration of a report submitted to him or her under Section 130, the Minister is satisfied that there is reason to believe that a council is in default on the grounds that the revenues of the council are not being used in the best interests of the municipality as a whole or that the administration of the council is inefficient, wasteful or corrupt or that the council has in any other way failed to act in conformity with the provisions of this Act, he or she may appoint a committee of inquiry to investigate the affairs of the council;
- (2) A committee of inquiry shall consist of not less than two but not more than five members one of whom shall be nominated by the Minister as chairman or chairperson;
  - (3) For the purpose of carrying out its functions under this section, the committee of inquiry shall have the same powers and authority to summon witnesses and to admit and receive evidence as are conferred upon the commissioners of a Commission of Inquiry by Section 9 of the Commission of Inquiry Act and the provisions of sections 14 and 17 of that Act shall apply in relation to the powers and authority vested in the committee of inquiry under this subsection;
  - (4) A council shall be entitled to be heard at any inquiry held under the provisions of this section and may be represented by any member or officer of the council authorized by the council for that purpose or buy a barrister and solicitor;
  - (5) At the conclusion of the inquiry the committee of inquiry shall submit written report of its findings to the Minister.

- 131A. (1) If after consideration of the findings of a committee of inquiry, the Minister

is satisfied that a council is in default in terms of subsection (1) of section 131, she or he may then consider these three options:

- (a) issue directions prescribing the action to be taken by the council specifically to remedy any default or generally to ensure the proper discharge by the council of its functions under this Act;
  - (b) reduce the amount of any grant payable to the council for the next succeeding financial year by such sum as he or she shall determine; or
  - (c) dissolve the council and by order appoint two or more persons to be administrators of the municipality for such period as the Minister may consider necessary.
- (2) The persons appointed as administrators under paragraph (c) of subsection (1) shall be deemed to be the duly constituted council of the municipality and shall, subject to any general or special directions issued by the Minister, have perform and discharge all the rights, privileges, powers, duties and functions vested in or conferred or imposed on the council the mayor or anyone in the Council by this Act to any other written law.”

So, Mr. Speaker, I wanted to put this on record because the Act defines the powers of the Special Administrator.

As I outlined, only a Committee of Inquiry as defined by the Local Government Act and the Committee of Inquiry appointed by the Minister for Local Government can be appointed Administrators. Of course, you know, there are two occasions, first in 1988 and then in 2006 when the interim ministers were appointed but even then, interim councils were appointed with the election of interim mayors each year and monthly councils reports were given.

Honourable Speaker, I think the appointment of administrators maybe unlawful given what is in the Act and the process laid down very clearly. I hope you know that there are people out there who could challenge these unlawful appointments of Administrators. But the point that I want to make Honourable Speaker and I want to implore on the Honourable Members of the Government side that they do not look at the short term view of what is happening in the council. There may be things which are not being done but in the long term, the process, the transparency, accountability, good governance cannot be vested into the hands of a Minister, a politician.

I noticed that sometimes our friends on the Government side do not see themselves as politicians whenever they talk about politics and politicians, they do not see themselves as politicians but they are politicians. You are politicians. I may agree to that, some of you are good ones, that is not a problem for me to acknowledge that, but you do not make laws, you do not do things because you are going to do it right in the time in which you are Minister or in which you are holding the position. I think the objective should be to put in place, processes, procedures and laws so that it does not matter who sits on those positions at any time, now or in the future, that the processes and the transparency and accountability is put together in those processes.

I want to again say to the Government, we have had two elections under the 2013 Constitution, we have a Parliament, we are calling ourselves a genuine democracy, let us please get some democracy at the grassroot level, let us empower our people to elect their representatives, demand transparency and accountability and good governance from the electoral representatives as ratepayers, and I think that would not be a big task for all of us in this Parliament. I really wanted to speak on this Mr. Speaker

because I want to labour this point again and again and will continue to do that because it is important for us to talk about democratisation at that level.

We are not a very small country, there might be countries where there are smaller ones. I know someone gave me the example of Barbados, they have a little more than 200,000 people, but if you go to other countries even at the most local level where they have populations of less than 50,000 or 10,000 or 20,000, they have elected representatives in the regional councils and municipal councils.

If I link democratisation of councils to delivery of services, transparency and accountability, Mr. Speaker, then it is very imperative for us to push for that and I hope that when the Minister is able to get the Act reviewed, that there will be a process of electing councillors who would be governance group for city and town councils in this country. Thank you Honourable Speaker.

HON. SPEAKER.- Thank you Honourable Member.

We will now suspend proceedings for lunch and this is being provided in the Big Committee Room. Honourable women Members of Parliament, you are requested to make your way to the Small Committee Room for your meeting. Parliament will resume at 2.30 p.m.

The Parliament adjourned at 12.34 p.m.

The Parliament resumed at 2.30 p.m.

HON. SPEAKER.- Honourable Members, we will continue from where we left off before lunch and I give the floor to the Honourable Minister for Agriculture. You have the floor.

HON. DR. M. REDDY.- Mr. Speaker, Sir, I rise to make a correction in the report. The report on page 36, second last bullet point reads as follows; “the Committee was advised accordingly that when a dam is constructed, an EIA is carried out. However, no EIA was carried out for the construction of the hydro project dam.” The dam referred to here is the Somosomo Hydro Dam.

Mr. Speaker, Sir, that was not true. Energy Fiji Limited then FEA did commission an EIA and hired the Koroleqa Environmental Consultants Ltd to undertake an EIA. That particular consultant submitted an EIA report along with a Constructional Environmental Management Plan (CEMP) and an Operational Environmental Management Plan (OEMP) to the then Ministry of Local Government, Housing and Environment in late 2009. On 7th December, 2009, the Ministry approved the EIA with 22 conditions. The Ministry accepted the environmental management plan, both the CEMP and the OEMP that they must adhere to the management plan submitted and that the Ministry will make random checks.

Number two, there were the other 21 conditions for them to comply with. So, that statement in the report is incorrect. There was an EIA done. The EIA was approved and the Department of Environment listed down 21 other conditions along with the CEMP and OEMP to be adhered to. Thank you.

HON. SPEAKER.- I thank the Honourable Minister. Honourable Adi Litia Qionibaravi, you have the floor.

HON. ADI L. QIONIBARAVI.- Thank you, Honourable Speaker. The Honourable Prime Minister, the Honourable Leader of Opposition, Honourable Ministers and Assistant Ministers and Honourable Members, I rise to contribute to the debate before the House on the Public Accounts Committee’s Report in regards to the Performance Audit for the year ended 31st December, 2014.

I first wish to thank the Chairperson and the Members for the great work that they have done and for their report before the House. I say the great work that they have done, because I had attended a few of their meetings and I saw how concerted their efforts were in trying to resolve the outstanding issues in regards to the audit of the 2014 report.

Mr. Speaker, Sir, I support the sentiments expressed by the Honourable Aseri Radrodoro and the Honourable Professor Biman Prasad. I wish in particular to speak on the Management of Land Reform Program and the queries that have been raised regarding the program.

Mr. Speaker, Sir, I am saddened to express my view on this Act, the Land Use Decree 2010. The objectives of that Act are two:

1. To utilise the designated iTaukei land in a manner that is in the best interest of iTaukei landowners; and
2. To utilise designated state land with a view to achieving optimal return to the state.

I am saddened Mr. Speaker, Sir, because it is almost 9 years now. The policies that should have been developed together with the decree or maybe soon after the decree, still have not been completed to date. I sat in the Committee, from April – May this year and it was still work in progress.



I refer in particular to the absence of performance bond policy. I know it is still work in progress and it was made worse by the fact that the Permanent Secretary for Lands had to retire and thus there has been a change of guards and people are still working on it.

With the absence of the performance policy it means that there is no policy prescribing the subsequent release of the performance bond. We were told that the performance bond that was paid by a company Tenji Cement Company was utilised to meet royalty payments for soil extracted. Another company, 480 Holdings Limited, has not paid the performance bond.

There is no policy in place to clearly define the prerequisites pertaining to consents of mortgage. It is really important, Mr. Speaker, Sir. Land feasibility studies were not conducted; maybe they have started to do it now.

My issue is the fact that almost nine years has passed and this policy should have been developed by the Ministry of that time, in particular, it should be in the best interests of indigenous iTaukei landowners.

I am further saddened Mr. Speaker, Sir, because we are approaching the 9<sup>th</sup> of August which has been declared by the United Nations as the World's Indigenous Day. That is coming up on Friday and I appeal to the Ministry of Lands and the Honourable Minister for the completion of all these outstanding policies that will ensure that the object of the Land Use Decree now Land Use Act is fully complied with and consultation is made with the iTaukei landowners. Thank you.

HON. SPEAKER.- I thank the Honourable Member.

Honourable Minister you have the floor.

HON. A. SUDHAKAR.- Thank you, Honourable Speaker, for allowing me to contribute to this debate. I stand in my capacity as the Minister for Lands and also partially as the Chairman of the Public Accounts Committee as I was then when this Report was formulated. I stand here to dispel some of the misinformation that had been spread by Honourable Members of the Opposition, particularly Honourable Aseri Radrodoro. I was appalled to hear his reasoning, as he was a Member working under me when I was with the Public Accounts Committee and he was part of this Report when it was formulated.

In fact, the Opposition has a habit, Honourable Speaker, of giving only parts of the document. The Report by the Public Accounts Committee has all the answers that have been given there. They have chosen to just read the headings of the document. So there is a heading that says the lack of performance bond and the question was that, the Audit noted there was no policy prescribing the position of receipt as the second release of performance bond.

Underneath that, there is a whole answer given there: "The Committee was informed the Performance Bond Policy is currently being developed." There was also consultation and also some of the companies have raised in their agreement with the Ministry for Lands they did not have a requirement to pay bonds. In fact, all the answers are there in the report itself, but, coming to the specific recommendations that were made and I will read from the recommendations itself Honourable Speaker;

Recommendation 1: Policies governing the Administration of Land Reform.

Pursuant to the recommendations set out by Auditor-General at the time the audit was concluded; was to formulate a policy and specific guidelines for performance bond. It is therefore recommended by the Committee that it is critical for the Ministry to finalise and execute its policy on performance bond on the payment of royalties.

The report states that the bond policy has been developed, however, further consultation is currently being undertaken before it is finalised and implemented. We are consulting the indigenous landowners and suffice to say for the benefit of the Opposition members particularly Honourable Tuisawau, that it is only under the Bainimarama Government that there is a Land Use Unit.

HON. GOVT. MEMBER.- Hear, hear!

HON. A. SUDHAKAR.- The Land Bank was developed only by the Bainimarama Government. They might do well to talk a lot about indigenous rights, about landowners' rights, but not a signal effort was made by the previous Government to formulate a Land Bank policy or a Land Use Unit.

We have always heard the phrase that our indigenous landowners are resource rich and cash poor; not a single member of the previous Governments had moved a motion to form a Land Use Unit, it was only done by the Honourable Prime Minister and the Bainimarama Government. And as a result of that we are developing lands particularly in Yako, Sabeto and Legalega in Nadi.

In fact, what the Government is doing through the Land Bank is that it is encouraging the landowners to deposit their lands in the Land Bank and Government, at its own cost, bears the subdivision cost, the development cost, the drains, the roads et cetera, and then sells at a market rate. It only deducts the expenses that were used for the development and the rest of the money goes to the landowners. It is for their benefit.

In fact last year, the Government passed the Fair Share of Mineral Royalties Act and under that, 80 percent of all the resources that have been marketed and sold by the Government, 80 percent of the royalties goes to the landowners. If that is not empowering our indigenous landowners then what is. The question remains Honourable Tuisawau, you did not do it in your time, we are doing it so please come back with positive ideas.

HON. GOVERNMENT MEMBER.- Nowhere to be seen.

HON. A. SUDHAKAR.- Yes exactly.

The second recommendation, Honourable Speaker, was for the Office of the Auditor-General to conduct Follow-up Audits. In here, the Auditor-General is yet to do a follow-up audit, but suffice to say that any programme that is being implemented will have some teething problem because it was never ever done in our history; we have started it and we are improving as we go along.

In Recommendation 3, the Committee notes the Ministry should finalise the policy and cabinet paper that will incorporate the process of transferring freehold buy-back land to landowners. This will assist in the development of a policy on consent to mortgage, land prescribed under the Land Use Decree which is now the Act 2011 and the Land Use Regulation.

The policy should also incorporate specific requirements that guarantee funds obtained from the mortgaging of land and are used primarily for the purpose of the project for which the lease was issued. This process has been finalised in consultation with the Office of the Auditor-General and now currently being implemented, enacted for the transfer of freehold titles to the Yavusa Nasuva, Welagi Village in Taveuni. Accordingly the handover of this freehold title was carried out by the Honourable Prime Minister on 13th March, 2019.

In Recommendation 4 the Committee noted that there is to be a follow-up audit on the management of the Land Reform Programme mainly on the mortgage of lease, this is yet to be carried out; it is still being done, Honourable Speaker, suffice to say that there were a total of 21 recommendations

made by the Auditor-General and all these issues that have been highlighted have been resolved and the five recommendations that were made are in the process of being completed.

So as I stand today it is incorrect to say that nothing has been done, in fact Honourable Radrodro as I mentioned earlier, read only parts of the report. If he reads further all the things have been completed and the fifth recommendation made is already in process. Thank you Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Minister. Honourable Niko Nawaikula, you have the floor.

HON. N. NAWAIKULA.- Thank you Honourable Speaker. With your leave, I wish to contribute to the debate. First of all, I wish to thank the Committee entirely for its very well presented and informed Report. This is an exception to the one we had the last time, very informative.

In fact I wish to start with the Audit Report on Government Entities. A few of the recommendations that were made were highlighted, firstly and I quote, "The audit noted that most government agencies have not been able to achieve the ROA and RIE (Return on government Assets) for the period 2009 to 2013". That is serious even though the government said that some of this has been addressed but the fact is that it was there during that time and this raises serious issues.

Secondly, the Committee noted that only a few state-owned enterprises achieved the 10 percent return and it also cited entities like Fiji Rice Limited (formerly known as Rewa Rice) as well as Copra Millers. I know that Fiji Rice Limited has not filed an audit report and I ask the Honourable Minister responsible to look into that. The point that I wish to raise here in relation to the government enterprises is that the Government must achieve a balance. The problem that we have, as I had stated previously, is that these entities look after social responsibilities and the tendency is for them to look at the profit margin all the time.

So, I feel that the government should strike a balance between social responsibilities as well as the need to make profits. In relation to those entities that I cited, I wish to make a comment in relation to Copra Millers and I ask the responsible Ministry to please look into this industry. I think possibly about 100,000 or 200,000 people depend on the coconut industries - from Lau and from the northern region and it is sad to say that nothing has been done. The Government has said that it will look into replanting programmes but that is not working, I come from there and it is not working.

In relation to the timeliness and management of the Magistrates courts, the Committee recommended that the Office of the Auditor-General conduct a follow up audit on the judicial process undertaken by the department in disposing cases". What I wish to say in relation to this is that, I have been in practice for 30 years but this is the first time that I can say with certainty, that the courts are on top of case management.

The case management of the courts system is at its best now compared to before and the use of electronics in relation to that. That is not because of the other side but because of the good work done by the civil servants.

(Chorus of interjections)

HON. N. NAWAIKULA.- There is no court now, Magistrates or High Court that does not manage its cases well, and they are up to a stage where only about 5 or 6 cases can be disposed correctly and managed well. But the problem that we continue to face, and if the Minister responsible could please look into that, at the beginning of the week practitioners used to have a look at the list of cases. These are posted up in the website but somehow it has been taken away. The responsible Minister is not here

but he needs to look into that because we need it. Every practitioner needs to know where his cases are for the week and at which courts. For some reason or another, that has been taken out and that is sad.

Next Honourable Speaker, in relation to the Land Reform Programme. There were some recommendations. Audit noted that the Land Use Unit usually undertook awareness activities, mostly at different levels. On the designation of the Land Bank, the Honourable Minister has attempted to explain to the House the point that were made by the Committee. But for us, it is the fact that they are raised that is an issue. And if I could go through it again. Audit found that the Land Use Unit does not have a database. You may have a database now but the fact that it was raised, is an issue.

Audit found that it does not maintain a new record of complaints received. May be you have now but the fact that it was raised, makes it an issue. Audit found that proper record keeping was not made, that is bad. Audit observed that the monitoring procedures were not documented and the non-payment of the share of the royalty. From that time until now, we still have not, you may have a policy, but we need legislation to set out for us what royalties are paid, etcetera.

In answer to a few points that were made by the Honourable Minister, he said not once have this side of the House moved a motion to establish a Land Use Commission and the point I wish to say on the Land Use Commission is this, Honourable Speaker, for as long as we live, that legislation will be wrong. That legislation that established the Land Bank is wrong, because it is in contravention, it is in breach of the rights of the iTaukei people. They have the right under the Unit to own and manage their own native land. They have the right to be consulted first before any legislation is passed and this Land Use Act breaches that. For as long as we live, it will be in breach and it will sit there and wait until regime change when we will correct it.

The Honourable Minister said not one from here have moved a motion for the establishment of a Land Use Commission, something similar to that. He has forgotten iTLTB. What happened at iTLTB was that, the Government needed land for development, for use by all people who live in Fiji, every race and it went to the chiefs and the land owners to ask them and they responded in kind because at that time the relationship between the natives and the colony was for trust and goodwill. And at that time if the Honourable Minister should know, Ratu Sir Lala Sukuna went around consulting, getting their prior and informed consent to establish the iTLTB.

HON. GOVERNMENT MEMBER.- Still there.

HON. N. NAWAIKULA.- The iTLTB was set there by the consent of the indigenous people for development. You ask yourself, why do you need another duplicate for? You people are fond of duplicates. You are duplicating things. They have established that for iTLTB for the development of everyone. If iTLTB is not working, you make it work. You do not establish another Land Use Bank, it is totally wrong and it will be there until regime change and we will correct it. You have done so many errors to the public. You have done so many breaches to the native people of this country, we will correct that when we change.

HON. A. SUDHAKAR.- It is not true.

HON. N. NAWAIKULA.- No, it is true. Moving on Honourable Speaker to the Local Government. The point made was that the Committee found that the Department had failed to appropriately monitor performance of Government leaders, that is, Special Administrators. Here we have the Honourable Minister saying that this is the best thing that has ever happened. No, and these were happening during the time of the FijiFirst Government in 2011, 2013 and 2014. The Audit noted that the Department does not have a defined system in place to monitor service delivery of Councils.

The Audit noted that there no assessment was conducted on the 2014 Budget proposal that was submitted by the Councils. It noted as well that they found that they were not integral requirements of monitoring or reporting on special projects. That is very, very sad in relation to Local Governments.

The point that I wish to raise is that, what is glaring in the Audit Report it said, "The Government's experiment or imposition of its control by the appointment of Special Administrators is not working." They want to tell the public that they were here or they came into being to remove corruption but it is not working. It is high time and the recommendation from the Committee itself is for the amendment. We have been promised amendment and amendment and amendment to the Local Government. Here again the Public Accounts Committee is recommending that. So, please can the Government do that? Do the amendment, do the election then we can have transparency.

Moving forward, Honourable Speaker, in relation to the review of the implementation of policies and strategies in the Fiji Forest Industry, this is totally a bad and serious case if you look at the Auditor's Report and the recommendation. It noted that the Land Use Plan as required under the Fiji Forest Policy Statement 2007 to be prepared at the national, provincial and district level have yet to be developed; not done.

Then it noted that forest council map is only a potential map and has not been finalised yet, still not done. In relation to the National Forestry Inventory, Audit noted that the Department has conducted three forest inventories. But to-date out of the three, only the one that was done in 1969 has been finalised. Sir, 1969 is 40 years ago and they have done three and the one that was only completed was the one that was done in 1969, that is bad.

Audit also noted that the forest inventory carried out by the Department covered only natural forest and not plantation forest which were privately owned. In relation to established procedures, Audit noted that the Department of Forestry did not have any procedure in place to ensure that the information obtained from Timber Harvesting Operation from either native or plantation forest is incorporated into the NFI base; that is bad.

Audit noted that the Department does not have any mechanism in place to advocate for the permanent conservation of mangroves. That means they do not have any policy. We are a COP 23 nation and we should hold down our head in shame in relation to that.

Audit noted that the only Forest Management Plan that has been prepared is the plan for Bouma Forest Park which was developed in 1991. What about the other conservation areas? Nothing; very sad.

In relation to National Forest Management, Audit noted that the Department has yet to issue a regulation concerning the selection of silvicultural system.

In relation to the harvesting on the Fiji Forest Harvesting Code of Practice, we heard about this all the time. Audit noted that there is a lack of evidence to indicate that the steering committee is functional. So we hear about this code of logging practice but this is the truth. It is not functional on certification. Audit noted that the FSC is still in its draft form and is yet to be submitted to the Cabinet for endorsement. So, what were we doing? This is an important area. Forestry for carbon and the only contribution that Fiji can ever give to COP 23 or COP 24 is the preservation of its forest and this is the state of things in relation to our forests licenses.

The Audit noted that due to no existing fee structure for fees required under Section 15 of the Forest Decree, the Department has not been charging any fees. That is money for the Government; not being charging any fees for the processing and monitoring of licence. On log scaling you know we have been logging for all these many years but this is what audit found. Audit noted that the Department have

not developed any regulation to govern the measurement of logs such as weighbridge. So, you wonder there is thief in the forest. Companies stealing forest here and there because it is not properly regulated from that time until now and we are talking 40 to 50 years.

On non-timber products, Audit noted that there is no management plan specifically for the conservation, rehabilitation and protection of non-wood forest products. On institutional framework and human resources audit found that the meeting of the boards were not specifically planned by the Department as such meetings were held on ad hoc basis. If you are going to meet on an ad hoc basis, how can you properly manage your responsibilities?

These are issues that are raised in relation to that and I feel that there is a lot there for us to address. And said that this has been raised and the fact that I hope that they will be addressed by the Government. Not for them but for the betterment of the public and the betterment of our forest and the betterment of the general administration of the Government.

HON. SPEAKER.- Thank you, Honourable Member. I give the floor to the Honourable Mitieli Bulanauca.

HON. M. BULANAUCA.- Thank you, Mr. Speaker, Sir. I wish to say that I support the recommendation made by the Committee but I wish to make a few comments in between. I think most in the Government side always object to Members of that Committee commenting here. I think it is important that they mention certain things that are not in the report which might improve the services of the Government whichever department is concerned. It is important that the freedom is given to the Opposition to say their bit and the weaknesses that have been omitted in the report to mention here in this Parliament.

Honourable Speaker, Sir, it also important to note that as has being mentioned that a great advantage for the establishment of the Land Use Bank or Land Bank here in Fiji. It has already been highlighted by the Honourable Niko Nawaikula, why have another Land Bank? iTLTB is already there.

HON. GOVERNMENT MEMBER.- Because they are not doing their job.

HON. M. BULANAUCA.- If they are not doing their job, then you make them do their job. You are in Government. You just make policies to make them do the job. Everything is spelt out there.

The laws have clearly spelt out the purposes of iTLTB, the owners of the land and they need to develop the land for the benefit of the resource owners as well as others to benefit the nation as well. It is already there, why create another new one? If you need to help, you use Government to help. Why create another new area? It is simple. Why do you want to deprive the leadership and administration of the first people here in Fiji from themselves to lead themselves in developing their own resources? You can help by making certain rules, change certain Acts to help them do their work better within iTLTB. Why create another unnecessary Land Bank where you not really policing it properly at the moment?

It is important that we stick to what resource owners need and we just help them with the existing laws to help them in. We can only help them and for whatever Government is there, by making new rules to help or give them funding to help them wherever it is possible, whether we are talking about agriculture, education, forestry, businesses or whatever. It is important to just help whatever is already there. That is what the Government should be seen to be doing.

I also wish to comment on this report Honourable Speaker, Sir. It has been a report for 2014 and have been dealt with only last year; four years have taken them. Now it has taken one year and three months to bring it to Parliament, so one would have expected a lot of things could have been improved.

I am thankful to the Honourable Minister for Lands for coming up with certain ways of things that have been done, but it is not good enough to come up here and say things have been done. You must say what has been done.

(Honourable Member interjected)

HON. SPEAKER.- Order!

HON. M. BULANAUCA.- The processes for mortgages, for land in the bank, you must explain here the way that you need to clearly do that, whether the lessee is applying for a mortgage, is the actual Lessee or not? Whether that lessee has paid his rent and arrears or not? Whether the lessee is developing the land according to the purpose of the lease that has been given to him or not; agriculture, tourism or whatever. Those are the kind of things that you come here and tell us; has been done and this is what has been done. This is the process that has been done.

Secondly, for buy back land, I have seen, it looks as if that they have not bought any freehold back for resource owners for the last 14 years. For this year's budget, only \$2,500 was allocated to it. How can you buy a freehold for \$2,500?

You may say that it is for administration, so the question here is, have you ever bought any buy back land over the last 14 years or not? To me, it appears no. You have not done it you have not budgeted for it. So if you have budgeted for it and you bought it, what processes have you done with regards to the transferring of that freehold land to native land? That is the question that has been asked in the Committee and needs to be properly done.

One of the processes is there; transfer of the freehold being held by funding by Government and transferred to native land. One of the processes there is to transfer that freehold title to native land, lot number or whatever and reducing the value or whatever or leave it as a freehold for those *yavusa* or *mataqali*, or the landowning unit and perhaps if they want to re-sell it, with the first right of refusal by the Government because they helped it at market price or whatever. Those are the kinds of processes that we need to hear here rather than just coming up here and saying, "yes we have done something about it."

We need to be clearer here in what we say particularly as Ministers. It is important to come up here and follow up with whatever recommendations that we made, annual reports for the last four years and has been dealt with one year three months ago, and yet still coming up here and saying, "yes, something was done", and that is all.

You need to clarify in Parliament what has been done. It is important for us to know what has been done. In that sense, Mr. Speaker, Sir, I would recommend that the Annual Report for PAC for 2015 could come a bit earlier. What we can see is, what has been done? What has been improved? So it is important to follow up on the recommendations.

Recommendations are good but we need to go down to the finer details of whether really that has been carried out by the various ministries or not or in the role of the court system, whether through the executive system or through parliamentary here where you need to change the law.

I need to just say a few things there and also in forestry, Honourable Speaker, Sir. Particularly, when they say that forestry should be given the task to monitor the harvesting. Whatever activities of harvesting that is in the forest whether you are talking about native forests, pine or mahogany. It is important that forestry should be the regulator but in the Mahogany Industry Development Decree which is now an Act under the 2013 Constitution, the Forestry Department is now a regulator under mahogany plantations. Why not?

The Forestry Department should be given the liberty to regulate the harvesting activities within the forest to ensure that everything is done under a working code. Even though Fiji Hardwood Corporation may be getting their operations under the National Forest Code but who is the regulator. Who is monitoring them? The Forestry Department should be given that ability to regulate and ensure that activities in the forests are properly carried out under the National Forests Code.

With those few words, Honourable Speaker, Sir, thank you very much indeed for giving me this opportunity.

HON. SPEAKER.- I thank the Honourable Member. Honourable Minister Osea Naiqamu, you have the floor.

HON. O. NAIQAMU.- Honourable Speaker, Sir, I rise to contribute to the report. Before my contribution, I would just like to educate the House especially the other side of the House. This is a 2014 Auditor's Report, we are in 2019. Most of the issues that they have echoed in this honourable House have been addressed. But I will do the honourable task here this afternoon to respond to the recommendations in the Report.

#### Recommendation 1

Conservation of forests and biological resources. The Ministry of Forests supports the development of Land Use Plans. Land use planning in itself requires an integrated and multi-sectoral approach. The Ministry's contribution to the process is to identify arrears retained under permanent forest cover. These areas have been identified in the Ministry's national forest cover classification map and database and are currently being monitored vigilantly.

One of the key activities of the proposed Emission Reduction Programme Document (ERPD) that the Ministry leads on behalf of Government is a collaborative development of district Land Use Plans which includes stakeholders like the Ministry of Agriculture, Ministry of iTaukei Affairs and the Ministry of Rural and Maritime Development.

In July 2019, the ERPD was accepted by the Carbon Fund of the Forest Carbon Partnership Facility (FCFP) within the World Bank, therefore in this new financial year, the Ministry's costed operation plan has ensured that the REDD+ project work plan will drive the development of three district Land Use Plans. Before commencing this exercise, the Ministry of Forests will ensure that all stakeholders of the different districts are identified and informed of the importance of the Land Use Plans and their roles in the process.

#### Recommendation 2

The National Forest Inventory (NFI) is conducted once in a decade, similar to the Population Census. The NFI is a baseline of forest cover at one point in time and is a one off inventory which provides an estimate of the forest cover. The NFI takes into account the standing stock and only measure the standing trees and biodiversity in the forests.

The forest activity data (currently conducted by the REDD+ Project) unlike the NFI is an ongoing assessment of all removals and planting within all forest areas in Fiji including plantation forests. This is captured in a separate database for continuous assessment for monitoring, reporting and verification purposes, providing volumes removed, areas removed and areas replanted. The activity data records only licensed removals from forests based on harvesting licenses in both plantations and natural forests.



The National Forest Monitoring System (NFMS) developed by Hamburg University will capture and report on the current state of Fiji's forests, changes in forest cover and set a forest reference level for carbon emission. The NFMS is still under development and will be online by June 2020.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. O. NAIQAMU .- The data from the NFI will set the national forest reference level every 10 year, thus in this new financial year the Ministry of Forestry in its REDD+ Programme will be hiring an expatriate to design the new methodology for NFI which will be executed in the next 7 months.

Hon. Speaker, Sir, on Integrated Resources Management, Recommendation 1

The Fiji Forest Harvesting Code of Practice is applied to all forest areas that are licensed for harvesting by the Ministry of Forestry. The Code is monitored by the Ministry's Monitoring, Control and Surveillance Unit. All licensed areas have a licence plan which the Ministry monitors on the ground and reports on a weekly basis at beat level.

Deforestation can be many different forms which include clearing for agriculture development and infrastructure development. These developments require an Environmental Impact Assessment (EIA) approved by the Ministry of Environment.

The Ministry of Forestry has included in the licensing conditions that:

- a) All forest areas to be logged will require an approved EIA from the Ministry of Environment; and
- b) A rehabilitation plan after harvesting is completed, before a license to harvest is issued. This is in addition to the Fiji Forest Harvesting Code of Practice.

#### Recommendation 2

The Ministry agrees with the recommendation and will ensure great synergy between the Code Steering Committee and the Forestry Board:

- a) The Code Steering Committee will meet on a quarterly basis which will include all key stakeholders in the forest sector. All issues and recommendations will be tabled at the Forestry Board; and
- b) The Forestry Board will meet at least twice a year to pass resolutions on all issues tabled.

It must be noted that the Ministry is also working towards creating an industry that is self-regulatory and meets global standards. This can be achieved through the Forest Certification Standards which the Ministry will be developing as clearly articulated in its Strategic Development Plan for 2017-2030.

In this new fiscal year, August 2019 – July 2020 under the Ministry of Forestry's Monitoring Control and Surveillance project, part of its activity will be to review the terms of reference of the committee members and their membership. This will strengthen the functions of the Code Steering Committee making it current and relevant.

### Recommendation 3

The Ministry of Forestry is currently developing a national Forest Certification Standard, which covers both natural plantation forests. Forest certification is a voluntary process whereby an independent third party assess the quality of forest management and production against a set of requirements predetermined by the public or private certification organisation such as the Forest Stewardship Council or the Program for the Endorsement of Forest Certification.

Forest Certification compliance needs to be undertaken by an independent auditor based on international standards such as Forest Stewardship Council (FSC) and Programme for the Endorsement Forest Certification (PEFC). Fiji Pine Limited is certified under the FSC standard.

The Ministry will assist other companies to meet the national Forest Certification Standard by engaging an expert who had helped establish Fiji's first forest certification standard.

### Recommendation 4

Log scaling is an activity conducted by the Ministry of Forests on behalf of the *iTaukei* Lands Trust Board to calculate timber royalties which are based on volume. The Ministry agrees with the recommendation that more modern forms for determining the log volumes could be adopted.

It will continue to collaborate closely with iTLTB to enhance the methodology for measuring logs. Therefore the Ministry has factored into its operational plan to review the current draft harvesting regulations which emphasises on the new log measurement standards.

### Recommendation 5

The Ministry agrees with the recommendation and is developing the fees and charges structure that will be completed by the end of the financial year. The Ministry has factored into its operational plan to review the current draft harvesting regulations which emphasises on the new fees and charges. This will be done through consultation with relevant stakeholders and in collaboration with the Ministry for Economy. Thank you.

HON. SPEAKER.- I thank the Honourable Minister. I give the floor to the Honourable Minister for Industry, Trade, Tourism, Local Government, Housing and Community Development. You have the floor, Madam.

HON. P.D. KUMAR.- Thank you, Mr. Speaker, Sir. I would like to thank the Committee for putting up a comprehensive report before us.

I wish to reconfirm as per my earlier Ministerial Statement that the Local Government Act review process will commence. If you are going to ask me the day, date and time, I will not be able to give you that, but, I am reconfirming it will happen. And I will also give the reason why it could not happen earlier. It does not mean that from 2014 onwards nothing happened at the Ministry of Local Government.

Let me tell you, Mr. Speaker, Sir, from 2016 to 2018, the Local Government Committee has been working hand in hand with the Ministry in the area of town and city declaration, extension of town boundaries, identification of new town growth centres, assisting with the development of master plan and in the amalgamation of Municipal Councils with the former rural local authorities.

Now one may say, well what has this got to do with the review of the Local Government Act. It has got a lot to do with it because recently the boundaries were extended. These boundaries got to be

marked and planned so that when you review the Local Government Act, we can talk about these boundaries in it. So unless and until all these things are done, we cannot just review the Act.

HON. GOVERNMENT MEMBER.- Tell them, tell them.

HON. P.D. KUMAR.- Mr. Speaker, Sir, during the beginning of this Parliament, His Excellency the President informed that Subdivision of Lands Act and Town and Country Planning Act will be considered by the Parliament for review.

Again these two pieces of legislation has a bearing on the Local Government Act, because what is going to happen is this, the Town and Country Planning needs to decentralise its services. It cannot be just be one place and looking at all the approvals. We would like to decentralise the Town and Country Planning Services. At the moment only two municipal councils are looking at subdivision work, the rest are not because they are not empowered to do that.

So we would like to change this legislation so that the rest of the municipal councils can look at the Subdivision Act. But, the legislation itself needs a major amendment because previously the subdivision work was done in a haphazard manner with no proper systems in place. That is why we have seen a number of subdivisions that have taken place in this country which is really substandard.

You will find that the roads were not good, the electricity was not there, drainage was not there and this area used to get flooded after a heavy rainfall. So some changes got to be brought in so that we have a better system in place. And that also applies to the Local Government Act. If you really talk about the Local Government Act it has been there from 1972. So what was before 1972?

Before 1972, towns and cities had city and town boards and that is how the cities and towns were operating but due to a new wave that came about in around the 1970s, that is when the various legislations were changed and then we had the elected councillors coming in.

However, I would like to reiterate that we are in a different era altogether. Now we have got different systems and processes of appointing and electing councillors or you can appoint people, you can have an election or you can have a mix of both. So there are different modalities in place and we have to tick which modality will suit a small country like Fiji.

I know the Honourable Professor Biman Prasad said about Barbados. Barbados is also a small island country like ours, they have all their members appointed. Kuala Lumpur have all their members appointed. Then we have the mixed modality. Botswana has got appointed and elected members. So, I just do not understand why we are rushing to that unless and until we set up our systems and processes.

We got to have the foundation strong. It is no point just having an election and getting these people on board and what will they do because our procedures and policies, if we want a strong institution, we got to have the right policies and the policies that I am talking about Mr. Speaker Sir, is Subdivision Act, Town and Country Planning Act. All these legislations have a bearing on the Town and Country Planning Act.

So, that is all I want to say, Mr. Speaker Sir. It is just a matter of time but unless and until we do the review of the Subdivision Act, Town and Country Planning Act, both these legislations are before the Solicitor-General and once that is cleared, it comes to the Parliament then only we can have the review of the Local Government Act.

But in terms of governance, only yesterday as the Minister responsible, I have appointed the Special Administrators. Today, Honourable Biman Prasad was doubting whether the Minister has the

powers or not. Let me tell Honourable Biman Prasad that if he looks at Section 9(a) Cap. 125 and I quote, "The Minister has the powers to appoint Special Administrators". So, it is not illegal, it is legal. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Minister. Honourable Inia Seruiratu.

HON. LT. COL. I.B. SERUIRATU.- Thank you Honourable Speaker Sir. I also want to contribute to the debate that we have before the House. I will just focus Mr. Speaker Sir, on page 8 of the Report, paragraph 2.2 - Measuring Financial Performance of Government Entities. It seems to me that the Opposition is very selective on highlighting the components of the Report but have chosen to ignore some of the positives in it as well.

Of course, Mr. Speaker Sir, Government admits that there are a lot of improvements that need to be made and the Government has taken responsibility. We can see also on the same page to show that improvement has taken place because if there has been a significant improvement in the dividends, if I may read from the Report, "Government in 2017 and so far as received a record breaking of \$78.8 million as dividends from State-Owned Enterprises as compared to about \$4.2 million in 2007." That is not a miracle, it clearly illustrates that the processes that have been put in place has brought about these results.

HON. GOVERNMENT MEMBER.- Hear, hear!

HON. LT. COL. I.B. SERUIRATU.- So, that is the incremental changes gradually. Rome was not built in a day, Mr. Speaker Sir, and things do not happen overnight. But responsible governments have to ensure that the weaknesses and gaps are addressed and that Report clearly shows that improvements have taken place and we will continue to do that, Mr. Speaker Sir.

The first issue highlighted was in paragraph 2.2.1 and I quote: "Audit noted that most Government agencies have not been able to achieve the return of equity and the return on assets set for the period 2009 to 2013." But let us go back a few years before that, Mr. Speaker, Sir, because most of these things were inherited. Again let me repeat, most of these things were inherited.

Let me give you an example, Mr. Speaker, Sir, Rewa Rice Limited. When the Board came in, I was a member of the taskforce under Mr. Hari Pal Singh, who was the Chairman of Rewa Rice then. Mr. Hari Pal Singh was having difficulty in trying to address two major issues that were inherited from previous governments.

1. I stand to be corrected on the figure, there was a \$5 million loan that was granted to Rewa Rice which he was trying to ask Government if that can be changed into an equity, because Rewa Rice cannot go to a financier to get funding simply because of that mismanagement. The performance of Rewa Rice was really bad, very very bad. Even to run the company for a month, that was a huge task, time to pay for the workers their FNPF and getting the operations running. These were the problems that were inherited and then thankful to this Government has taken the necessary measures to fix the problems and the mismanagement and of course bringing the right Directors as well, so that we can salvage these State-owned enterprises from where they were.

HON. N. NAWAIKULA.- Any report?

HON. LT. COL. I.B. SERUIRATU.- Let me come to that. Thank you, Mr. Speaker, Sir.

2. Let me state before this House, and I think the Public Accounts Committee then of Mr. Manu Korovulavula, the late Taufa Bole, I think the Honourable Radrodro was in that

Committee as well. When I came and explained about these, then they knew the information about the performance of Rewa Rice. Mr. Speaker, Sir, there was a list of debtors, these are Board members and management who took money from Rewa Rice. It is there on record but I will not name those people. These were the things that were inherited from the past and this responsible Government fixed it, and that is how you see the improvements.

Ask the Honourable Biman Prasad about Rewa Rice today. Rewa Rice, Mr. Speaker, Sir, had two out of the eight heaters, because you need to store rice at a certain moisture level before it can be ready for processing. They had eight heaters. These were the old technology kerosene heaters, only two were working in 2006 and 2007 out of the eight.

OHS is a big issue in that mill. Now we have a new mill running alongside the old mill. Investment by this Government because we produce the paddies but we need to convert those paddies into rice, but we need a good mill. They cannot do a good mill because they do not have the money, that is where good governance becomes so important and we need new management, that is what this Government brought into place. Enough of Rewa Rice.

Copra Millers: Honourable Nawaikula, look at the recommendation there or the comments of the Committee. Most of the SOEs are also undertaking capital investments in order to modernise their operations and increase revenue earning capacity. Examples, there is Copra Millers too in that list, Page 9, Honourable Member. I do not have to say a lot about what is happening in Copra Millers but the latest initiative by public enterprise is even now to a stage where coconut farmers in Vanua Levu only are paid \$20 for every tree that they plant.

(Honourable Member interjected)

HON. LT. COL. I.B. SERUIRATU.- That is an incentive. Better go and tell the people of Buca to plant coconuts.

(Honourable Member interjected)

HON. LT. COL. I.B. SERUIRATU.- The Honourable Member asked about AMA. I have said in this House, they kept changing the name from National Marketing Authority to NATCO and then in 2004, another new Act established the Agro Marketing Authority (AMA) and before 2007, AMA was struggling. No assets and funding, they were in the red always but the figures are there.

Now, they have an asset which probably is worth about \$10 million now and they have about \$7 million in their bank account and they are really working hard now to look at investments and modernising that place. That is improvement, Mr. Speaker, Sir. So we take into consideration the recommendations, we are doing our best and we will continue to do it because it is in the best interest of this country. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Minister. Honourable Attorney-General, you have the floor.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir, I will be very brief.

Mr. Speaker, Sir, in respect of public enterprises and before I do talk about that, as we have noticed, most of the comments in respect of the Reports that are tabled, are comments that proceed the actual Report findings. In other words, this Report here is about the Year Ended 31st December, 2014.

What most of Honourable Members of the Opposition talk about is what happened after 2014. I think one of the ways that perhaps, we can make efficient use of Parliamentary time, that is, if Honourable Members are concerned about the recommendations and want to know if those recommendations had actually been taken up or not, then what they should do is, they can approach the individual Ministers.

Honourable Niko Naiwaikula talked a lot about what they have recommended regarding forests, but the Honourable Minister was able to tell him in just a matter of few minutes that that had actually been done. So rather than him giving us a monologue about what has not been done when it has already been done, he could have found that out beforehand and we could have actually had a much more efficient use of Parliamentary time. We have always talking about something that has already happened. The Fijian public, the citizens are watching us because we seem to be going to and fro on matters that are quiet irrelevant.

The other point also, Mr. Speaker, Sir, if I could also preface my comment, it would appear that a lot of the comments are all about political expediency, about the year and the now, whether it is the plastic, milkshake, fish and chips, Birth Certificate, Municipal Council elections, to kind of pan out to some kind of populist, sort of, appeal.

But we are here, Mr. Speaker, Sir, for a long term, we have to make decisions for the long term. As the Honourable Minister for Defence, National Security and Foreign Affairs pointed out, I thought, quite eloquently that you need to be able to make those decisions now for the future. In the same way, a board of a company will actually inherit or suffer the consequences or, indeed, the benefits of the decision made by boards earlier on. That is how the system works.

In the same way, when the Honourable Leader of the Opposition became the Prime Minister, when our Prime Minister became the Prime Minister, there are a certain decisions of previous Governments whether to do with debt or whether it is to do with other policies that you actually inherit. You cannot simply change it overnight, nor can you change the repercussions of it. So there needs to be an understanding of that.

The similar situation applies to companies or entities and, indeed, Ministries and sometimes because those decisions are so deeply ingrained in those organisations, it does take a period of time to actually eke it out - take it out or extract it out.

Mr. Speaker, Sir, in respect to public enterprises, again, I have to, sort of, correct this. What I want to also make as a comment about the Auditor-General's observations also, of course, the Auditor-General's observation in the 2014 Report does not actually have the benefit of the Corporations Act because the new Corporations Act was not in place. So the methodology or the way of measuring the efficiency and, indeed, the outcome of the organisations was based on the old methodology, viz-a-viz the Public Enterprises Act, they should give the corporate statement, corporate intent, et cetera. But now most of these things will, of course, be overtaken by the requirements under the Corporations Act, so that we need to note.

Secondly, Mr. Speaker, Sir, is that, the observation saying that Government agencies have not been able to achieve the return on equity or return on assets (some of them). The reality of the matter, Mr. Speaker, Sir, is that, not all the entities will be able to do so.

Honourable Members of the Opposition continuously want these entities to not charge more. Airport Fiji Limited (AFL) should charge less for milkshake indirectly or directly, whatever the case is. So, how will you achieve your rate of return on equity? How will you achieve your rate of return on your assets? They need to understand that.

But with the new Public Enterprises Act that we have recently approved through this Parliament, Mr. Speaker, Sir, we have now, by law, be able to distinguish and say which entity has to meet that particular threshold or rate of return on the equity and rate of return on the asset itself, to be to distinguish that.

There are many entities, for example, Water Authority of Fiji (WAF) and if WAF were to have the same standards apply to it so as AFL or Ports Corporation Limited, then we have to enormously charge very high tariff rates because the level of capital investment, as highlighted later on, because we are playing catch up with capital investments, will be enormously high.

Input is enormously high, and to be able to recover that cost you have to charge a lot more. So, obviously, WAF cannot meet those standards, it cannot meet that threshold, but other entities can and, indeed, they should. So, there is a particular level of social corporate responsibility.

Mr. Speaker, Sir, again, I mean, there has been an issue about the directors and I like what the Honourable Minister for Defence, National Security and Foreign Affairs said when he gave the example, in particular, with Rewa Rice. Now, it is called Fiji Rice because we had a company growing rice in Vanua Levu being called Rewa Rice. There is no Rewa in Vanua Levu, Rewa is in Rewa, so now it is called Fiji Rice.

What actually happened was that, people who were appointed to boards, firstly, some of them do not have the right acumen, the right skill sets, do not know anything about the business but simply wanted to get on the board itself. It was like jobs for males, jobs for the boys or very few girls at that time but we have more girls now on boards.

Mr. Speaker, Sir, that brings us to the main point. The point is that, whilst some of the boards may have minimum number of board members, we actually try and select the best people and sometimes it takes a little bit of time, in particular getting people with the right acumen and the right skill sets. The board does need a person, for example, from accounting background or legal background or IT background, whatever the case may be so, again, I just want to highlight that in respect of public enterprises.

Mr. Speaker, I have to make some comments regarding land. Honourable Nawaikula in his response, unfortunately, I was not here during the Honourable Minister for Land's contribution, but I think if we are going to talk about land, we need to be able to contextualize it.

Constantly, we have talked about and generally, the reference point only seems to be up to the 1940s, we do not go beyond that. The reality of the matter is that, Fiji is probably the only country in the world where you have a colonial State, a secular State, where 92 percent of the land is owned by the indigenous people on a communal basis. It is the only country in the world and that level of protection now is guaranteed in this Constitution.

Mr. Speaker, Sir, these all facts and they can be verified. This is the only Constitution that has ever said, that the landowners when they lease the land must be paid market rates.

They have to be paid the market rates because you see, Mr. Speaker, Sir, we have this old mentality. The Opposition would come around and say that they gave it out of the goodness of their heart and, therefore, these were the good old days. But, why? Why did the landowners have to get peppercorn rate? Mahogany plantations, peppercorn rate. Land was taken away (read Peter France) for a few muskets, few tins of fish, corn beef, whatever it was. It was arbitrarily or it was in a very unequivocal manner, unequal manner, the transactions were completely unequal and the land was taken away by the European settlers. It is a fact.

If you read Peter France, there is one chief in Cakaudrove or Bua, in order to impress a German settler, he already approved he had lots of land and when the German talked about how much land he got back in Germany, he said, "You can take this land. I have got so much land." That was how some of the land was alienated.

The reality of the matter is, no such alienation of land took place after 1879. So this whole ethnic stuff that is going on about the Giritiyas and them being a threat to land, none of them has happened. Not a single Giritiya, nor their descendants have taken a single millimetre of land.

Mr. Speaker, Sir, again I come back to the point. The point is that, the landowners in Fiji, when land was leased, should have been leased on fair equitable terms to them. We have land deals that were done and I can tell you Naviti Resort which was done in the 1970s, the land rental they were paid was pathetic. We have land cases in the Courts - Monasavu, that deal was pathetic. That is the point.

Let us get away from this old way of doing things saying, "It was great, people paid." No! It was extremely unfair.

(Chorus of interjections)

HON. SPEAKER.- Order!

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, as a result of those unfair transactions for the landowners and the individual landowning unit, we have what we call and this slogan has come up now, "Asset Rich Cash Poor". Exactly! Own 92 percent of the land but cash poor, because of the fact that the transactions and the political mentality that evaded, stopped the *iTaukei* people from becoming wealthy from the land that they use.

It was used as a political tool, as opposed to it being seen as an asset that could be used for their further well-being and, indeed, enriching them. That is the reality. So give it to a landowner for 30 years, not actually saying that it should be used as collateral, will actually grow the economy in Fiji.

Honourable Nawaikula talked about how the Commission went in the 1940s. You go to many westerners, they will tell you how some landowning units got marginalised because of the political expediency at that time too. Go to Ba, go Nadi, people will tell you how some *mataqalis* were left out, and you know what I am talking about. How they were left out, the boundaries were re-drawn, the provincial boundaries were re-drawn just to suit the political expediency at that point in time.

Let us not come here with unclean hands. If we want to discuss this, let us discuss it frankly. Let us recognise what were the frailties in the system, to be able to fix up for the future.

Mr. Speaker, Sir, the other issue that I wanted to highlight also and I remember, I mean, I do not know if the Honourable Leader of the Opposition remembers this or not, when I was studying doing my thesis at the University of New South Wales and my father was a Member of Parliament, he had actually arranged for me to then meet the Prime Minister of the day. I do not know if you recall this or not.

(Honourable Member interjected)

HON. A. SAYED-KHAIYUM.- Yes, we came to that Prime Minister's building and I actually came to talk to him about my thesis. We actually talked, and I had a very brief conversation with him.

I thank you for agreeing to meet up with me because I was just some student that you had agreed to meet up with. We actually talked (it was my father), he talked to me about the benefits that must come



from the land. And I talked to him about how the benefits need to flow down to all the members of landowning units. I remember him saying, "Yes, I agree with you." He said, "But the chiefs will not let me do it." I remember him saying that and he would remember that too. But that was the reality at that point in time, that is fine. What I am saying now, Mr. Speaker, Sir, is that we need to grab this realistically.

Honourable Bulanauca said that the Land Bank is unfair to the iTaukei people. No! It is in law that, at least, 60 percent of the members of the landowning unit must agree and even that is not satisfactory because it then must go to whoever is the Prime Minister and the Prime Minister, be in law, must be satisfied that the consent of all the members of the landowning units, as far the legal requirements of 60 percent, has been met. That is the threshold. I can give you numerous examples, repeated in our history where iTLTB at that time NLTB, leased out land without the consent of the landowners or even the chiefs.

It is a fact, Mr. Speaker, Sir. So, let us not come to Parliament trying to depict everything that we have done or this Land Use Act as something that is presented in a kind of demonic way, something we try to undermine people's rights, and it does not in any way breach any international standards because consent is actually met, Mr. Speaker, Sir.

Mr. Speaker, Sir, the reality of the matter is that today we have 92 percent of the land that is owned by the iTaukei people. It is protected under this Constitution both legally in terms of ownership and in terms of their ability to extract the right market rental for the land. Secondly, Mr. Speaker, Sir, we have a number of initiatives. For example, for the first time and this is a fact, no other Government has actually set aside funds to help the iTaukei people develop their land for subdivision.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. A. SAYED-KHAIYUM.- So, Mr. Speaker, Sir, it is the issue about empowerment and when we do have these discussions, we need to again come with a level of intellectual honesty to these debates because we need to be able to preserve not just history but the current affairs in the right light.

Mr. Speaker, Sir, I would like to also very quickly mention about the judiciary. The judiciary has been mentioned and I would like to also highlight that the judiciary through the Acting Chief Justice and indeed the work that was started by the former Honourable Chief Justice, to start e-filing. We are currently, they are doing some work with the Singaporeans where the Singaporeans are actually very astute and indeed apt in filing documents through e-documentation.

We are currently working with them but I think Mr. Speaker, Sir, the Office of the Auditor-General does need to also understand that Judiciary is not a department, Honourable Radrodro. Judiciary is an independent institution. It is one of the arms of the State like legislature, the executive and the judiciary. And we have now given them both financial and administrative independence. They deal with their own affairs.

The other point, Mr. Speaker, Sir, is that the Office of the Auditor-General does need to note that we cannot dictate to the Judiciary about how they do their case management in the sense of delivering of judges. It is in the same way that if someone came here to us and said that the Committees must present their report every two weeks. That decision can only be made by us. Nobody from outside can tell us when the Committees should give their reports.

In the same way, the Judiciary has its own independence. You may have e-filing, you have business processes that can be looked at but you cannot go and tell a judge or the Honourable Chief Justice or Acting Chief Justice in this case or any of the judges that they should give their decisions every two weeks because that is not our domain. That is the decision, the case management needs to be dealt with by the Honourable Chief Justice and the Chief Magistrate. They need to have carriage of that because

that guards their independence. But as far as service to the public is concerned regarding registry et cetera, that obviously can be addressed in this particular process. I would like to thank the Committee for their report. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- Honourable Members, last speaker. You have the floor, Honourable Tuisawau.

HON. RO F. TUISAWAU.- Thank you, Mr. Speaker, Sir. I would like to thank the Honourable Minister for Economy for his responses and also the Committee. I think there has been a lot of misconceptions by the Honourable Minister for Economy regarding land, indigenous rights, acquisition of land, et cetera. But the fact of the matter, he also speaks about consent. There was no consent when the elected Government was overthrown in 2006. Where was the consent? There was an elected Government, elected by the people and it was overthrown in 2006 ...

HON. GOVERNMENT MEMBER.- And 1987?

HON. RO F. TUISAWAU.- ... and in that overthrow, a new legal and constitutional order was imposed.

(Honourable Member interjected)

HON. RO F. TUISAWAU.- In 1987....

(Honourable Members interjected)

HON. RO F. TUISAWAU.- Okay, listen, listen.

HON. SPEAKER.- Order, order!

HON. RO F. TUISAWAU.- In 1987 the leader, who was the Leader of the Opposition, he revised the 1991 Constitution and gave birth to the 1997 Constitution which was a result of participation and consultation right down to the grassroots from village, *bose ni yasana, bose ni tikina*. It went through everyone, including the NFP, through an agreement - Constitution Review Commission by NFP, SVT....

HON. GOVERNMENT MEMBER.- 1990.

HON. RO F. TUISAWAU.- Yes, that was why we removed the 1990 Constitution.

(Honourable Member interjected)

HON. RO F. TUISAWAU.- Now let us get to the point here.

(Laughter)

HON. SPEAKER.- Honourable Member, address the Chair not the Attorney-General but to the Chair.

HON. RO F. TUISAWAU.- So from there, we produced the 1997 Constitution which was a result of consensus through the Reeves Commission which all of us contributed to including everyone from the grassroots level.

(Honourable Member interjected)

HON. RO F. TUISAWAU.- That is up to you, you were not paying attention.

(Laughter)

And so what I am saying is, when you compare the formulation consensus during of 1997 constitution and the 2013, these are two totally different processes. One is through consensus and one is imposed and here the Honourable Minister for Economy is going on about it as if it is something which is holy but really it is unholy, totally unholy.

(Chorus of interjections)

HON. RO F. TUISAWAU.- Mr. Speaker, Sir, apart from that, there were numerous (about 20 plus Decrees) and legislation which were imposed without the consent. He talks about consent; there was no consent, nothing. Even now a lot of those Decrees have been converted to Acts of Parliament, including when we look at the iTLTB, there is no representative of the chiefs or the *liuliu ni yavusa*, et cetera. It is a politically appointed board. That is just one example so where is the consensus he is talking about?

Let us get things in perspective in this House which the people are watching. Not only that, even the election process is imposed so that we have a national constituency.

(Chorus of interjections)

HON. SPEAKER.- Order, order!

HON. RO F. TUISAWAU.- I am responding. So a lot of the things along the constitutional and legal frameworks in this country right now is imposed and that needs to be fixed and we need to address that. When he speaks about land, land is a very critical issue for everyone especially the *iTaukei ni vanua* and in this constitution, the Suvavou people have been crying for ages (donkey's years). Not only them but also a lot of the landowners including State lands under the State Land Act, Section 8 where the State has completed utilising that for public purpose, it must be returned to the original landowners, but no, nothing has been done.

In fact they copied the SODELPA constitution to establish a land claims tribunal. It is in the FijiFirst Manifesto; totally word for word from the SODELPA, put in there, but today they have not setup that tribunal; nothing has been done.

Let me read their constitution:

“28(2) Any iTaukei land acquired by the State relate to for public purpose after commencement of this constitution, under Section 27 or under any written law shall revert to the customary owners...”

So this nullifies Section 8 of the State Land Act where it should be returned. Given the dispossession which happened in the turn of the century up to now, but this nullifies that. It totally makes it invalid; the 2013 Constitution nullifies Section 8 thereby only lands which are leased by the State from 2013, what about before that?

Before that there was a whole lot of lands. I mean most of the State lands if not all. After 2013, maybe only 0.0005 percent is leased which can be returned, what about the rest before 2013?

So, Honourable Speaker, what I am saying, let us get to the point here, let us speak the truth because he is saying we are speaking the truth, the problem is the imposition of a constitutional and legal framework which is now running this country and we need to address that. Otherwise the other side will keep on saying we are correct and here I am addressing the evidence that the *iTaukei ni vanua* whose lands have been taken for public purpose but now it is not for public purpose, it should be returned, but it is nullified by the 2013 Constitution. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Member. Honourable Leader of the Opposition, you have the floor, last speaker.

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA.- Thank you, Mr. Speaker, Sir, I will be very short.

I would like to thank the Committee for their report and just to remind us again that the Committee is our Committee and this is being submitted to us so that we can draw the attention of the responsible Ministries and Departments on the concerns raised in the initial report and the review of the various actions taken, the audit on the performance of the various Ministries and Departments that have been subject to the report.

Mr. Speaker, Sir, just a short one on landownership. I think a landowner is a misnomer. We are not landowners, we are trustees of the land. We are all collectively owners and the *iTaukei* and *mataqali* are trustees at the moment. The grace of our chiefs who said, "Okay, this tribe will live on this island and look after us this way."

On the various observations, Mr. Speaker, Sir, I hope that the Ministries and Departments will take heed of those highlighted in the audit or in the performance audit. We are not accusing anyone, we are just drawing attention to the observations made by those that created the report and the joint Committee that looked at the reports.

Mr. Speaker, Sir, we talked about historical eras or as the Prime Minister of India has put it this morning or yesterday, historical blunders on boundaries. We note what is happening in Jammu and Kashmir. Beautiful part of the country, I was fortunate to have visited that area and I saw the indigenous people of that land, the Kashmir's and the Ladakhis of Ladakh; beautiful country. I wonder what they will say now that the Government has virtually put that under Central Government control.

That is all Sir, I do not know whether our process is correct, whether the Committee has reported back to us and whether they should not be reporting directly back to the Ministers in the Ministries and Departments. In that way we avoid the hot air and the conflict that we have in this Honourable House. Thank you, Mr. Speaker.

HON. SPEAKER.- I thank the Honourable Leader of the Opposition. I give the floor to the Chairperson for his right of reply. You have the floor, Sir.

HON. A.A. MAHARAJ.- Thank you Honourable Speaker. Honourable Speaker, I would like to thank all the members both from the Government side and Opposition side who have contributed towards this debate.

Just one simple clarification, Sir, we just passed the Public Enterprises Bill in the May sitting. I was amazed that one of my Committee members stood up and said that we still do not have this Bill at this point in time.

(Honourable Member interjected)

HON. A.A. MAHARAJ.- So just a reminder to him.

(Honourable Member interjected)

HON. A.A. MAHARAJ.- Once again, Sir, I would like to thank everyone for their contribution.  
*Vinaka.*

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

Does any member oppose the motion?

(Chorus of 'Nays')

HON. SPEAKER.- As no Member opposes, the motion is agreed to unanimously.

Motion agreed to.

Honourable Members, for the purposes of complying with Standing Orders with respect to sitting times, I will allow a suspension motion to be moved.

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

### **SUSPENSION OF STANDING ORDERS**

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

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

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

HON. SPEAKER.- Honourable Members, I now call upon the Leader of the Government in Parliament to speak on the motion.

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Mr. Speaker, Sir, under Schedule 1, we have two more outstanding Items and, of course, Schedule 2 on the Questions including the Written Questions, thus the request to sit beyond 4.30 p.m. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- Thank you Honourable Leader of the Government in Parliament. Are there any Members wishing to take the floor at this time?

(Chorus of 'Nays')

HON. SPEAKER.- There being none, Leader of the Government in Parliament, you have the floor.

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- *Vinaka*, Sir. I have nothing further to add.

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

The Question is:

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

Does any Honourable Member oppose the motion?

(Chorus of 'Nays')

HON. SPEAKER.- As no Member opposes the motion, the motion is agreed to unanimously.

Motion agreed to.

Honourable Members, on that note, we will break for afternoon tea and the Secretary-General will notify you when we resume. We adjourn.

The Parliament adjourned at 4.07 p.m.

The Parliament resumed at 4.42 p.m.

HON. SPEAKER.- Honourable Members, I now call on the Honourable Professor Biman Prasad to move his motion. You have the floor Sir.

**SPECIAL PARLIAMENTARY COMMITTEE ON BANKING,  
SUPERANNUATION AND FINANCIAL SERVICES INDUSTRY IN FIJI**

HON. PROF. B.C. PRASAD.- Mr. Speaker, Sir, I move:

That Parliament urgently appoints a Special Parliamentary Committee under Standing Order 129 to holistically look into the banking, superannuation and financial services industry in Fiji and its impacts on consumers.

HON. V.R. GAVOKA.- Honourable Speaker, I beg to second the motion.

HON. SPEAKER.- Honourable Members, I now invite the Professor Biman Prasad to speak on his motion. You have the floor.

HON. PROF. B.C. PRASAD.- Thank you, Mr. Speaker. I know I have only 20 minutes to speak on this motion and I am sure I will have some time in my right of reply. But I know colleagues from this side, however, will also speak on a number of issues because there are so many issues that one needs to bring out in moving a motion to establish a Special Parliamentary Committee.

Mr. Speaker, the banking system and, indeed, the financial institutions in general are a central artery in our economic system and defects or blockages can have serious negative consequences on the economy and on the people generally.

The motion, Mr. Speaker, I want to state at the outset is not about bank bashing or the bashing of other financial institutions for that matter. It is to bring out some of the problems that currently exist in the system and, in my view, this can only be done properly and carefully through a proper and well-resourced Special Parliamentary Committee. And, I hope, Mr. Speaker, Sir, that we will get the support of Honourable Members of Parliament for this to be done.

As I had said, I am going to focus broadly and my colleagues, I am sure, will pick on some of these specific issues. Some of the issues that I am going to highlight, of course, arise from Government policies, and I will be talking about Government's Debt Policy, Revenue Policy, Expenditure Policy and other measures that have been implemented over the years.

Concerns about the banking industry and financial sector have not just been plugged out of thin air, they had been highlighted for a few decades.

Mr. Speaker, following the Labour Advisory Board in the 1990s which is genuinely a tripartite body of Government employers and trade unions, the then SVT Government and, of course, the Honourable Leader of the Opposition is here, announced in the House of Representative on 7th August, 1998, about instituting a banking inquiry. The then Finance Minister, Honourable Sir James Ah Koy, in announcing the inquiry, said, "All benefits of technological advancement generated by banks should be passed to the customers and provide them with the best outcomes and encourage competition among banks."

Mr. Speaker, in welcoming the inquiry, the then NFP and Opposition Leader, Honourable Jai Ram Reddy, also said, “Market forces cannot be allowed to run riot and ordinary citizens should not be allowed to be at the mercy of the banks.” So, they genuinely had a bipartisan agreement to have the inquiry into the banks.

The Report of the 1999 Committee of Inquiry into Financial Services in Fiji outlined 26 findings, and the Inquiry made nine recommendations. The Inquiry, amongst other things, recommended the need for a banking ombudsman to monitor aspects of the industry, not covered by the Reserve Bank of Fiji (RBF), especially a banking ombudsman for investigation into, and adjudication on banking complaints.

Mr. Speaker, as we know, unfortunately, that Report could be implemented by the Government at that time as it was overthrown in a *coup* in May 2000. Some of the minor recommendations, like extending banking business hours, was later implemented and we now see banks opening for businesses till 4.00 p.m. instead of 3.00 p.m.

However, Mr. Speaker, 20 years is a long time, just as we had been repeatedly calling for an Education Commission for the last five years. The time is overdue for a special parliamentary inquiry, encompassing all aspects on the financial and banking system in Fiji. And let me repeat what I had said at the beginning, this is not about bank bashing or financial institution bashing, Mr. Speaker.

The concerns expressed by Sir James Ah Koy 21 years ago, remain today. In fact, the concerns have increased because of other institutions that go beyond commercial banks, levying exorbitant fines, fees and charges and many of them are actually behaving like financial institutions, when some of them should not.

Then we have the Fiji National Provident Fund (FNPF). Just as my concerns about Government’s forecast about its GDP figures and revenue projections that have come back to haunt us, I view with scepticism the true picture of FNPF.

No doubt, Mr. Speaker, the FNPF by far and by a country mile was, is and will remain the largest financial institution in the country, I think it was only early this year that we heard from the Honourable Minister for Economy that FNPF’s total financial portfolio is over \$7 billion which indicates how big the FNPF as a financial institution is.

Of course, Government has been justifying the performance of FNPF from its governance point of view, by saying it remains a financially strong organisation and pays increase returns to its members. We ask, Mr. Speaker, it is timely to remind what happened nine years ago to our retirees, most of them were receiving 15 percent, the Government did abruptly reduce it to 9 percent. Of course, giving the reason that it was necessary to protect the future of the Fund and in the process, legal contracts. People who had planned their pension, their life, were hit by the change in the law and by a Decree. Of course, many of them could not challenge that because that was blocked also by a Decree.

So the tripartite nature of the Board as well, Mr. Speaker, has been taken away and we have raised this in the past that there are no worker representatives on the FNPF Board. The workers are, indeed, the largest and most important stakeholders of the Fund ignore, Sir, whatsoever how FNPF is governed.

Mr. Speaker, sometimes I wonder why this Government has so much contempt for the workers and their representatives. Only yesterday, I was surprised that the Honourable Attorney-General was incredibly telling Parliament that the ATS workers were stealing from passengers. Alright, there might be incidences but the way it was presented was a general cast on all the workers in the ATS, sweeping generalisation.



HON. A. SAYED-KHAIYUM.- You weren't here!

HON. PROF. B.C. PRASAD.- I was here when you said that.

While on that note, Mr. Speaker, the Honourable Attorney-General also yesterday said that I quoted from information regarding an alleged defaulting taxpayer from leaked information by FRCS staff. I never said that, Mr. Speaker.

Mr. Speaker, we all know that Government is FNPF's largest customer in terms of loans. All Governments have borrowed from FNPF and this Government is no exception, but it appears that this Government is really treating FNPF like a cash cow. And it would be interesting to know how much Government has already borrowed this year from FNPF for operational expenditure. By looking at the debt level, if you do the estimate based on the expenditure and the borrowing, it could be more than \$300 million to \$400 million in the last seven months.

Then we are hearing that the Government is trying to sell 44 per shares in the Energy Fiji Limited. Again, we are now hearing that there are no private buyers and it is possible that the FNPF, once again, would become the new partner in EFL. So the FNPF in that way, Mr. Speaker, is a very, very important financial institution.

We also know that the FNPF has 80 percent shares with the Health Care Services Limited to provide health and medical services at Lautoka and Ba Hospitals. Again, it is very important for us to understand and know exactly what is going in there and how the financial institution is going toothless, and whether the benefits of this new Public Private Partnership with Ba and Lautoka Hospitals is going to be in the best interest of the financial institution and in the best interest of the members and stakeholders. Therefore, Mr. Speaker, there is an urgent need to have a holistic look at the entire financial system.

There has been a lot of talk about liquidity levels this year. This is also one area that this inquiry can look at, to see who has been misleading the people of Fiji – the politicians, the Government or the banks themselves. There has been concern about the levels of liquidity in the Fijian banking sectors; high liquidity from 2011 to 2015 and 2018/2019 low levels of liquidity. Now we are told that it has increased to a reasonable level.

In fact the Association of Banks, when it was raised at the beginning of the year denied that there was a liquidity problem. But then, Mr. Speaker, the practise of the banks in lending, in deposits and in raising interest rates clearly indicated that there was a liquidity problem. Interest rates on loans were increased by more than 1 percent depending on the kind of borrowing one has undertaken.

Some first home buyers had interest rate increased by 1 percent and for some people it amounted to quite a bit and for some of them it was backbreaking. So the practise, while the Association of Banks denied that publicly, the practise of the banks was very different. Obviously, Mr. Speaker, there are issues with this. We know that lending rates have increased to attract liquidity. Banks have been offering highly interest rates for term deposits as high as 6 percent when in some cases more depending on the volume of funds.

Earlier this year, Mr. Speaker, few bank executives basically were going around and requesting and one of them came to me, and like you I said that I did not have the money or not enough money to put into the fixed deposit. So, the point is that the practise was very different. One particular bank which said publicly they did not have a liquidity problem, yet this bank has also increased interest rates on its loans.

I can share two examples, Mr. Speaker, in the first one, a bank executive writes to his client informing him about his loan portfolio and said this, his shortage of liquidity and cost of funds have gone over 5 percent pushing lending well above 6 percent to 6.5 percent for corporates, hopeful that liquidity situation improves but not sure how long it will take. The banks advised its customers to operate within the approved overdraft limits saying, "any access drawing is not permitted and cheques will be returned."

Mr. Speaker, who is telling the truth? And only an inquiry will bring out the real issues faced by banks. Did some banks mislead the public that there was not a problem but in practice they were constrained by low levels of liquidity? What was and is the truth now is very, very important for us to understand. To make this clear last year liquidity had begun to dry. In 2018, just picking up some figures, total deposits grew by 1.3 percent. This compares to about 10.4 percent in 2017 and even stronger growth in earlier years. In particular, private sector deposits, a key source of deposits for commercial banks grew by small amounts in 2018 compared to earlier years.

So, Mr. Speaker, the ratio of loans to deposit increased from 85 percent to 89 percent in 2018. Total loans and advances have slowed recently. This is consistent with what everyone is telling us; slowdown in sales, slowdown in lending, massive falls in business confidence - so that is the reality. The Government deposits in banks fell by 16.7 percent in 2018. The previous year they grew by 33.6 percent. What is this telling us? That the Government is using up its deposit in the banking system. It can no longer save money, its spending whatever it has. This has a knock-on effect. It means that the banks do not have these funds to lend to businesses and consumers.

We know why this has happened, Mr. Speaker, we know this and we have pointed this out that Government's revenue forecast from \$4.2 billion to \$3.2 billion was way out. So, as the Government borrows more, it sub the available money for the productive sectors of the economy. So, it is clear, Mr. Speaker, that the liquidity story is not what we have heard from the Government. We need to understand what happened and the banks and everyone else must come out very clearly.

So, there are many issues that the inquiry could look at, Mr. Speaker. Just on banks, things that people have come to us - urgent need for banks and financial institutions to provide, complete and detailed information on all services and products to the public, provide complete and detailed information on all charges, fees, interest payable, loan administration fees. The lack of easily available information have been used to manipulate customers, handling of customer complaints, quality of services, access to deposits, products and services by low income earners.

Banks, Mr. Speaker, enjoy high levels of profitability, interest rate is spread and margins needs to be looked at whether they are too high. Banking fees and charges high and are sometimes arbitrarily determined to establish whether big banks, the big players are actually colluding. I call it and sometimes it appears that they are all swimming together. It is kind of a synchronised swimming attempt. So the inquiry should also establish Mr. Speaker, all these issues and as I said at the beginning, the inquiry should establish the need for a banking and financial institution's ombudsman for investigation and adjudication on complaints from consumers.

The Reserve Bank of Fiji has its own role, Fiji Competition & Consumer Commission, but I do not think they can have a very focused approach to ensuring that all the concerns and complaints from consumers and customers are dealt with quickly and cleared in a proper way for the consumers. So an appointment of a banking Ombudsman is a common practise in many countries and the essential feature of the Ombudsman role is independence, impartiality and confidentiality.

Mr. Speaker, as I said at the beginning, I would be able to say a little bit more on some of these specific things in my right of reply, but what I have put forward is a broad outline of the reasons why we

need the special committee to look into the operations of financial institutions which includes life insurance companies, medical policies, and how insurance companies actually deal with the customers and those who are members of those institutions.

In conclusion, Honourable Speaker, as I said this is not about bank bashing, this is not about financial institutions bashing, this is about having a proper investigation and bringing out the issues so that, this can be dealt with in a holistic manner. Thank you Honourable Speaker and I commend the motion to the House.

HON. SPEAKER.- I thank the Honourable Member and I give the floor to the Honourable Minister for Agriculture, Rural and Maritime Development, Waterways and Environment. You have the floor, Sir.

HON. DR. M.REDDY.- Thank you Mr. Speaker, Sir. I rise to oppose the motion, but before that, Mr. Speaker, Sir, when Honourable Prasad was asking that we do a very transparent, establish an inquiry into the financial sector, but he has already made the decision that we should have a banking sector Ombudsman. There you go!

(Honourable Member interjected)

HON. DR. M.REDDY.- Look! Look! I mean, here you are asking for an inquiry into the financial sector and then he is saying that RBF is not doing the job, FCCC cannot do, so therefore we should have a banking sector Ombudsman.

What is this? You have already made a decision then you are asking that we should do a proper inquiry. That is not the way to go. Honourable Speaker, Sir, why do we need an inquiry into the financial sector? Is there a financial crisis in the country? Absolutely not! Absolutely not! Is there a problem with the banking sector? Absolutely not! Is there a problem with the non-banking financial sector? Absolutely not!

Sometimes when we have an imperfect market in the financial sector, then we say, “Look, I think we need to really get into there and regulate or need to have an Ombudsman or some kind of independent guardian.” But, Mr. Speaker, Sir, look at our financial sector. It is such a small country, how many banking institutions have we got? How many non-banking financial institutions have we got in Fiji?

Honourable Speaker, Sir, look at the core functions of our financial sector and then say, “why are there not doing the job with regard to the core functions of financial sector?” Value exchange in terms of making payments, is there a problem? Absolutely not! In terms of intermediation, allowing people to engage into transactions, is there a problem? Absolutely not! Is there a problem with the risk transfer, allocating the means of price? Absolutely not! Is there a problem in terms of liquidity, means of converting people’s assets into non-assets without any loss of value? Absolutely not! There is no issue.

Honourable Speaker, Sir, over the last four decades, our credit has increased by 160 percent. Assets have increased by over 200 percent. Our financial sector has been substantially deregulated over the last four decades. Inflation levels have been low to moderate. Major technological developments have taken place in Fiji. Financial sector exclusion, I ask the Honourable Member to go and read *International Journal of Bank Marketing*. One of my papers on financial sector inclusion is there. You will see how we have improved financial sector inclusion by introducing technology. Amazing developments have taken place in such a small economy with such a large number of banks operating in Fiji.

Honourable Speaker, Sir, RBF is doing an excellent job in regulating the financial sector. That is the job of RBF and it is doing an excellent job. Supporting RBF, FCCC and Consumer Council of Fiji; they have done a good job and I do not see why we are wanting to send a shock to investors and others, who are potential investors that there is a problem with our financial sector. This is the problem with the Opposition. They continue to talk about non-issues. For example, Honourable Lynda Tabuya started this unnecessary conversation about all kinds of problems in the economy and started talking about devaluation and raising emotions of speculation. They should not do this injustice to the economy. It is doing well. Let us support the economy. Thank you, Honourable Speaker, Sir.

HON. SPEAKER.- Honourable Viliame Gavoka, you have the floor.

HON. V.R. GAVOKA.- Thank you, Honourable Speaker. I rise to speak in support of the motion. I think the reality of life in Fiji today, Honourable Speaker, is that the businesses are having a difficult time in terms of finance.

Honourable Speaker, the Honourable Tabuya had raised the issue about liquidity a couple of months ago and the Government had shot her down, saying that she was out of touch and all that. But for those of us who are in business, who run corporations, the banks will say, “she is on the right track.” But big banks they said it confidently and it has been reflected in the way that banks are now charging interest rates, are now tightening up credits. People who used to have no problems, adding to their facilities, are now told that they cannot. This is the reality of life today, Honourable Speaker and we know, they never make it public.

I think on 31st March, one of the major banks had put out an advertisement in the paper, saying that they were increasing their rates on most of their lending (just about all their lending). That is a fact of life. At the same time, the RBF is saying that liquidity is up and that they are holding the overnight rate of 0.5 percent. Well something is not right. The RBF is saying, “We are not increasing rates”, yet the banks are increasing rates.

There is disconnect, Honourable Speaker, between the fiscal policy of this Government and the monetary policy of the RBF. Something is not right. We need to understand this. It is perhaps the confidence of the banks with the fiscal policy of the FijiFirst Government. That I believe, Honourable Speaker, is what is happening here because in USA and Australia, to generate, there is some anxiety about the economy and the central banks are holding interest rates, they are even decreasing it and the results are almost instant in terms of loosening of money and making people borrow and invest.

But in Fiji, I think three months or four months in a row now, RBF is saying, “there is no liquidity problem, overnight rate is still 0.5 percent but the banks are still reluctant to bring down your lending rates. Something is not right. That is why we need this Committee to look into how the banks respond to an announcement from RBF that liquidity is healthy. It is not happening. The RBF is saying something, the banks are saying something else. That is why we need to have this inquiry, Honourable Speaker. That is on the banking side.

On the superannuation, Honourable Speaker, there was a move during the SDL days to deregulate superannuation and, indeed, RBF is working on a facility to enable people to voluntarily contribute to another superannuation, while keeping the FNPF intact. We have been talking about it but this inquiry would fast track or bring that RBF proposal into Parliament and make it into law.

We need to do it, Honourable Speaker, because for most of us, FNPF has been a disappointment. You would remember, Honourable Speaker, in those days back in the 1970s, we signed up for this

Scheme, expecting on retirement to retire comfortably. Lo and behold, the FijiFirst Government came in and chopped everything that was a build-up for a comfortable retirement.

Honourable Speaker, their reply is always that, it is for our youth for the future. I believe, Honourable Speaker, if you ask the youth today, they rather that their elderly people are well looked after, as opposed to them to look after them. Their parents have saved up for their superannuation but it is criminal to reduce that. Some from 18 percent to about 9 percent.

I remember, Honourable Speaker, when we were lined up in one of the offices here to go and resign and redo our documentation. An elderly person, who had walked out to the counter, walked up without his shoes and everyone said, “Hey, your shoes”. He was old and he forgot his shoes. How can a Government or how can people treat their elders like this?

Someone who needed support at that time was told, “We will chop your pension by half”, and that Honourable Speaker is the reason why we believe that FNPF has not performed and it needs to be changed to go back to what it was in terms of what it was meant for. In many quarters now, we think it was a failure, that is why we continue to say that the Government is using it as a piggybank.

Honourable Speaker, there is also an issue that I brought up in the Standing Committee of Economic Affairs to look into the moneylenders. Perhaps, with this inquiry, we can also look at the moneylenders.

The reality of life, Honourable Speaker, is that a lot of our people are living day by day courtesy of the moneylenders. I was a banker in my young days, Honourable Speaker, and I value confidentiality. As a banker you can never get any information out of me because I was trained that way.

Here, I saw people, giving their bank cards with their pin number to someone else so that he can collect on that loan. I mean, this is criminal, Honourable Speaker, but a lot of people, Honourable Speaker, are held hostage to the moneylenders. And I believe the law, my colleague across the aisle here had carried out some survey on this some years back ever since she was with Consumer Council, I believe the law on moneylending goes back to 1938 or 1939. It is very archaic.

I think it is about time that we look at the moneylending law and perhaps, bring it under one of the institutions. RBF does not monitor the moneylenders. I think they are licensed and that is it. But being a major part of our people, people who rely on this, I think it is about time we regulate moneylending and strengthen it, and keep our people safe. Some people are held hostage for their entire life.

So, Honourable Speaker, these are important issues. I think it is timely that we carry out this inquiry into banking and the financial institutions, and I support this motion wholeheartedly. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Member. Honourable Leader of the Opposition, you have the floor.

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA.- Mr. Speaker, I would like to support this motion, not because it was raised by an Honourable Member of the National Federation Party in the Opposition side, but because we believe it is good for the people of Fiji.

It is time that we take another holistic look at the whole financial services Industry in Fiji. We all know, we feel and we see that we are going through pretty difficult times. I say that because I can

personally feel it, my village feels it, my province feels it and the financial institutions within the indigenous group I am a member of, have felt it.

The Financial Services Sector needs to allocate available resources with proficiency to improve investment and increase return on investment for the portfolios they go into, so that we can maintain growth in the real sectors of economy.

I believe, Mr. Speaker, Sir, that there is a cartel in control of the banking system in Fiji. They compete with one another but only to a certain extent. Fiji is the only country in the Pacific where providers of financial services are making relatively higher profit than those operating in Australia and New Zealand. And we look at the population base upon which they make those profits, it is incongruous.

Today, the people of Fiji have limited access to investment funding because banks are reluctant to provide the impetus and the necessary resources. They may have their reasons because they want security in their investments. And that is where, I believe, we need to have this Honourable House to come up with this bipartisan Parliamentary Committee to look at the whole issue of financing and banking.

The second point I would like to raise, Mr. Speaker, Sir, is in relation to existing legislations in our modern day demand for better transparent and secure financial services. Most of the existing legislations are old or archaic, and need to be reviewed to address the modern banking challenges faced by the industry and this include:

1. The increase in cyber-crime which involved the data breach, which I believe has increased to about 480 percent in the last few years.
2. Demand for big data use in finance. Financial institutions will need good data that will provide opportunities and confidence for banking in the provision of prudent financial services. Tapping on social media consumer database and even new feeds can help banks better service their customers, while protecting their interest.
3. Regulatory Compliance. The changing regulatory environment poses constant challenges for financial institutions.
4. The use of Artificial Intelligence Industry experts believe that Artificial Intelligence will transform nearly every aspect of the financial services industry. Automated wealth management, customer verifications and opening bank accounts, all provide opportunities for artificial intelligence solution providers.
5. Disruptions to technology and services provided by those will increase these small companies, high-tech little companies that come in and have recently joined the market, taking a lot of customers away from the existing service providers.
6. Customer reference in the financial services industry. Competition for financial services. Clients have never been fiercer than they are now. Key factors for retention - greater personalised services, more automated and easy access to banking facilities.
7. Employer retention in financial industry. It is difficult to attract new customers and attract their best employees, and retaining them. There is a general lack of talent to fill new IT roles.

8. An act to block the chain integration finance. I am sure we all have been subjected to this in our many minutes on the computer. Something comes up advertising something, and some of us, I hope not many in this House, have been victims of that. A key component of the battle of cybercrime.
9. Customer experience, we expect the banks to be reliable with a *la carte* and personalised services that is very quickly receding into the background.
10. Crossing the digital divide in financial services. Success digital building means more than having mobile Apps. advertising through digital channels.

In conclusion, Mr. Speaker Sir, in view of these times and the threats to economic, fiscal and monetary security, we need this Parliamentary Committee to be set up, complete with competent resource personnel.

As I had said in the beginning, Mr. Speaker, Sir, this is not a National Federation Party motion, nor an Opposition motion. I believe it is a motion brought here with a sincere belief that it is in the best interest of the nation and all its people and business houses, and I support this motion and commend it to all Honourable Members of the House. Thank you, Mr. Speaker.

HON. SPEAKER.- I thank the Leader of the Opposition. Honourable Lynda Tabuya, you have the floor.

HON. L.D. TABUYA.- Thank you, Honourable Speaker. I rise to support the motion that is before the House. I just have a couple of brief contributions to make about financial institutions and the time is right now, and the need to review this industry.

Honourable Speaker, the moneylenders business has been mentioned but there is a financial institution or, at least, companies whose divisions that collect finance from our people, that is their biggest money maker. For example Carpenters and for Carpenters, their biggest earner is their Finance Division. Of course, they are making money from our people in terms of the goods that they sell and on hire purchase. This is affecting the masses and it is their interest rates that they are making more than the amount of money that people spend on, buying these goods. So, we need this review to protect our people.

I do not know how much Consumer Council or even the FCCC is doing about it, but the need to protect our consumers from such companies and the kind of reviews that need to be done to see if our consumers are being protected and these are the masses and our people that we are talking about. Of course, they buy. They can have a TV, they can have white goods in their homes, they all want that in urban and rural areas but they are being subjected to the finances of these companies.

Honourable Speaker, my second point is about the Fiji National Provident Fund (FNPF). As we know, the RBF restricts the outflow of money from the country, so the FNPF currently is restricted from investing overseas.

The FNPF is investing in tourism and also property. For property, they are getting minimal returns as landlords. This is FNPF that is funded by our workers, you and me, the tax payers, so it is upon us to have the right returns for the spending of our money. Why does the FNPF not look into investing overseas? You have got funds like the PNG Superannuation Fund that have invested overseas and are getting returns.

(Honourable Member interjected)

HON. L.D. TABUYA.- Yes. The PNG Funds had started, they purchased part of the GPH. We also have the FNPF that does not invest overseas because of the restrictions and so we need to look into that, to get the right returns for our money as workers. Secondly, to also look in investing not just in tourism, but to diversify out into other industries that have growth potential, like agriculture. How about looking at investing on agriculture and manufacturing? How about looking into more construction and more retail?

These are growth potential so that we can earn more in our economy rather than borrowing and rather than restricting the investments overseas. So as workers, and I speak on behalf of workers who fund the FNPF, we need to look at the right returns and this is the kind of review that a Special Parliamentary Committee will make to not just protect our people in terms of finance institutions, like Carpenters, but also to look at the right returns for the money that we workers put into the fund. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Member. Honourable Minister for Industry, Trade, Tourism, Local Government, Housing and Community Development. You have the floor, Madam.

HON. P.D. KUMAR.- Thank you, Mr. Speaker, Sir, for giving me the opportunity to present some facts here. I would like to share my experience when I used to work for Consumer Council of Fiji. It is one job where I thoroughly enjoyed because I was given an opportunity to look at the financial services sector.

After the global financial crisis in 2008, the Consumer Council of Fiji for four long years did a number of research, conducted a number of workshops and produced number of reports. It was the first time a report was produced on money lending business, first time a report was produced on the insurance sector and for the first time a report was produced on hire purchase.

Mr. Speaker, Sir, we have academics, they can talk a lot, but basic research was not done in this area. In 2009, the Consumer Council of Fiji commissioned an independent research team to look at the financial services and in particular we looked at the banking services. This was done by two very well-known economists, Dr. Ganesh Chand and Dr. Dulare. They did this banking report and I want to share some of their findings from this report.

Let me read out the findings, Mr. Speaker, Sir. It says, and I quote:

“The banking sector in Fiji was contributed its share to economic growth. It has been instrumental in modernisation of financial services through new products and processes, and in recent years worked with the RBF in the areas of micro-finance and financial inclusion.

The RBF has demonstrated its willingness to address consumer issues through the introduction, for example, of policy guidelines on disclosure of information and complaints management relating to the financial sector.

Government has also played a significant part in addressing concerns of consumers of banking services through the introduction of legislation, such as the Consumer Credit Act. These developments indicate that banks, the Reserve Bank of Fiji, the Government are all willing to take action to improve the quality of banking services in Fiji for the benefit of consumers.



However, some aspects of the banking industry still need significant improvements whilst some need refinements. The review found that almost all of the findings of the 1999 Committee of Inquiry into Financial Services in Fiji regarding the banking sector still remain true today and more needs to be done to implement the recommendations of the Committee.”

Mr. Speaker, Sir, the solution is not the appointment of another Special Parliamentary Committee. However, the solution is the continual refinement of the policies. Mr. Speaker, Sir, in order to better protect the interest of consumers, in the phase of an evolving consumer financial services, what we need is a revision of the Consumer Credit Act, 1999. We need revision of the Banking Act and also the revision of the Insurance Act. We do not need another committee to tell us the same thing. How is it going to change the issues already identified?

My Ministry in consultation with the relevant stakeholders which included the Reserve Bank of Fiji, Fijian Competition and Consumer Commission, Consumer Council of Fiji, representatives of the banking industry, other credit providers and private sector representatives has completed the revision of the Consumer Credit Act. The draft has been submitted to the Solicitor-General’s Office for legal vetting and finalisation.

Mr. Speaker, Sir, given the ongoing work on protection of consumers and financial services, it is my view that by appointing a Special Parliamentary Committee will be a superfluous endeavour. Now looking at some of the other issues that were raised by other Honourable Members, I want to say there was a statement made “businesses having difficult time”; yes. Does that mean that we appoint a Parliamentary Committee to look at the banking services?

(Chorus of interjections)

HON. P.D. KUMAR.- You need to understand that there are global concerns; globally the various businesses are being affected. We know that. But no, the solution being proposed by the other parties is that, let us have a Parliamentary Committee.

(Chorus of interjections)

HON. P.D. KUMAR.- What will they do? What will they provide? How will they add?

What we need, Mr. Speaker, Sir, is actually refining the various consumer protection laws. What we need is action on the ground not another report. What will we do with another report? And most of these reports that were prepared by the various researchers that the Consumer Council of Fiji used were very reputable researchers and they not only looked at the banking processes, they went through the various complaints that the Council had received.

So what we are saying, based on those complaints, a number of changes were made to the Consumer Credit Act, Banking Act and Insurance Act and also the proposal is to remove money lending and add it into the Consumer Credit Act. A number of work has gone into that area, it is just a matter of getting those legislation in this House and then you get an opportunity to fine tune it and add your bit. But appointing another committee to do the same work is simply a waste of time and waste of money. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Minister. Honourable Mosese Bulitavu, you have the floor.

HON. M.D. BULITAVU.- Thank you, Mr. Speaker, Sir. I rise to make a small contribution to the motion that is before the House. The motion is very simple. It calls upon the Parliament to pass a resolution and that is to appoint a Parliamentary Special Committee under Standing Order 129.

Since the life of this Parliament, the last term of Parliament and this term of Parliament, the House has not at any time invoked this particular Standing Order nor have you come to a situation where we have agreed on a bipartisan approach to go through this path. As a Member of a Standing Committee, we have got difficulties in terms of trying to invoke the powers of the Committees to make inquiries into a function of Government and we understand that the difficulties faced by Government Members of the Committee in sometimes that are caught between the conflict of being responsible under the Executive to Cabinet and also to wear the independent hat as a Committee Member.

This particular Standing Order as provided by all Standing Orders in all Parliaments allows a Committee to be established by resolution and this Committee if it is established by a resolution, will comprise both Government and Opposition Members as the Honourable Leader of the Opposition had alluded to. This could be an opportunity where if you look at Standing Order 129 it talks about Standing Order 111 and it talks about the other functions of other Standing Orders on how this Special Committee will have powers and functions to move around the country, open to public hearings and also have people give their opinion. That is one of the core function of our Parliamentary duty as legislators.

I have heard the speaker that has just spoken, the Honourable Minister for Trade; very defensive, speaking from the executive point of view. But when you come to Parliament or the people's House, again, the people out there do have their own experiences on what they face daily in regards to banking, superannuation and other financial services which totally would be different from their policy intent of the current Government and what kind of actions and the measures that are currently being implemented by Government.

There could be other problems related to that and this is a way of how a Parliamentary Committee can go out to hear those problems and bring those problems into their own findings of the Committee; what they found out and things that they could make recommendations on. That report will be tabled back in the House and will be debated like how we were doing in the morning with the few reports that we were debating.

In that way, it gives the Opposition its duty too, to put Government on check all the time and also things that the people face, most of them they cannot raise it straight with Government so they need this kind of Committees to come around. From my experiences, in terms of taking those Bills around the country, one of the common things that we commonly hear from those that come and make their submissions or the submitters, the need for Parliament to come to the grassroots level. They want to contribute in the lawmaking process, they want to be heard.

One of the things that we normally hear; we are voters too. Can Parliament come down? Why are people making decisions on top there and we are left behind and you only come back to us after four years? They want participation in all those kinds of decisions. This is a motion that needs to be supported by any Member of Parliament, any legislature where we, as Members of Parliament, as legislators allow the core functions of this House through the Standing Orders to be applied so the people who had voted us here and have trusted us with their votes, that they have a say in anything that needs to be done.

What will come after that, the recommendation whether Government will take it on board or whether the Government will vote just to note the report, that will be up to what will happen after that. But what needs to be done is that the first process that needs to be taken, that was never done in the previous Parliament.

This is the first time that it has come about in this new term of Parliament and we hope that the Government will see this as an opportunity where the Opposition and Government can work together in a Committee and go around the country to hear from the people, not only the financial institutions but those consumers and customers and try to provide relevant recommendations that could help and enhance the things that could improve our citizens and our people. Those are few things why I want to raise this.

It is a very important contribution, given that, that is why we have Standing Order 129 in the Standing Orders and that is the whole purpose of that and that is one of the core function of this House to appoint by a resolution, a Committee and that Committee brings back to the House what it finds out after hearing from the public. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Member. Honourable Attorney-General you have the floor.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir, just a few comments, quite a lot has been said.

Mr. Speaker, Sir, just very quickly, I had mentioned in fact the Ministerial Statement was issued to Parliament in March of this year where we updated Parliament to say that Fiji actually had conducted a Financial Sector Stability Review (FSSR) by the International Money Fund (IMF). In that, Mr. Speaker, Sir, we had highlighted that IMF independently had assessed the stability of our financial sector and they also said that Fiji, of course, was stable.

Fiji was the only fifth country in the entire world and the first in the Pacific region to undergo such a review. We did that voluntarily because obviously, Mr. Speaker, Sir, it is critically important for us in terms of growing our economy to ensure that we have third party validation of the various key institutions in our economy, because that is what instills investor confidence, foreign direct investment and, of course, the domestic investments. So we actually went out on a limb and said, "Let us get this review done."

In the same way Mr. Speaker, Sir, when we ratified the United Nations Convention against Corruption (UNCAC), we actually went out on a limb and said, "Let us get a peer review done of our compliance with UNCAC and in fact last week, we had the Great Britain and Samoa, normally they have a metropolitan country, and a developing country that comes and does the peer review and we had Great Britain and Samoa here doing our review.

In the International Monetary Fund (IMF) assessment, Mr. Speaker, Sir, it concluded its assessment on the Fijian financial sector and a positive review was attained. The review highlighted that the Fijian financial system is resilient to stress conditions similar to those in the last 15 years. The IMF has also laid out various recommendations for the RBF to implement to further strengthen supervisory oversight of the Fijian financial system, which are currently being implemented.

What they are essentially saying, Mr. Speaker, Sir, in order to maintain further stability, the RBF needs to regulate the financial institutions even more and in various areas. Of course, the banks are on board with it and as we know, the financial institutions. We talk about financial sectors, we are not only talking about banks, we are not only talking about FNPF but we are also talking about insurance companies. Therefore, as Government, we have long said that the insurance industry also needs to be revamped.

For one of the things that we have always been concerned about is the inability for example of insurance companies that did not offer coverage for example in towns like Nadi and Ba for flood

purposes. Because they were always sort of knocked it back, they only offered it to larger businesses and that is something that we have been concerned about. We are working with RBF in that respect.

The other issue of course, Mr. Speaker, Sir, that the Honourable Minister for Industry and Trade highlighted was that in the insurance sector, we have also removed third party insurance. Now, we have the Accident Compensation Commission Fiji (ACCF) and we have seen now in the media how readily and how quickly and how seamlessly people who are victims of road accidents actually now get compensation paid without having to go through litigious process where for years, they used to actually languish in the court system where lawyers actually specialised in getting delays, in the hope that the complainants will actually die off or not have any money and, therefore, the matter will not proceed.

We, of course, now have included workers compensation now, so previously, individual companies had to go out and get workers compensation insurance. Now we do not, and private TPAF funding is now being used to pay for our workers. Actually, it brings about lot more security for the workers of Fiji who are covered previously under the workers compensation insurance.

Secondly, of course, Mr. Speaker, Sir, it has reduced the cost of many businesses that actually had to pay insurance and indeed many businesses that never paid any insurance and, therefore, we have numerous cases where individuals used to, for example, work for some trucking company out in the woop woop and the driver got killed or some lorry boy went under the truck and his leg got squashed, they would never get payment through that system. Now, every single person gets paid through this system.

Mr. Speaker, Sir, these are some of the changes that have taken place. Of course now in the ACCF space, we now have sports injuries that will soon be included but we have also included school yard injuries that has already been put into this system so, again, there have been enormous changes in that respect to the insurance space.

That kind of brings me to the point that Honourable Professor Prasad quite flippantly made a comment saying that this Government has a contempt for workers. What a ridiculous proposition!

(Honourable Opposition Members interjected)

HON. A. SAYED-KHAIYUM.- We had to listen to your drib, please, listen to our intellectual input.

Mr. Speaker, Sir, the fact of the matter is that, the workers compensation upon death, people only used to get about \$24,000, for decades. We changed it, it is now \$50,000. Mr. Speaker, Sir, of course, you can get paid more.

We changed and increased the disability allowance. We brought about increment in maternity leave, new paternity leave, family care leave, Mr. Speaker, Sir. The enormous salaries that have been increased for salary workers across Fiji, introduction of minimum wages, increment in minimum wages, the current review that is being carried out for all workers across Fiji. Is that contempt? It is such a flippant comment! We would expect something better from the leader of the oldest party in Fiji, Mr. Speaker, Sir.

Again, Mr. Speaker, they talked about the fact and lamenting, “Oh, FNPF no longer has workers represented on the Board.” I can tell you what happened when FNPF had worker and employer representations. Honourable Jale would be aware of this. Look at what happened in Natadola! If that intervention had not been made, independent sources have pointed out that that hotel would have cost

over a billion dollars. They engaged with an investor who had a criminal record, whom I understand was subsequently jailed in Europe.

These are the kind of decisions that were made by supposedly a board that had worker representatives on it. It is not a panacea for fixing up investment decisions or getting the right investment decisions, what the workers of Fiji should be told, which they should be telling them, is that you need the right people in the board to ensure that their monies are safeguarded, that their monies are invested wisely because that is what matters at the end of the day. The workers do not really care who is making the decision, as long as it is a right decision so that their monies are safeguarded.

Mr. Speaker, Sir, in this Parliament, I had also given and answered a question that was posed to me by the Honourable Leawere on 3rd April, 2019, regarding FNPF. I am today convinced that the SODELPA membership and the NFP membership are only concerned about the wealthy members of FNPF who lost out because, Mr. Speaker, Sir, I will tell you why. Here are the statistics and I read this out then, and I am reading it out again.

There were 6,145 pensioners in respect of the reforms that took place, that were affected by it. Mr. Speaker, Sir, 1,405 pensioners, who were receiving less than \$100 per month, were topped up to \$100 per month. No pensioner in Fiji now gets less than \$100 a month, even though some of them prior to the reforms, used to get only \$7 a month. So 2,910 pensioners (these are the pensioners we are talking about), had no change to their monthly pensions. None! Sir, 1,830 pensioners had their pensions reduced. That is what we said, 1830 pensioners had their pensions reduced. The highest pensioner, who used to receive \$10,000 per month under the old scheme, opted to re-join and is now getting \$6,600 per month.

Mr. Speaker, Sir, FNPF has close to 400,000 members - 1,800 pensioners had their pensions reduced. It is our duty, Mr. Speaker, Sir, to ensure we speak the truth. Please, do not come to this Parliament and represent as if all the pensioners, as if all the members of FNPF, have suffered under reforms. Only 1,830 pensioners had their pensions reduced and then they had the option to either re-join or to withdraw. Maybe, some Honourable Members on the other side have been the beneficiaries of that or actually did the various options. Please, do not misrepresent it. This is the fact.

Mr. Speaker, Sir, I hear some squealing from the other side, saying every person matters. Yes, Mr. Speaker, Sir, but the nature of superannuation fund is this, it is not an individual savings account. It is a collective superannuation scheme where monies are....

(Honourable Member interjected)

HON. SPEAKER.- Order!

HON. A. SAYED-KHAIYUM.- Please, listen and you will learn.

Mr. Speaker, Sir, superannuation funds work in a collective manner. All of us contribute different amounts, we all go and buy that one property. If we individually save, we will not be able to have enough money in our lifetime to buy that building. Therefore, the risk needs to be shared equally.

We have people who were getting 25 percent rate of return, some people were receiving 19 percent, 21 percent, 16 percent, 15 percent, and other people were getting \$7 a month. That is what the reform has done.

Mr. Speaker, Sir, the World Bank Report repeatedly, two actuarial studies pointed out in the 1980s and the 1990s that the way that FNPF was conducting its business was unsustainable and that the Fund would finish by 2054. It is a fact, it is written, go and read it!

So something had to be done. As a result of those reforms, Mr. Speaker, Sir, today, FNPF has won a number of awards. That is what matters. The portfolio of FNPF actually has increased, which is great for all of you who are members, including myself as an FNPF member, including the person who is working on the construction site, that the value of their pensions has gone up. The value of their investment has gone up. That is the story with FNPF, Mr. Speaker, Sir.

Mr. Speaker, Sir, the other point I would like to raise was about liquidity. Again, as you know, liquidity has been brought up. I have here a verifiable list of what liquidity was every year, year in and year out, from 1980. Just let me pick up a few.

In 1980, the liquidity was \$83.6 million; 1985 - \$34 million; 1987 - \$40 million; 1988 - \$121.6 million; 1995 - \$20.1 million; 2000 - \$51.9 million; 2001 - \$124.6 million; 2003 - \$236.2 million; 2005 - \$71.5 million; 2007 - \$331.1 million; and 2008 - \$55.1 million.

Mr. Speaker, Sir, I will read out the most consistent period in our liquidity and the consistency, Mr. Speaker, Sir, started in 2009 which was \$296.6 million; 2010 - \$348.4 million; 2011 - \$510.1 million; 2012 - \$524.2 million; 2013 - \$598.3 million; 2014 - \$514.1 million; 2015 - \$488.3 million; 2016 - \$412.2 million; 2017 - \$606 million; 2018 - \$306 million; and on 19th August this year - \$551 million.

Mr. Speaker, Sir, to then say that because of liquidity we should have some kind of commission of inquiry is ludicrous.

Mr. Speaker, Sir, new bank loans by the private sector has been over \$2 billion annually from the less than \$0.5 million a decade ago. Again, we have two new banks that have entered the market - HFC and Bred Bank in recent times. The interest rate margin has narrowed, reflecting increased competition, Mr. Speaker, Sir.

Mr. Speaker, Sir, again there was talk about, “Oh, the interest rates before was a lot less.” Nonsense! I have got interest rates here, that is spread and going back to 2000. Let me give an example. I will pick 2006, they love 2006. The interest rate for the real estate sector was 7.73 percent. The interest rate in December 2018 was 5.01 percent and March of this year, 5.03 percent.

Let me take the wholesale and retail sector. In 2006 – 7.14 percent interest rate; December 2018 – 4.79 percent; and March 2019 – 4.77 per cent. I can go to all of them, I am quite happy to share this with you. So Mr. Speaker, Sir, it is incorrect to say and those people who have tried to buy homes a couple of decades ago would have found that interest rates were, in fact, a lot more expensively priced than before.

Mr. Speaker, Sir, I thought the Honourable Leader of the Opposition may have actually cited the Australian experience. Australia recently had a Royal Commission into the banking sector where they found about, I think, three of the major banks conducting some untoward behaviour and I thought there would be a reference to that but Fiji, of course, has a different setting altogether. It is a lot smaller market we have. As we have said, Mr. Speaker, Sir, also introduced the self-assessment of the financial sector stability review that we have introduced.

Mr. Speaker, Sir, we also have a complaints forum that was set up by the RBF in 2010 to consider industry-wide complaints and consumer-related issues. The membership of this forum includes the

Permanent Secretary for Economy, the Fiji Retailers Association, the FCCC, Consumer Council of Fiji, ABIF, Insurance Council of Fiji and the Finance Companies Association which includes things, like your merchant finances and your hire purchase people.

The Honourable Minister for Industry and Trade correctly also highlighted that there is currently a review of the Consumer Credit Act and I have to also remind what she highlighted also, Mr. Speaker, Sir, that the research she talks about was the first ever such research conducted in the financial sector in Fiji only under the Bainimarama-led Government in 2009.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. A. SAYED-KHAIYUM.-The reality of the matter, Mr. Speaker, Sir, is that, we, of course, are equally concerned, should there be any type of untoward behaviour taking place in the financial sector. The timing of course is very critical, I plead and I implore the members of the Opposition, please do not try and undermine the economy and the financial system for political expediency, please do not do that.

What you utter here matters and I have said this before. Bring facts, Honourable Gavoka like A350, bring facts to Parliament. Mr. Speaker, Sir, the reality of the matter is that everyone....

HON. V.R. GAVOKA.- It is ridiculous.

HON. A. SAYED-KHAIYUM.- It is not ridiculous, look at the facts.

Mr. Speaker, Sir, the reality of the matter is that ...

(Honourable Member interjected)

HON. SPEAKER.- Order!

HON. A. SAYED-KHAIYUM.- ... as the Minister for Industry and Trade highlighted, there is a global economic downturn. In Sydney I was reading an article just a few days ago, the real estate prices in Sydney, no one ever thought of, has actually dropped.

People are not able to sell their homes for the price at which they bought it for, completely unheard off. One of the most expensive cities in the world. So obviously there is some ramifications, repercussions some what we call a “spiral effect” on other small economies around it.

What we need to do as a Parliament, what we need to do as a Government, what we need to do as an Opposition is to ensure that we continue invigor confidence into the system not undermine it, because ultimately if we do not have confidence, it can undermine economy and who will be the ones at the forefront of suffering the consequences. It will be our own ordinary Fijian citizens, so it is something that we need to cherish, it is not something that we need to now try and score brownie points or political points for political postulating.

Mr. Speaker, Sir, I think this motion is actually misplaced. It is ill-timed, it does not have any particular significance. Normally what we have is that in some countries where they actually have had inquires, it is been quite narrow and quite specific and they have said, for example, things specifically on interest rates, or they may, for example, have an inquiry on bank fees and charges. That is how normally it is done. To have such a wide and encapsulating motion that says, “Look into the banking, superannuation and financial services industry in Fiji and its impact on consumers”; extremely broad.

Mr. Speaker, Sir, I like to say that we do not support this motion and that there is obviously a lot of work currently being on foot including the revision of the laws. The fact that we are getting third party validation to look at our financial sector and the fact that we should get a particular level of comfort and solace that we have IMF that is carrying out this financial sector stability review for us is enough for us to say, no to this motion. Thank you, Mr. Speaker.

HON. SPEAKER.- I thank the Attorney-General for his contribution to the debate. I now give the floor to the Honourable Professor Biman Prasad.

HON. PROF. B.C. PRASAD.- Thank you Mr. Speaker. I thank the Honourable Members from the Opposition side who have supported the motion, but, Mr. Speaker, it is not surprising that the Government side would not support this motion.

Normally Mr. Speaker, Sir, when you have Joint Parliamentary Committees or you have joint agreement to have inquires like this requires political maturity, and obviously the Honourable Minister for Economy has talked about political maturity in the past, but, I do not see any kind of political maturity on the Government side to actually look at the motions and suggestions from the Opposition in an objective manner.

I just want to pick up on two issues in terms of that political maturity. Even the Head of Bank of the South Pacific (BSP) when he was asked Mr. Speaker whether Fiji should have Australia's style of banking inquiry. His response was very mature and very understanding. This is Mr. Ali who is the Head of BSP in Fiji, "BSP would not object to Australia's style of banking inquiry." Of course he qualified it by saying that it is very unlikely that some issues may be found in Fiji, but, he did not rubbish the idea. We are not asking Australian style of banking of inquiry, Mr. Speaker. That is why I did not make any reference to the Royal Commission into the banking industry in Australia.

Let me just respond to a number of things and of course as usual the Minister for Economy was beating the old drum about FNPF and what this Government has achieved. He made reference to Natadola. I did not want to get into that but when Government actually intervened into Natadola, the room rate I am told, the cost of one room went from \$635,000 to \$1.2 million. So, there are a lot of issues there. So, it is not...

HON. GOVERNMENT MEMBER.- Who tells you these things?.

HON. PROF. B.C. PRASAD.- It is not holier than thou that they come from this side and they have done everything good and now everything is now hunky-dory. That is not the case, Honourable Speaker. The Minister for Economy talked about the IMF Report on Financial Stability. This motion is not about Financial Instability or Stability. It is about some of the issues in the banking system in the financial institutions and banks themselves.

In my conversation with a number of them, have talked about a number of issues that they feel needs attention. Information availability, some of them even talked about the level of literacy and they said that the Reserve Bank, its own policy to go and promote financial inclusion is perhaps not working. They have talked about credit availability, they have talked about technology, they have talked about grants access.

So, the issue in the banking industry does not get away, Mr. Speaker, just because there is an IMF Report which says that the financial institutions are stable. The motion is not about questioning the stability of the financial system. The motion is about looking at the issues that the people in this country have raised with us and if we are raising that issue in a motion, this is the Parliament. When we come



here and raise issues about the economy, whether the economy is doing well or not, that does not mean that we are running down the economy.

You run down the economy more when you actually hide information.

(Chorus of interjections)

HON. PROF. B.C. PRASAD.- That is when you run down the economy.

When the banks says that the liquidity is fine, and when you get to the reality, when the people go to the bank and they are told that we cannot release your funds now, that is the reality. That is what is affecting the economy. That is what we are saying, Mr. Speaker. It is not running down the economy. We hear this usual garb from the other side, “oh, you are not patriotic; you are running down the economy.” What nonsense. There are real issues, Mr. Speaker and that is why we are bringing this motion.

Actually, I like the contribution from the Honourable Premila Kumar. In fact, she quite rightly pointed out what things were done. Again, Mr. Speaker, she talked about money lending, insurance sector, hire purchase, she talked about the research, I agree with her, those researchers are good researchers. But she admitted herself that there needs to be a lot more done and in the process, there are other issues and that is why you need to get to the bottom of that.

This is a Government, Mr. Speaker, which assumes that they have brought the legislation, they brought a law, they have done something which is working, pretending that they have solved the whole problem. They do not realize that sometimes while solving a particular problem, they create another one. That is what we need to understand, Mr. Speaker and that is why it is very surprising that the Government is shooting down the motion simply because they think that they have done everything right over the years, that they have solved all the problems.

(Chorus of interjections)

HON. PROF. B.C. PRASAD.- That is not correct! I was actually shocked, Mr. Speaker, to hear my friend Honourable Dr. Reddy and his contribution. He rushed into it and the he said, “Bank is this, bank is that, bank is that, therefore everything is hunky-dory.”

I think that was the shallowest contribution I have ever heard in this Parliament on a motion that was very important. I am actually quite shocked. As I said, I want to thank the Honourable Minister for Industry, Trade and Tourism. At least she was honest about what she did and what her Ministry is planning is to do and she had some facts to point out to have reason to oppose the motion.

As usual the Honourable Minister for Economy cheers the most unconvincing contribution from the Government side. Mr. Speaker, there are number of issues that colleagues from this side pointed out. We need to look at the regulations, we need to look at the policies, we need to look at the infrastructure and there are serious issues when we look at insurance companies, life insurance, in particular, medical insurance and I talked about a number of other issues in the bank.

One bank, Mr. Speaker, the lowest salary in that bank in 2010 was \$12,000. In 2013, it went down to \$8,000. We were not even talking about what the ENI Decree to the workers in the banks, the banks are realising themselves now what had happened and I see they are now looking at pay increases for workers in the banks.

The final point I want to make, Honourable Speaker, is this argument about the financial sector, this argument about liquidity. The reality on the ground, as I had pointed out, Mr. Speaker, even today is different. The banks or financial institutions are saying something different. I am actually quite shocked, even the Honourable Minister for Economy in pointing out those figures on liquidity and he went right up to 1980. Of course \$15 million liquidity in 1980 might have been the, you know if you give it absolute numbers....

HON. GOVERNMENT MEMBER.- Numbers don't lie.

HON. PROF. B.C. PRASAD.- I know where he is coming from, numbers do not lie. Someone sent me this FijiFirst *Facebook* post, all their graphs are looking at 1980s. Of course \$50 million in 1980 as liquidity is a lot of money. So if you are looking at the figures and saying, "Suddenly, we have this very high liquidity," which is what Honourable Reddy was trying to say, is quite ridiculous. He talked about bank assets. Of course bank assets will be a much higher value today than what it was in 1980 or 2000.

(Honourable Government Member interjected)

HON. PROF. B.C. PRASAD.- Ridiculous comparison on what the liquidity levels were in the 1980s, the asset base in the 1980s than what it is now.

Mr. Speaker, there is a real impact on the economy. For example, increasing winding up orders. Lawyers are telling me that there is an increase in winding up orders because banks are not able to release funds. There are people who have had their loans approved. Their projects had stopped because the banks are saying, "We cannot release the funds, why?" That is what we are saying that we need to find out.

(Chorus of interjections)

HON. SPEAKER.- Order, order!

HON. PROF. B.C. PRASAD.- Mr. Speaker, I hope that this Government and some of the Honourable Members on the other side will develop some political maturity. They will be able to cut through the politics. Many of them claimed they are not politicians, but politicians are only on the Opposition side.

They are not politicians, they do not use political gimmicks, they do not use political propaganda but only we, on the Opposition side, use that. I mean, that is the kind of things we hear from the Government side all the time.

Mr. Speaker, let us bring about some political maturity and as was said by my colleague on the Opposition side, it is not right having all these Standing Orders, having these processes when we do not utilise that to look at issues that affect the people of this country. So, I hope, Mr. Speaker, that they will change their mind and support the motion. Thank you, Mr. Speaker.

HON. SPEAKER.- I thank Honourable Professor Biman Prasad for his right of reply. Honourable Members, Parliament will now vote.

Question put.

The Question is:

That Parliament urgently appoints a Special Parliamentary Committee under Standing Order 129 to holistically look into the banking, superannuation and financial services industry in Fiji and its impacts on consumers.

Does any Member oppose the motion?

(Chorus of 'Ayes' and 'Nays' )

HON. SPEAKER.- There being Opposition, the Parliament will now vote.

Votes cast

Ayes	:	22
Nays	:	26
Not Voted	:	3

HON. SPEAKER.- Honourable Members, there being 22 Ayes, 26 Nays and 3 Not Voted, the motion is, therefore, defeated.

Honourable Members, we have another motion. But before I call on the Honourable Adi Litia Qionibaravi, I noticed during the break that this motion, in a sense, is out of order but if you remember back earlier this year, there was such a motion that was out of order which I corrected at the first session of that day. This has been on the Order Paper all day, I have let it go, and I apologise to the House for this error.

I have let it go, but it is not going to be a precedent. Honourable Member, you have the floor.

**REBUILDING OF VILLAGE COMMUNITY HALLS AND CHURCHES  
TO BE FUNDED BY GOVERNMENT**

HON. ADI L. QIONIBARAVI.- Thank you, Honourable Speaker, Sir.

Mr. Speaker, I rise to move a motion under my name:

That Parliament calls on Government to fund the rebuilding of village community halls and churches which were used as evacuation centres and damaged by *TC Winston*.

HON. M.D. BULITAVU.- Honourable Speaker, Sir, I beg to second the motion.

HON. SPEAKER.- I now invite the Honourable Adi Litia Qionibaravi to speak on the motion. You have the floor.

HON. ADI L. QIONIBARAVI.- Mr. Speaker, Sir, Fiji is more vulnerable now than ever before from both, natural and man-made disaster. The effect of climate change is that natural disasters are more frequent and more destructive than ever before.

The regular occurrences and the high intense of natural disasters in the last decades have adversely affected all sectors of our economy. The effects include; lower domestic production, reduced employment opportunities, increased health problems and pressure on crisis, particularly food commodities.

The latest natural disaster that struck Fiji in February 2016 was a Category 5 cyclone, severe *TC Winston*, which brought the nation to its knees. The estimated value of disaster effects was close to \$2 billion. This excludes the cost to the environment which does not appear in our national figures and will, therefore, be much higher than the estimated figure of \$2 billion, Sir.

There has been three years and five months since *TC Winston* struck Fiji in February 2016. It was the first Category 5 cyclone to directly impact Fiji, and the most intense tropical cyclone on record to affect our country. It was one of the most powerful cyclones ever recorded in the Southern Hemisphere.

Mr. Speaker, Sir, the cyclone caused widespread damage and destruction, impacting over 540,000 people or 62 percent of the total population. Approximately 80 percent of the nation's population lost power, including the entire island of Vanua Levu.

The severe *TC Winston* caused 44 deaths and entire communities were destroyed, with around 40,000 people required immediate assistance following the cyclone, Mr. Speaker, Sir.

Thousands of lives were spared in our rural communities because they had sheltered in the strongest of structures in their community halls and our churches. Some were not lucky, they had to find shelter in caves. We were not severely affected and we empathised with our people who directly faced the wrath of *TC Winston*.

The Ministry of Economy's Disaster Recovery Framework that was published in July 2016, unfortunately, does not mention provision to repair the community halls or churches which saved many people's lives.

The Government's 5 Year and 20 Year Development Plan launched on the margins of COP 23 Conference in Bonn, Germany, in 2018 simply states that Government will construct the evacuation centres that are compliant to the Building Code. This is to be commended and reassuring, that evacuation centres will be compliant to the Building Code.

Be that as it may, Honourable Speaker, Sir, it is not certain whether that statement would, in the first instance, look at the needs of those villages and communities that had evacuated into their churches and/or community halls, whether the Government would prioritise their needs and move to repair these community halls. Likewise, there is no firm statement from Government that they would be repairing churches that had saved the lives of our people. This is an opportunity to rebuild and strengthen so that these structures become compliant to the Building Code.

In my own constituency, Sir, in Northland Tailevu, the *Vanua o Nawainovo* in Namena...

(Honourable Government Member interjected)

HON. ADIL QIONIBARAVI.- I have my own constituency.

...and the *Vanua of Dawasamu* in the *Tikina* of Dawasamu, the people are still raising funds to rebuild their community halls and churches. There would be others around Fiji doing exactly the same, Mr. Speaker, Sir.

It was not possible to obtain data on the damaged community halls and churches during *TC Winston*. This is a common problem that the Opposition Members face, and that is the difficulty that we meet when we request statistics and information from Government Departments. They have such fear of losing their jobs, as every request for information is referred to the Minister.

Mr. Speaker, Sir, in the event when another cyclone strikes again and God help us, not another Category 5, where would our people seek shelter? I would like to repeat the question. Where would our people seek shelter?

They have been traumatised since *TC Winston*. Surely, we do not want them to go through the same situation again. Emphasis has been placed on strengthening school buildings, health centres and homes with cyclone proof standards and the Building Code. But the question remains; how many of these have been completed and how many have remained to be completed?

The cyclone season, Mr. Speaker, Sir, will be upon us again very soon. It is more than three years since *TC Winston*, and I would like to plead with the Government to revisit its decision not to assist the repairing of community halls and churches which were damaged during *TC Winston*.

Under previous Governments, Mr. Speaker, Sir, construction of community halls and churches were part of their policies. From the Alliance Government to SVT, to the SDL Government, there was a one-third/two-third arrangement where communities contributed one-third of their cost of materials for the project, whilst Government contributed two-thirds.

Churches and community halls were constructed with solid materials and were, in fact, the strongest structures in our rural and maritime communities. This was a partnership between communities and the Government, and was in line with the National Development Goals to ensure that our communities are resilient and prepared for natural disasters. This policy of previous Governments allowed communities to take ownership of their own preparedness for disaster, whilst also supporting community resilience and solidarity.

Mr. Speaker, Sir, these community halls and churches also house kindergartens, a gathering place and centre for women and young people, to undertake their livelihood projects and self-sufficiency.

Under previous Governments, such community projects were not assisted by Government in an *ad hoc* manner, there was a process to be followed. Villages and communities submitted their proposals through their village and Tikina Councils, to the Provincial Councils and Divisional Development Committees. Then the Central government would contribute their one-third through providing, for example, labour, timber, sand or gravel, required for the construction. It was a transparent process and stakeholders work with Government.

I lament the fact that in 2011, Government ceased this policy and it is no longer available, in particular to communities whose churches were damaged by *TC Winston* to repair or rebuild. The Ministry of Economy 2015 Disaster Recovery Framework stated that the key challenge for Government is to mobilise the necessary capacity to implement recovery programmes alongside regular development programmes in a complementary fashion.

Out of this, the Disaster Help for Home Initiative was borne. That today, has seen many homes still not rehabilitated. And the private sector which is profit-driven, laughing all the way to the bank while delivering home rebuilding materials in a drip and drab, or uncoordinated manner which sees many homes destroyed by *TC Winston* still not rebuilt today.

A SODELPA Government, Mr. Speaker, Sir, would take a more holistic and integrated approach in addressing disaster management. The focus of its policy through our Manifesto will be on mitigation and adaptation, rather than reactionary which is the current practice.

This is why the SODELPA policy in its Party Manifesto, will reverse the disastrous decision to remove the Prime Minister's Department of Housing Hurricane Relief and Supplies in the Government Supplies Department. It is also SODELPA policy, to re-establish the Public Works Department, in particular the depots in rural and outer islands to assist in speeding restoration of roads and bridges after a natural disaster.

We would invest in infrastructure to mitigate the impact of natural disasters through enforcement and awareness of the National Building Codes and the implementation of the Revised Green Growth Framework. Communities would be encouraged to be self-reliant and self-sufficient in the face of disaster through planting of disaster resistant crops using traditional cropping methods.

The SODELPA policy to strengthen the Fiji Military Forces, Engineering Section, Sir, to respond effectively to natural disaster reduction and to undertake more work locally in national development. This will include assistance to communities to rebuild or construct new evacuation centres including churches and community halls in compliance with the building code as evacuation or shelter in time of natural disasters which as we all know are becoming more frequent and more severe.

In conclusion, Mr. Speaker, Sir, I reiterate that it makes sense for Government to fund the rebuilding of churches than save thousands of lives during *TC Winston* which sustained more damage as a result of that severe cyclone. I also reiterate the call for the Government to consider prioritising the repair of those evacuation halls that they had also saved the lives of our people. It is part of making our communities resilient. I thank you, Sir, for allowing me to move the motion and I commend the motion before the House and I urge both sides of the House, my colleagues to support the motion. *Vinaka saka vakalevu.*

HON. SPEAKER.- The floor is open for debate. Honourable Attorney-General, you have the floor.

HON. A. SAYED-KHAIYUM.- Thank you, Mr. Speaker, Sir. Mr. Speaker, Sir, we do not wish you to only share the burden of this motion coming through. I would like to also apologise on behalf of the Members of Government on the Business Committee that we actually had an oversight of this. Unfortunately, there are so many incorrect motions and questions being brought that sometimes we get inundated with the amount of work we have to correct from the Opposition and this probably slipped through the cracks.

Mr. Speaker, Sir, we will not speak on this motion. As such, none of us will speak from this side. The issue will not be entertained. But just to very quickly say, Mr. Speaker, Sir, that Government policy has been as has been enunciated a number of times when the Honourable Minister now for Defence and Foreign Affairs, who used to be the Minister for Natural Disaster Management since 2016 that our rebuild efforts obviously is through budgetary allocation. We cannot bring such a motion that has got budgetary implication the time after the budget has been passed.

Secondly, Mr. Speaker, Sir, we are rebuilding schools to the tune of \$242 million, of which 63 schools have been earmarked to double up as evacuation centres. There are about 77 buildings, all the schools as we have said, Mr. Speaker, Sir, are designed to withstand wind speeds of 70ms to 75ms and all of the schools that are evacuation centres double up as evacuation centres are equipped with water tanks and backup generators. There are 16 schools in Ba, there are three schools in Cakaudrove, four schools in Lautoka, eight schools in Ovalau, 13 schools in Ra, five schools in Tailevu, five schools in Taveuni, seven schools in Tavua and two schools in Yasawa.

Mr. Speaker, Sir, there is also budgetary allocation through the Ministry of Rural and Maritime Development for the construction of four evacuation centres in the following villages in Ra – Narikoso Village, Rokovuaka Village, Nalawa in Ra, Maumi Village in Tailevu and Matacula Village in Korovou, Tailevu. These evacuation centres, Mr. Speaker, Sir, are early childhood education centres and they also double up as training meetings being conducted there by Government and Civil Society Organisations for their community.

Mr. Speaker, Sir, this is what the Government has got in plan. It is also getting a lot of attraction for us for donor partners. We, of course, can speak lot more on this but as a matter of principle, we will not say anything else after this. Thank you and we of course, oppose the motion, which actually should not have been brought about in the first place. Thank you.

HON. SPEAKER.- I thank the Honourable Attorney-General. Honourable Anare Jale.

HON. A. JALE.- Thank you, Honourable Speaker for allowing me to contribute in support of this motion and although I have heard the explanation from the Minister responsible, the Minister for Economy on the stand of the Government in respect of the motion, but I think that they need to give some more thoughts to this because as I see it, community halls have really served a very useful purpose in respect of the life of rural people.

I remember when I was young, when visitors from Government would come to the village, the *turaga ni koro* had to vacate his home in order for the people to be able to meet the officials of Government when they visit islands and that was going on for some years. But I commend the action by the Government of that time to think about constructing community halls in rural areas, in particular, in villages because I do see that community hall is really a show of good governance. It is shows unity and also shows leaders in a particular area.

The reason why I am speaking on this in support of this motion is this, that Government should give some thought to this. The community halls are used for village meetings. They are used for *tikina* meetings. Really this goes towards the responsibility of Government.

The iTaukei Affairs is responsible for villages and *tikina*. The meetings that they hold in those community halls are brought down to provincial level which forms the decision of developments that have to be implemented in those certain areas.

It gives a room for youth and women to meet and the youth ministry is responsible for youth in Fiji. The women have its own Ministry also and this is where meetings are held. This is where issues that concern the communities are brought to them and that is the reason why I am pleading on the Government to please do re-think about this again because some of these community halls are aging and they are falling apart.

They need to be rebuilt for the benefit of the people in rural areas. They meet there for sports, we are encouraging sports, kids from the islands are here for Kaji Rugby and that is what the Ministry of Sports is doing to try to promote sports among the people of Fiji and I thank the people who are supporting that initiative.

Meeting for Government Officials, I think community halls are used more by Government than anyone else. When Government delegations come through, I think most of the Ministers sitting around the other side and Government backbenchers have been around and they know the importance of having community halls in rural areas. Otherwise if they were no community halls, as I said before, *turaga ni*

*koro* has to vacate his home and the family have to vacate its home one day or two just to allow those sort of meetings to take place.

The Provincials Meeting are also taking place in community halls in rural areas. It is also an evacuation centre. For some communities, I come from a community far away. We have been hit by cyclones such as *TC Gita*. We built our own community hall and it is being used for evacuation during hurricane. It was built 20 years ago and this is what I would like to recommend to the Government, they have a very rigid rule in terms of the plan and what to be observant in terms of the construction of these structures in the rural areas.

The structures in some of the rural areas in Lau were built by the old people. Ours is 20 years old, no engineering, it was not built according to the building code in Fiji but it had survived this long. I am recommending to the Government to also consider doing some study on the structures of homes in Lau. They have faced very strong cyclones in the past and they have stood there for years. Some have stood 60 years and they faced hurricanes almost every two years. And I am asking the Government to look at the structure, look at the design and why has this structure been able to withstand strong hurricanes in the past.

They are talking about building code, engineering certificates, but, our people did not use that, but they built structures so they have been able to withstand this. But I am asking the Government to please reconsider your stand with regards to community halls. I am talking specifically on community halls.

The community halls are there already, they may need money for maintenance, if they are not to construct new ones, I am asking Government to open some doors for people who have existing evacuation centres or community halls that were built at that time that require some money in order for renovation. That is the reason why I am standing to support the motion, Honourable Speaker. Thank you very much.

HON. SPEAKER.- Thank you. Honourable Biman Prasad, you have the floor.

HON. PROF. B.C. PRASAD.- Thank you Mr. Speaker. I am not withstanding the appropriateness or the validity of the motion. I think the request is very specific basically calling on the Government to build village community halls and churches which were used as evacuation centres and damaged by *TC Winston*.

So I think the request is specific for building those community halls and churches which were used. I remember, Mr. Speaker, that I visited Nabuna Village in Tavua shortly after the freak flood with the Honourable President and a few other members of the party. We realised that there was a small community hall which went under water and the villagers were really insecure about these freak floods and not having any nearer church nor community hall which could be used for evacuation centres. I think the request is appropriate and if the Government cannot do this in this financial year, they should think of concluding it in the Budget for the following year. But, I think the request is very specific and genuine and I support the motion.

HON. SPEAKER.- Honourable Saukuru, you have the floor.

HON. J. SAUKURU.- Mr. Speaker, Sir, I rise to speak on the motion before the House. First, I wish to thank the Honourable mover of the motion for her initiative and speech which I wholeheartedly support.

First of all, Sir, I wish to quote from Goal 1.5 of the Sustainable Development Goals and it states:



“By 2030 build the resilience of the poor and those in vulnerable situations and reduce their exposure and vulnerability to climate related extreme events and other economic, social and environmental shocks and disasters.”

This motion, Mr. Speaker, Sir, comes at a time when after *TC Winston* communities are still rebuilding themselves. It comes at a juncture where the threat of climate change refuses to ebb, creating the potential of further mega natural disaster and it comes at a time as a nation we are trying to implement the UN Agenda 2030 in terms of the SDGs.

Mr. Speaker, Sir, I think no Honourable Member in this House can deny the fact of not having to witness villages along the North-Western Viti Levu with damaged churches and community halls. Our friends in Vanua Levu and Maritime Zone were devastated by *TC Winston* and suffered from a similar fate.

We are appalled at how the Ministry of Rural and Maritime Development and Disaster Management has acted when it comes to the repairing of damaged churches and community halls.

Our churches and community halls, Mr. Speaker Sir, are more than a place of worship and public gathering. They are also places for humanitarian social services and has been proven, particularly in times of emergency, given the vulnerability of our communities not having stronger and safer homes.

History is testimony, Mr. Speaker Sir, that whether it was a landslide, boulders sliding down the hills, tsunami warning, flooding, hurricane or an earthquake, our villages have found comfort and safety refuge and space for themselves and their families, their visitors and workers in one of those churches or community halls that they had built as a symbol of pride, hope and sustainability in their communities.

The other important point about having a central place in every community as a gathering point in times of emergency, Sir, is in line with the Evacuation Plan. So, if there is a need for mass evacuation, the authorities know where to go to get the people rather than wasting time, finding out where the people are scattered in our rural and remote areas. That, again, substantiates the basis of this motion.

Mr. Speaker, Sir, churches and community halls were and are not only used as places of relief supply distribution in the aftermath of a disaster, but also as a place where many people are accommodated when they have lost their homes, until the aid arrive to empower them to rebuild their lives, or they have access to procure their building materials and rebuild their damaged homes.

Disasters do happen, are we prepared? This is the theme, Mr. Speaker Sir, that has been used to create awareness among our rural and remote communities about preparing, managing and mitigating disasters. Even in this context, the importance of churches and communities becoming an important element to gather and educate people, train them and prepare them to face situations of emergencies.

The alarming statistics being laid before the House by the Honourable mover of the motion is convincing. It lays down the basis and importance of this motion, given our recent past experiences and the stories that have been shared, as we continue to visit communities being ravaged by *TC Winston*, the storms and its aftermath. It is the absence of these basic services that has forced our people in the rural and remote communities suffering from poverty and access to come to urban areas where their plight is even worse without homes, jobs and safety or the comfort of their village life.

We would not want to see our people become nomads in their land of birth. Based on these reasons, Mr. Speaker Sir, I fully support the motion before the House. Thank you.

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

HON. S.V. RADRODRO.- Thank you, Honourable Speaker. I rise to make my contribution to the motion and I support the speakers from this side.

Honourable Speaker, I remember quite vividly after the Cyclone in our last term of Parliament when rehabilitation work was being raised in this House and that was the action taken by Government. It was raised, voiced in this House that renovation of community halls and churches will not be done by Government and instead, schools will be used for evacuation centres.

Honourable Speaker, having done that, it goes to show a Government that is very inhumane in its perspective, in not having to provide assistance of evacuation centres so that people could be housed during cyclones.

Honourable Speaker, it also clearly demonstrates the ignorance of the Government side of the House on the geography of Fiji.

HON. V.R. GAVOKA.- Your ignorance, absolutely!

HON. SPEAKER.- Order!

HON. S.V. RADRODRO.- Honourable Speaker, let me give this example. In the island of Yacata, the Kaibu Island Resort built the evacuation centre after the Cyclone. That evacuation centre has been used as a school right now and also has been used for all other purposes and meetings in the village.

The school from 2017 up until now, the materials are just lying there. I have raised that issue in this House on numerous occasions and I had also highlighted to the Honourable Minister for Education but up until now, the construction materials are just lying there and the contractor has left the Island. I would urge the Honourable Minister for Education to look into that.

Also, I am reliably advised, Honourable Speaker, that it is the same company that was looking after or was supposed to be rebuilding the school in Koro and also the one in Qamea, but right now the one in Koroma in Qamea is still not done. That is why Honourable Speaker, it is important that the Government take a more humanistic approach towards evacuation centres and allocate budget appropriately so that all these community halls and churches that are being used or have always been used as evacuation centres are repaired and that they are continued to be used as evacuation centres in the future.

Also, Honourable Speaker, according to the list that was published by the *Fiji Sun*, for all the schools that are to be used as evacuation centres, and I say this because this clearly demonstrates the lack of knowledge on the other side of the House about the geography of Fiji in regards to announcing these evacuation centres.

Honourable Speaker, I will give the example of Vanuabalavu because I am very familiar with it, it is Daliconi Fijian School. Do you know where Daliconi Fijian School is constructed?

(Chorus of interjections)

HON. S.V. RADRODRO.- It is about three kilometres away from the villages, and you have to climb the hill and down the slope before you can get to the school.

Also, Honourable Speaker, for Mualevu District School and it is saying that it is to be for Mualevu, Boitaci, Muamua and Malaka, these are four different villages and they are quite far away from each other. The school is located in a very different place, so how on earth do you expect villagers to make their way to that evacuation centre?

HON. R.S. AKBAR.- It is walking distance.

HON. S.V. RADRODRO.- It is not, Honourable Minister for Education, it is not. Shame on you! Have you been to Vanuabalavu, Honourable Attorney- General?

(Hon. A. Sayed-Khaiyum interjected)

HON. S.V. RADRODRO.- Take a trip there so you will know what it is like to go in ....

HON. SPEAKER.- Honourable Member, do not address the other side personally, address the Speaker.

HON. S.V. RADRODRO.- I apologise, Honourable Speaker. I mentioned that because it just goes to show their ignorance.

In regards to policy formulation, Honourable Speaker, the best policies are formulated from the bottom up and that means from the people up. This policy is coming from the top – it is top down. It has been forced upon the people.

Then they say that it cannot be considered in this Budget and may be in the next Budget, why is Budget being mentioned here as a constraint. If you can give about \$30 million in the last four years for International Golf Tournament, why not to the rehabilitation of our people in regards to evacuation centres, Honourable Speaker? That just goes to show ...

(Chorus of interjections)

HON. SPEAKER.- Order, order!

HON. S.V. RADRODRO.- ...how inhumane they are and that has been translated into their inhumane policies and progress, Honourable Speaker. If they are human enough, putting on their human lenses, they will look for the money to assist this community in regards to the repair of community halls and churches.

(Chorus of interjections)

HON. S.V. RADRODRO.- Honourable Speaker, let me remind the other side of the House, that actions speaks louder than words. The fact that they are not considering any budgetary allocation in regards to the renovation or the repair of community halls and churches as evacuation centre speaks volumes on how the Government side view our people in times of disaster.

Therefore, Honourable Speaker, I know the Honourable Attorney-General had mentioned that they will not contribute to this debate, which strongly suggest that they will not vote for it, I would urge the Government side to put on their human lenses and look at this issue from a humanistic perspective so that, Honourable Speaker, our people are much safer during disaster times. Otherwise, the Government will be using more money in times of disaster because the Government has failed to provide evacuation centres. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Member. Honourable Navurelevu, you have the floor.

HON. RATU T. NAVURELEVU.- Thank you, Honourable Speaker, for allowing me to contribute to this debate on the motion.

First of all, I commend all of us in this House who live in the rural areas and those of us from there would support this motion because we are much familiar with the facilities and the needs in rural areas.

I understand that the previous Government and this Government used to allocate funding for community halls and churches but then later on, they stopped this assistance due to the fact that the Government says that the project is uneconomical. One may argue that the project is uneconomical but apparently, the multi-purpose hall and the churches are social places of gathering and a place where several religion develop their plan for social and economic activities. That is why we plead to the Government if they can reconsider their stance and assist community halls.

Another factor is that, the community hall serves as an evacuation centre to protect lives of the people which I believe is the fundamental function of the hall. Another function is that it provide facilities to Government if they conduct workshops in villages.

Therefore, Honourable Speaker, Sir, I plead to the Government to only consider our stance. I also plead to the Honourable Prime Minister if they can reconsider, as the Honourable Prime Minister promised last year to assist the community hall at Vunivutu Village. Thank you, Honourable Speaker, Sir.

HON. SPEAKER.- I thank the Honourable Member. Honourable Mitieli Bulanauca, you have the floor.

HON. M. BULANAUCA.- Thank you, Mr. Speaker, Sir. I will be brief in supporting the motion. This is a good motion, particularly the buildings and improvements are already there, that have been damaged by *TC Winston*. The Government has contributed to it for various reasons.

We know there are various good purposes for those community halls or churches. Meetings are held in community halls, it also houses the kindergarten, you have office for the *Turaga ni Koro* there, and any other gatherings you may want to have is done there so it is very important.

It is important that the Government supports that and we look forward that the Government will support this motion.

It is important that not only the schools that we look forward to as evacuation centres, we do support the assistance that were made to the schools, but the schools are too far away from where the problems are in the village or in settlements. It is important that you help them so that they can bind. So, it is important for villages and settlements to improve those halls and even churches.

Even for churches as well, it is important to support those churches particularly the churches that encourage good, truth, peace, love, harmony and that brings about love here in Fiji in history, today and tomorrow. It is important to assist that whether you are Christian, Muslim, Hindu or Chinese as long as you promote peace, harmony and love; why not help. The blessings will come; eventually the blessings will come.

It is important that we help them. Do not be frightened of helping of what God has required us to do in order to spread His Kingdom of Heaven and His Will here on earth. With those few words, Honourable Speaker, Sir, I support the motion.

HON. SPEAKER.- Honourable Tikoduadua, you have the floor, the last speaker.

HON. LT. COL. P. TIKODUADUA.- Thank you, Honourable Speaker. Honourable Speaker, a short intervention. Honourable Speaker, I spend this few moment to support the motion that is before the House and perhaps to extend it not only to village churches or community halls but to places where be it in the rural or also in urban and peri-urban where there is a need because of the kind of homes that people have that there needs to be a close enough place for them to go and also to alleviate their concerns about the security for their own homes.

Honourable Speaker, I think all the Honourable Members of this House have been long enough, we have experiences of cyclones. I remembered my first worst one that I went through when we took refuge in not a community hall, we did not have one but at the house of our local chief. It was *Cyclone Bebe* in 1972. We all have had our experiences.

I am not sure how many Members of this Honourable House actually live within that red shaded area of *TC Winston* as it came from the Lau Group towards mainland Viti Levu and out towards the sea. I happened to be in that area. In my home village that was really, really far from a school, I actually have to travel so many kilometres to get there.

Now, the Honourable Minister for Foreign Affairs and Defence will tell the House the difficulty for DISMAC at that time to ask people to leave their homes because of their concerns about their valuables and their homes at the time of hurricane. The police come out to try and control the people so that they do not wait around during a cyclone because people actually do take advantage of that. So, the natural tendency is for parents to stay at home even though the benefit for the school is there for them to go there. It would be reasonable then, Honourable Speaker, that due consideration should be given for Government to assist in the construction of cyclone certified buildings for communities as a place so they can go to.

Now, we are very all aware of the standards of our homes in the rural. Many of them are not engineered certified to withhold a Category 5 cyclone. That is the reality and the reality also, the people who live in these homes are going to take forever to build their own homes which is the ideal thing to do, to stay at home when a hurricane or cyclone or Category 5 comes again but the truth is, it is going to be a long time before that happens and that is an area where we can influence decision where people can actually be safe.

The school may not necessarily be an answer, Honourable Speaker, because, let us take the example of Nauouo and Vatukalo, both islands in Ovalau where the closest school walking distance is St. John's College got ravaged as well in the cyclone. That would be the closest one and then when the school was rebuilt, a Category 2 cyclone came around and then just lifted the whole roof again. So that speaks of another issue in terms of the quality of the rehabilitation and who we give the work to, to try and do the work.

But the fact remains Honourable Speaker, that it makes good sense; to have centres around our community that are certified where people will feel safe to go into. Ideally very close to their own homes and village halls and community churches are ideal and it will give them some comfort and not to go afar as to go to the nearest school which can be so many miles away from their own homes as earlier alluded to by other Members of the House.

Also there has been a lot of work that Government has done with regards to rehabilitation of *TC Winston*. School is about our children, school buildings are about families and as well as community halls and churches. It would make good sense and I am not only talking about here any iTaukei village or community, but everyone that would be in need because of the quality of their homes.

I say here also, Honourable Speaker, because we all listen to the weather bulletin as *TC Winston* was coming through and the projection was that it started that it would come down towards Suva then it went up. I happened to be directly in the path of it the following morning because I was coming back from Ovalau after visiting my daughter on the very morning that it struck. But the evening, as we were listening to the weather bulletin and it was saying that it was going to come down south.

My thought was on the communities, for example, Veiquwawa, and all these settlements who are living in tinned shacks. They did not really have these spaces to go, so they may be worried also about their valuables and their family. So a school is good but may not necessarily be the only answer.

I would urge the Government here today to consider this motion that it would make absolute good sense to keep the communities close to their homes and if not, for a church or village community hall but to build something where they can all go to particularly now when they cannot afford to build homes that are cyclone certified. Thank you.

HON. SPEAKER.- Honourable Adi Litia Qionibaravi, you have the floor for your right of reply.

HON. ADI L. QIONIBARAVI.- Thank you Mr. Speaker for giving me the opportunity to give the right of reply to commend the motion before the House, Sir.

I thank the speakers who have supported the motion. I also thank the Honourable Attorney-General for Government's response. It is an alternative solution, but not really hitting the gist of this motion. The motion is simply to request Government to revisit their decision not to repair evacuation centres and the churches. It is about restoring assets that had saved people's lives but damaged in the process.

It is about ensuring the safety of our people, should another cyclone hit Fiji again. It is about being a responsible Government and providing for the needs and safety of its people. It is about mitigation and adaptation. It is about identifying the people's need for safety and security and rising up to the occasion to meet those needs.

It is about ensuring that our people are not traumatised again, should a vicious cyclone hit Fiji again. We want to build resilient communities, we want them to be self-sufficient. The one-third/two-thirds scheme is an appropriate policy that engenders partnership and dialogue with Government while enabling communities to take responsibility for their safety and their community in terms of natural disaster and promote the ownership of their development.

Honourable Speaker, as mentioned by one of my colleagues, if Government looks at this issue from a humanistic perspective, they will find the funds to work with communities. It is unfortunate that I cannot speak in my own tongue to give a special appeal to the Prime Minister to reconsider Government's position. On that note, I respectfully commend the motion before the House. *Vinaka saka vakalevu.*

HON. SPEAKER.- I thank the Honourable Adi Litia Qionibaravi for her right of reply.

Honourable Members, Parliament will now vote.

The Question is:

That Parliament calls on Government to fund the rebuilding of village community halls and churches which were used as evacuation centres and damaged by *TC Winston*.

Does any Member oppose the motion?

(Chorus of 'Ayes' and 'Nays')

HON. SPEAKER.- There being opposition, Parliament will now vote.

Votes cast:

Ayes	-	21
Noes	-	26
Not Voted	-	4

HON. SPEAKER.- Honourable Members, there being 21 Ayes, 26 Noes and 4 Not Voted, the motion is therefore defeated.

Honourable Members, before we break for dinner which will be served in the Big Committee Room, I would just like to announce that the long ranger, Honourable Vijendra Prakash has gone to hospital but the latest report that I have got that he is well and his doing fine. So we break for dinner for one hour. We are adjourned for dinner.

The Parliament adjourned at 7.08 p.m.

The Parliament resumed at 8.07 p.m.

HON. SPEAKER.- Honourable Members, the first Oral Question for today has been withdrawn. So we will move on to the second Oral Question for today and I give the floor to the Honourable Dr. Salik Govind to ask his question. You have the floor, Sir.

## QUESTIONS

### Oral Questions

#### Blackrock Camp Project (Question No. 150/2019)

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

We are continuously hearing of the progression of the Blackrock Camp Project and its immense benefits to the Republic of Fiji Military Forces. Can the Honourable Minister for Defence, National Security and Foreign Affairs explain to Parliament how this initiative of Government is also beneficial to the communities surrounding Blackrock and generally as a whole for Fiji?

HON. LT. COL. I.B. SERUIRATU (Minister for Defence, National Security and Foreign Affairs).- Thank you, Mr. Speaker, and I wish to thank the Honourable Member for his question.

I did not realise that in my recent responses to questions on Blackrock, it was rather one sided, just concentrating on the benefits that it brings to the institution and, of course, to the country without shedding some light on how it benefits the whole community as well.

Of course, Mr. Speaker, Sir, this project is not only about the infrastructure itself but it contributes towards the overall security of our country. Let me quote the words of the Honourable Minister for Economy during his Budget Address for the 2019-2020 Budget in which he stated, and I quote:

“When Government builds a public road that road does not belong to Government. It belongs to Fiji, it belongs to every Fijian.”

So it is the same with this project. Of course, I vouch for the fact that this project will greatly benefit every Fijian.

Mr. Speaker, Sir, Government is very much promoting in its values what we call the inclusivity and this project is no exception. Although the Blackrock Project is a development that is seen to be directly an enabler for enhancing our peacekeeping and Humanitarian Assistance Disaster Relief (HADR) efforts, it has many other significant direct and indirect impacts for the communities and businesses that surround the Camp, and not only for Votualevu and Nadi, but for the whole of Fiji as well.

Mr. Speaker, Sir, for the Votualevu, Nadi locality where the Blackrock is situated, the project is immensely beneficial and directly impacts the surrounding communities. This is evident in the associated surrounding infrastructural upgrades that have been identified as a result of the Blackrock Project.

Mr. Speaker, Sir, let me start with the jobs that it will create. Apart from the engineers from the Australian Corp of Army Engineers and the design which is done by a local company, all the contracts are awarded to Fiji-based companies or local companies. And during the early stages of the Project, it



will create about 22 new jobs and when the project is in full mode, it is estimated that it will create about more than 500 plus jobs.

For the benefit of this august House, Mr. Speaker, Sir, civil works have already started. I was in Nadi two weeks back after returning from Lautoka, the civil works at Blackrock Camp has already started. Again, in that area, it is still probably classified as part of the Nadi Rural, but, of course the local community will benefit as well from some infrastructural work, particularly the extension of the main sewer reticulation system.

In that area, I think it is already in the Ministry of Infrastructure project. Of course, with Blackrock, it will provide the opportunity for communities in there to gain from that as well. The same thing with the road conditions, tarsealing of that road network and the potential for enhanced communication through the use of the fibre optic network capability.

I think I have stated already in this august House about the medical facility because the Ministry of Health was contemplating on building a facility in Votualevu but with the Blackrock Project, the medical facility will be right next to the guardhouse, thus this medical facility (Level 2 medical facility) will be accessible to the communities in Votualevu.

I have also talked about how it will benefit the local communities because the Nadi City boundary, I think, goes as far as Waimalika, if I am correct, that bend. So this area is within that boundary, thus it will create a lot of differences as well when we are moving towards the city status for Nadi.

Lastly, Mr. Speaker, Sir, if I may, on the business aspect once the Camp becomes operational, the economic multiplier effects will be considerable as the Camp will have the potential to create more employment. I know for a fact that the business community will move into that area as well, given the number of people who will be there permanently and those who come in temporarily when training is conducted at Blackrock.

That very briefly, Mr. Speaker, are some of the benefits to the communities when the Blackrock Project will be under construction and, of course, completed as well. *Vinaka*, Mr. Speaker Sir.

HON. SPEAKER.- I thank the Honourable Minister.

Honourable Members we will move on to the third Oral Question for today. I give the floor to the Honourable Leader of the Opposition, the Honourable Sitiveni Rabuka. You have the floor Sir.

Foreign Direct Investment and Local Private Sector  
(Question No. 151/2019)

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA asked the Government, upon notice:

Can the Honourable Attorney-General and Minister for Economy, Civil Service and Communications provide an update to Parliament on the anticipated investment from Foreign Direct Investment (FDI) and from Local Private Sector to support reduced public sector investments in 2019-2020 financial year?

HON. A. SAYED-KHAIYUM (Attorney-General and Minister for Economy, Civil Service and Communications).- Thank you, Mr. Speaker Sir. I wish to thank the Honourable Member for his question.

Mr. Speaker, Sir, basically I would like to just respond to a couple of questions earlier on which goes into investment, creating the right investment climate. I had mentioned yesterday about the Review

of the Customs Act, and the New Zealand Government is actually helping us with that and the IMF is also helping us to rewrite the Stamp Duties Act which actually has not been revised for quite some time.

The Honourable Salote Radrodro had also raised the issue which, again, it goes about economic empowerment and leads on to creating stability and, indeed, giving those who perhaps, maybe in the margins of society to give access to economic activities, the writing of Wills she had mentioned. I also mentioned to her about Legal Aid.

Legal Aid in 2017 from January to December drafted 540 Wills. From January to July 2018, they drafted 834 new Wills, and from August to July of this year, they drafted 1,511 Wills.

Apart from doing all the other services, they do provide this service. Mr. Speaker, Sir, the reason why I thought I would highlight that is because it is creating the right environment for everyone to participate in, particularly in economic activity.

Mr. Speaker Sir, over the past 10 years from 2008 to 2017, investment has averaged around 20 percent of GDP, which in today's dollar means an investment level of over \$2.2 billion annually.

Government's investment has increased during this period, however, the private sector, including FDI, has also remained high and continues to be a major component of the total investment.

Of this level of investment, the components are broken down accordingly, Mr. Speaker Sir. Two-thirds of the total investment is by the private sector of this 20 percent, followed by Government at the rate of about 20 percent, and the public statutory bodies contribute about 10 percent.

The value of the private sector investment has substantially increased from \$609.1 million in 2007 to around \$1.15 billion in 2017. The key lead and lag investment indicators have shown significant growth to total value of work put in place is registered double digit growth since 2013. Both the number and value of building permits issued has increased, data on investment lending by commercial banks, construction activity and imports of investment goods have all shown strong growth.

Of course, as the Honourable Leader of the Opposition would know that sometimes when you have registrations of foreign direct investment, it does not automatically and immediately translate into the actual implementation. There is a bit of lag period, however, the flourishing level of investment over the past decade is not only been achievable through an attractive and conducive investment environment.

Government as you know, Mr. Speaker, Sir, has provided a very low taxation regime; 20 percent for Corporate Tax as highlighted yesterday, 10 percent on listed companies, and of course personal income tax has been reduced significantly. But I think more importantly, what is making us attractive is the streamlining of the taxation processes and of course, we want to further refine it.

I think Honourable Professor Prasad, who unfortunately is not here, said that we do not actually acknowledge things that need to be done. We have always said that. What we are saying is, we are continuously seeking to improve. It is not about sort of political holding onto, the reality of the matter is that if we want to survive in the 21st global world, we have to continuously remodel ourselves. Continuously be thinking about how best to do this next. What is the next best thing to do? The example that I gave was, a few years ago when I visited Singapore, it used to take them at that point in time 15 minutes to register a company. But they thought it was too long, they targeted three minutes.

This is how we need to be able to use those kinds of benchmarks to be able to aspire to. Of course, Government is very mindful of the need to maintain high private sector investment, Mr. Speaker, Sir. As we have said in this year's Budget as we have seen, we have invested quite significantly in the area of

digitalisation. We are working again with Singaporeans who are proving to be very good partners, they have a good track record.

Of course, as announced with the business in our reform Committee, the range of taxation initiatives were also announced in the Budget. For example, we have got new incentives if you build new warehouses, specifically or if your business that builds a new warehouse, ICT, hotel investments and one area that we are quite excited about is in the area of age care and retirement villages.

We think there is enormous opportunity in that case in particular with the commencement of the running of Lautoka and Ba Hospitals by an international certified hospital that will provide a range of tertiary medical facilities, which will then mean that it becomes a lot more attractive to have retirement villages. For example, if a retiree or an aged person has a heart attack in the middle of the night, they know there is a hospital around the corner where they can get cardiovascular ailments being treated.

As we have highlighted that in the services sector, we think that there is lot of opportunity for Fiji. There has been a joint economic trade group that has been put together, a group of academics by the Australians and they are yet to give their report and we look forward to receiving their report because they are looking at the various economic opportunities that can be exploited between Australia and Fiji.

Mr. Speaker, Sir, in respect of investments, some of the major ones and of course there are lot of small ones taking place but just to highlight, we have the new Fijian Holdings Tower that is going up this year. It approximately costed \$60 million. We had the Damodar City going up in Labasa about \$40 million, the Shirley Park Hotel development which is a conglomerate between Fijian Holdings, Meghji Group and the R.C. Manubhai Group at \$35 million, Vodafone is spending about \$200 million and of course the FNU Labasa Campus.

In addition to that, Mr. Speaker, Sir, the acquisition of the, what we call the “Starwood properties” now under the Marriott Group, the hotels will be closed for a period of time later on this year for major refurbishment work, we understand it would be quite a significant amount of work.

We are currently also, Mr. Speaker, Sir, talking to FNPF in respect of collaboration in building a new convention centre together with a casino for which they have been given the license for. The latest RBF survey, Honourable Leader of the Opposition shows that 70 percent respondents have given very positive sentiments for the next 12 months, 66 percent of businesses will be investing in plant and machinery, so they are not necessarily building but they are actually upgrading, 52 percent would be investing in buildings over the next 12 to 18 months.

In terms of Foreign Direct Investment (FDI) averaged round about \$704.3 million per year in the 2014 to 2018 period and it is forecasted to be around \$706.1 million in 2019 to 2020. For 2020 and 2021, Mr. Speaker, Sir, we expect FDI to increase by about 5 percent in line with the growth in nominal GDP. Thank you, Mr. Speaker, Sir.

HON. SPEAKER.- Thank you, Honourable Attorney-General. Honourable Leader of the Opposition.

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA.- A supplementary question, Mr. Speaker, Sir. I thank the Honourable Minister for his response and he has given me the response for the first supplementary question on the amount. What is the source of that? Is it all local or foreign and if possible the impact of that on the economy and workforce, et cetera? Thank you.

HON. A. SAYED-KHAIYUM.- Mr. Speaker, Sir, I thought I answered that first part of the question, that Foreign Direct Investment is expected to be around about \$706.1 million for the 2019-2020

period. Of course, some of it would be in partnerships with local investors, so with the Direct Investments. I do not have the figures to where exactly they are coming from, what percentage and from which countries?

Of course, we like to expand our risk by having more, different countries coming into the space, for example, with Aspen coming in, they have a requirement to build a 200-bed hospital. So that is a source of investment from them, coupled with FNPF. There are other types of investments obviously that are coming in but we also have some domestic investments too.

One of the things, of course, we would like when foreigners do come in, we like them to bring as much foreign cash as possible as opposed to coming in here and borrowing from our institutions. So that is one of the key indicators that we are looking at. Some of it, of course, could be in respect of investments in Fiji like a few years ago we had the Aitken Spence actually investing in the Fiji Ports Corporation Limited. Recently when we sold the Government Printery it was the joint venture between the Aitken Spence Printing arm and Fijian Holdings so they brought in of course their own cash in respect of that. Thank you.

HON. SPEAKER.- Thank you. You have the floor Honourable Leader of the Opposition.

HON. MAJOR-GENERAL (RET'D) S.L. RABUKA.- First of all, we welcome the statement about reducing the time for setting up businesses, registering them. I remember that in the debate on the Budget we spoke about online registration of companies. The Honourable Minister knows that, that is exactly what De soto wrote about in 'The Mystery of Capital', about 'Why Capitalism Thrives in the West and Nowhere Else'. It is about the length of time. What else are we are doing to reduce the amount of time to set up investments and process the various instruments to go into those investments. Thank you.

HON. SPEAKER.- Thank you. Honourable Minister for Economy.

HON. A. SAYED-KHAIYUM.- Thank you Mr. Speaker, Sir. Mr. Speaker, Sir apart from the digitalisation process is the actual regulations themselves. So just to give an example, recently when we did some work in respect of the approvals for building permits, when we brought all the, I think there were about 13 agencies, we brought the 13 agencies that are actually involved right from your National Fire Authority, Town and Country Planning, OHS, et cetera.

When we brought them in and we got them all sit down in the same room and looked at what they all required, there were a lot of the requirements that were a duplication of each other. So just by bringing them into one room and getting them to agree to the information required, we reduced the processing time by 40 percent without even requiring and without even the intervention of the digitalisation process. So a lot of it has to do with the laws.

We are currently working on the fact that we can work towards having a one window application and that one window application, for example, should have sufficient information to be able to satisfy the regulatory requirements of all the different agencies. But overall, Mr. Speaker, Sir, we need to be able to look at how we can perhaps get rid of some of the old regulations.

I will give you an example, we have a provision under the LTA Act, the regulation that I think Honourable Karavaki, who was one of the drafters at that point in time and who was here in the last term. In those days when it was drafted, if you, for example, have a business of hired cars and if I have an application for hired cars and start up a business, maybe, I have 10 vehicles. Every time I want to expand my hired car business, under the regulations, LTA can only give you approval for five so even though

you require 20 they can only give you approval for five. You make the approval for that five then you make approval for the other five, then the other five and the other five which is ridiculous.

But in those days, it may have been suitable, but now it is no longer suitable. So for example understanding new businesses like nowadays if you have a hired car business, you do not need a huge yard, you do not need to have a huge office, because most of the people book things on this thing (indicating mobile phone). You have an App or people book their requirement for a hired car on the phone. You do not need an office, you do not necessarily need a reception. People come to you directly. So, those are the kind of things that we can also do and we hope to do in this process to be able to shorten the time in terms of processing applications. Thank you.

HON. SPEAKER.- Thank you. We will move on to the next question for today, the fourth oral question and I give the floor to the Honourable Alvick Maharaj to ask his question. You have the floor, Sir.

2019 National Women's Expo  
(Question No. 152/2019)

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

Can the Honourable Minister for Women, Children and Poverty Alleviation inform Parliament about the National Women's Expo 2019?

HON. M.R. VUNIWAQA (Minister for Women, Children and Poverty Alleviation).- Thank you, Mr. Speaker, Sir.

The Women's Expo which occurred earlier this year emanated from the selection of 500 women through Divisional Craft Shows held in Central, Western and Northern Divisions and for the Eastern Division because of the challenges faced in relation to getting all the women together. We had pocket craft shows in Kadavu (two locations) and Rotuma. For Lau, there were consultations with women's groups where they got to have an input into the selection of women from the Lau Group.

The 500 women artisans, Honourable Speaker, Sir, as you would know the National Women's Expo started back in 2014, an initiative under the leadership of the late Honourable Dr. Jiko Luveni. And over the years from 2014 this particular event would rake in quite a bit money for the women who took part in it. In 2014, \$133,000, to over \$0.5 million now in 2019 when accumulated with takings from the Divisional Craft Shows.

At the time the idea behind it was to celebrate the talents of Fijian women particularly women living in rural areas and maritime zones. And because of the success of this particular event, there is now over the years has been a gradual transition into using the event as a very strong platform for the economic empowerment of women in Fiji.

The figures speak for itself; the amount of money that these women would collect in the space of three days indicating a great success story. The enhanced quality of the products that we get to see at the Women's Expo over the years in collaboration with the Ministry of Industry and Trade through the Fijian-made and Fijian-crafted licensing.

We have now seen around 239 women in total from 2014 to date that have now received the Fijian Crafted Licence. This year alone, 63 women were licensed. So, from this year, Honourable Speaker, Sir, we are now starting to graduate women out of the National Women's Expo. It basically means that we have identified women who have shown their ability to carry on with a sustainable

business, future plans for expansion, consistent source of income and they have graduated out of the Expo to give an opportunity to other women, who may not have had an opportunity to access markets, to be able to join the National Women's Expo.

This year, five women graduated out of the Expo. One of them, at least, who managed to get the most amount of money at the Expo, in the three days she collected over \$13,000. So, that is the kind of ability that these women from maritime areas and rural areas have in relation to earning a livelihood for themselves and their families.

Apart from the selling of handicraft itself, there were also ancillary services provided for the women who were participating at the Expo. This included financial services. Some of these women may never have had a bank account, they were able to open a bank account. There were services provided by the Ministry of Justice through the Births, Deaths and Marriages (BDM) Office and also the Companies Registration Office.

What is the plan in relation to the National Women's Expo? Given the great potential it has, in not only as a platform to elevate women from:

1. producing handicrafts for subsistence and cultural events to actually using the same to earn a livelihood for themselves; and
2. to graduate women from the informal sector into the formal sector.

With that, we are working very closely with Non-Government Organisations (NGOs), particularly Women In Business and also Ministry of Industry and Trade and there has been vast interest by foreign Governments and donors in supporting this Government initiative in assisting our women, particularly those in rural and maritime zones in getting into the formal sector.

Honourable Speaker, in a nutshell, that is what the National Women's Expo, the thinking behind it, where we are at now and where we intend to take it to in the years to come. Thank you.

HON. SPEAKER.- I thank the Minister.

HON S.V. RADRODRO.- A supplementary question, Honourable Speaker.

HON. SPEAKER.- You have the floor.

HON S.V. RADRODRO.- Thank you, Honourable Speaker, and I thank the Honourable Minister for that presentation on National Women's Expo which is multi-functional and multi-pronged. It is not only economical, it is also a fund interactive setting for our women. My question is, how can the Ministry assist women with their leftover products that are not sold after the Women's Expo? Thank you, Honourable Speaker.

HON. SPEAKER.- Thank you, Honourable Member. Honourable Minister, you have the floor.

HON. M.R. VUNIWAQA.- Thank you, Honourable Speaker. As I said, when the Women's Expo started, it was an attempt to celebrate the talents of women and after that first event, there was thinking along the potential to make this an economic activity, and marketing becomes a very important aspect of that. It is something that the Ministry has been working at for some years for some time now, to find a sustainable market for these products.

I am happy to say that there is currently a project was launched about two weeks ago. It is called "Catalysing Women's Entrepreneurship." A part of this is the use of basically IT - communications technology to enhance the ability of women to economically empower themselves, and marketing would be a critical component of this.

Apart from that, there is also progress on the ground to brand the National Women's Expo and the ancillary rural women's fashion show to make that a vehicle to identify products coming out of the National Women's Expo, to make it a marketable product.

As indicated earlier, Honourable Speaker, Sir, that one great achievement of the Expo has been to elevate the quality of the products that are coming out. In order to meet market demands and when we talk about handicraft, it is mostly the tourism market that we are looking at. And to do that, quality standards need to be enhanced, and this is something that has been gradually achieved through the Women's Expo. I have given some numbers in relation to that, it is work in progress and I believe the Fijian women, we can continue to enhance these products to meet the market needs in the particular areas that they are working in.

And to also support the work of women in this regards, the Ministry is venturing into a value chain analysis. It is basically an identification of five products emanating from the National Women's Expo to look at the whole value chain from raw materials to the market and see where women can get into groups basically to supply the need, if there is, in various markets within Fiji that would vie for such products. Thank you, Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Minister. We move on to the fifth Oral Question for today and I give the floor to the Honourable Peceli Vosanibola to ask his question. You have the floor, Sir.

Assistance Available to Resource Owners  
(Question No. 153/2019)

HON. P.W. VOSANIBOLA asked the Government, upon notice:

Can the Honourable Minister for Forests inform Parliament what assistance is available to resource owners to obtain a logging license?

HON. O. NAIQAMU (Minister for Forests).- Honourable Speaker, Sir, I rise to respond to the question raised by the Honourable Peceli Vosanibola and I thank the Honourable Member for his question.

Honourable Speaker, Sir, obtaining a right licence for logging or harvesting is multi-disciplinary. There are various stakeholders involved in the processes and documentations before a licence can be issued.

When resource owners express their intent to log, this requires documents or approvals from the iTaukei Land Trust Board, the Ministry of Environment, the Ministry of iTaukei Affairs and the Ministry of Forestry. Each of these agencies provide assistance at various steps involved in the process of obtaining a right licence, depending on what support is required and who is best suited to provide it. These licensing authorities are mandated in the processing of the licences at different phases.

The Ministry of Forestry, as part of its services, can assist resource owners by providing technical advice on the processes involved, as well as on the documents required to facilitate the issuance of licences.

Honourable Speaker, Sir, native land resource owners who wish to obtain a harvesting licence, requires them to firstly obtain, at least, 65 percent consent from their own landowning unit. They need to consult or seek advice from the relevant licensing authorities on the best logging contractors that will harvest their forest areas.

Honourable Speaker, Sir, the Ministry of Forestry is authorised to manage forest resources sustainably in an accountable and transparent manner without compromising environmental integrity and health and safety of workers. This is why they need to obtain an EIA and develop harvesting and management plans.

Once the Ministry receives all these documents, it can then undertake ground-truthing or validation before issuing a harvesting licence. The process ensures that all parties concerned are bound to deliver as per the standards required, while my Ministry will provide the necessary training for compliance to the forestry laws and regulations.

Our services does not stop there, Honourable Speaker, Sir. The Ministry staff also monitor operations and ensure that areas harvested are rehabilitated to standards, which ensure regrowth to near natural state over time.

Furthermore, the Ministry of Forestry website has the business guide which provides a flow chart clearly defining the steps and processes, as well as documents required for submission and the agencies these need to submit to.

Honourable Speaker, Sir, my Ministry is also providing technical advice to assist the forest resource owners by training them to sustainably manage their resources and by equipping them with adequate knowledge through our training programmes. These training programmes include the usage of chainsaws to assist communities in harvesting logs within their private woodlots. We also conduct portable sawmill training for processing of timber to meet the housing demands within our rural setting.

Furthermore, we expand our training on preservation treatment plants to our communities for them to obtain the best quality and durable timbers for the construction of their homes. This will benefit the houses built in our rural communities from deteriorating at a faster pace and will provide solid structured houses to withstand natural disasters and unfavourable weather conditions.

Honourable Speaker, Sir, we also provide technical business advice and assistance towards our local resources owners in having collaboration with the Fiji Development Bank on our SCARF Programme which is a financial loaning scheme that assists applicants in procuring harvesting and timber processing machineries.

The SCARF programme is to assist our communities on venturing into the business world of timber trading. Our focus is to ensure that our local forest resource owners are given fair opportunities to harvest their own resources and market them, so that they can also contribute to the growth of our economy through the forest sector and improve the standard of their lives through the monetary values gained from the timber trade.

As part of our business processing programmes, we are now working towards providing some of the approval processes online to improve operational efficiency, transparency and accountability. This is



in line with Government's overarching goal to improve the ease of conducting business in Fiji. Thank you.

HON. SPEAKER.- Thank you, Honourable Minister.

Honourable Litia Qionibaravi, your supplementary question.

HON. ADI L. QIONIBARAVI.- Thank you, Sir. The Honourable Attorney-General spoke on peppercorn rent this morning. That was done because there was a clear understanding that the landowning units would benefit generously at the time of harvest.

My question is, what timber grades are the landowning units allowed to carry out after their logging licence is approved?

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

HON. O. NAIQAMU.- Honourable Speaker, is the Honourable Member referring to the Mahogany?

HON. ADI L. QIONIBARAVI.- Yes, I am.

HON. O. NAIQAMU.- For all other species, they were given the machineries to concentrate on all the grades.

HON. SPEAKER.- Honourable Bulanauca.

HON. M. BULANAUCA.- Honourable Speaker, thank you for giving me the opportunity to ask a supplementary question. I thank the Minister for explaining the processes – the processes for applying for a logging licence, processes for documentation, processes for training and processes for business awareness in order to get finance from certain agencies. But that is not answering the question.

(Laughter)

HON. M. BULANAUCA.- The question is, what assistances are given, particularly financially. Where is the assistance financially, is it from the Forestry Department or from the SCARF Programme or other SME programmes?

HON. SPEAKER.- Honourable Minister.

HON. O. NAIQAMU.- Honourable Speaker, I had clearly explained the assistance that is given to the resource owners.

HON. J. USAMATE.- Hear, hear!

HON. SPEAKER.- Honourable Member, you have the floor.

HON. M. BULANAUCA.- I just want to explain, Honourable Speaker, Sir, before you are issued with a logging licence, you go through all that. The very important thing that you are awarded by the logging licence is when you have machineries, equipment, expertise, experience, funding and finance in order to actually go into business in the logging area.

That is why I am asking, is there any financial assistance through SCARF or SME programme and so on. Thank you.

(Chorus of interjections)

HON. SPEAKER.- We will move on. Honourable Member I thought Honourable Minister had answered the question fully in the initial question. We will move on to the next question.

The sixth oral question for today and I give the floor to the Honourable Joseph Nand to ask his question. You have the floor, Sir.

Access to Secondary and Tertiary Level Care  
(Question No. 154/2019)

HON. J.N. NAND asked the Government, upon notice:

Can the Honourable Minister for Health and Medical Services inform Parliament on what strategies are in place to ensure that rural Fijians have access to Secondary and Tertiary Level Care?

HON. DR. I. WAQAINABETE (Minister for Health and Medical Services).- *Vinaka vakalevu*, thank you Honourable Speaker and I thank the Honourable Member for that question.

I thank you for that question because it answers a lot of questions that people around Fiji have in terms of accessing secondary and tertiary level care in the rural areas and in the maritime areas. The World Health Organisation and Fiji has embarked on Universal Health Coverage (UHC) which is providing equity in access to health services irrespective of wherever we are.

The services provided should be of high quality and will be reaching the unreached, decreasing out of the pocket expenses and also we ensure that we leave no one behind. And this implementation of UHC differs from nation to nation. A few first world countries have achieved 100 percent, one of them is Netherlands.

For middle to low income countries, their percentages are lesser than that. We are quite fortunate that we have begun discussions with WHO recently in February and also in May when I was there recently in Geneva, and also with our people here on the ground with WHO Regional Office and we intend to form a project position and a project within the Ministry of Health with funding from WHO to be able to assess the impact of our UHC in Fiji.

Honourable Speaker, the services that are provided, one of the things that we have done in the Budget to an extent in the last financial year into a greater extent in this financial year is increasing our outreach services. We are allocating a dedicated budget in the Ministry and specifically for outreach services.

We are increasing the frequency of outreach services and also increasing the number of specialists that are providing the outreach services. The outreach services are conducted to the Subdivisional Hospitals and to the Maritime Hospitals and Health Centres. Recently as we talk, just within the last few weeks, we had specialists come back from Kavala Health Centre, Vunisea Hospital and last week Friday from Sigatoka Hospital.

Another concept that we have had running in CWM for the last 10 years is what is called hospital in the home where we have patients who have come and are unwell, maybe normally they are admitted

for about seven days. Now we admit them for three days, we then send them home, we have vehicles that actually go and visit them at home. And this is something that we have now rolled out to Labasa, Lautoka and we are thinking and planning to roll this out at the other Subdivisional Hospitals in the rural areas.

The decentralisation of services has meant that our specialist has been able to go to certain areas, but, also meant that we have been able to establish the Makoi Maternity Unit as a specialist maternity unit that is within the Lami and Nausori Corridor. The consultants and the senior midwives from CWM Hospital are running that unit, Honourable Speaker.

We also have marine vessel *MV Veivueti* which was purchased last year for about \$8.5 million and this has been travelling around the maritime areas and it is our desire in every financial year, that we visit almost all the islands in Fiji every year given that we have patients on the islands that we are going to visit.

As I have said earlier in Parliament at the beginning of this year, we visited the Lau Group, Lomaiviti Group, we are intending to go down to Kadavu, it was planned for next week. Unfortunately at the moment there is a few repair works that are happening on our marine vessel *MV Veivueti* so that has been postponed for another few weeks.

We also have visiting overseas specialists and one thing that I am quite happy about Honourable Speaker, is that we have groups of people that have come from overseas and they have indicated, we want to help this particular geographical area. The Honourable Dr. Ratu Atonio Lalabalavu earlier in this Parliamentary sitting had talked about the Loloma Foundation from America which have indicated that they want to work in Taveuni.

Not only are they looking after Fijians from Taveuni and the greater Cakaudrove area but also around Fiji. They have extended invitation and people have been able to come over to access their service. We also have the Sai Foundation from Australia and New Zealand which have indicated that they wanted to do the North Labasa and Savusavu.

At the moment in Fiji we have the Friends of Fiji Health that have come from New Zealand and they have indicated that they want to do the highlands and the islands. I had a meeting with them last night and they said that they want to bring a group of 100 specialists and nurses and take a ship and travel around Lomaiviti and Lau Group next year.

The Lions Club of Auckland which has supporting specialist eye services around the western area. Honourable Speaker we also have the Medivac Services. The Medivac Services is the opportunity to be able to go and pick patients that have been found needing secondary or tertiary level care on an acute basis and for that the Government has allocated \$2.1 million in the budget to be able to pay for medical evacuation.

So, we continue to develop our human resources, we continue to develop our facilities, we continue to enrich the 207 facilities that we have all over Fiji and to ensure that Fijians living in rural and maritime areas can be rest assured of access equity and affordable secondary and tertiary level care. I thank you Honourable Speaker.

HON. SPEAKER.- I thank the Honourable Minister. The Honourable Lynda Tabuya on a supplementary question.

HON. L.D. TABUYA.- Thank you Honourable Speaker. I appreciate the explanation from the Honourable Minister especially about the issue of medivac and of course in light of the recent loss of lives from this apparently this medivac service. Can the Honourable Minister confirm to this House if

the personnel that took those patients that they were indeed official medivac personnel? If not, what are some of the risks that can be minimised should and a situation arise that is needed to medically evacuate patients from islands to the main hospitals? Thank you.

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

HON. DR. I. WAQAINABETE.- Honourable Speaker, the question is obviously completely different from the original question but Honourable Speaker, this medical evacuation was not generated through the Ministry of Health. We have our processes in place and obviously those processes, we utilise for our own medical evacuations but as I said there is an investigation in place now, and I think we should leave it at that. Thank you Honourable Speaker.

HON. DR. RATU A.R. LALABALAVU.- Thank you, Mr. Speaker, Sir. Mr. Speaker, a supplementary question to the Honourable Minister of Health. Is the Ministry planning on decentralising other keys specialities down to the subdivisional level as permanent members or in addition to your ongoing visiting outreach?

HON. DR. I. WAQAINABETE.- Thank you, Honourable Speaker, and I thank the Honourable Member for that question. Firstly, with the Public Private Partnership, Ba Hospital has been signed over to the Public Private Partnership. So, it will be offering care that is not readily available in Ba at the moment.

Obviously, as you know with Taveuni, Honourable Member, the Loloma Foundation has been providing services there that was not available there before. We are looking at beefing up Savusavu to be able to provide as hospital level service and possibly Sigatoka. At the moment consultations are underway so that we can ensure that the places that we are going to be able to provide the extra services are places that actually have the patient load to be able to justify that.

The other thing that has happened Honourable Speaker, is that we have increased the capacity within the Subdivisional Hospitals. Before there were no x-rays, now we have x-rays, before there were no scans, now we have scans, before there were no laboratory tests, now we have laboratory tests. We now have development partners wishing and willing to come on board to be able to support investigative procedures within the Subdivisional Hospitals, so that will continue to rise and that is an evolution on its own. Thank you.

HON. SPEAKER.- Honourable Lenora Qereqeretabua.

HON. L.S. QEREQERETABUA.- Thank you Honourable Speaker. I would like to ask the Honourable Minister for Health in light of Circular 9/2019, referring to meals and catering for staff. I have been getting a lot of questions asking for clarification on that, especially, you have answered the question about access to secondary and tertiary level health care around the maritime and rural areas. In light of this Circular 9/2019 from the Permanent Secretary about meal allowance, I believe. Would you be able to explain that please, Honourable Minister?

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

HON. DR. I. WAQAINABETE.- Thank you, Honourable Speaker. Again, this is a question completely out of sync with the initial question. That was a Circular written I think by the Permanent Secretary. I did not write that Circular. That is a Civil Service process between the Permanent Secretary and the staff, but I will be happy to find out the reasons for that.

One thing to be weary of is that with Government services and also hospital services, there are rules in place for those who can have meals and those who cannot have meals. I worked in theatre for quite a while, if you are in theatre, you could not come out, you are entitled to a meal. Now, there are staff who are on a shift work and there are processes in place to cater for them, if they work beyond a certain time and a certain hour. But certainly, as you said it is a Circular written by the Permanent Secretary and that is certainly that is something that the Permanent Secretary and the civil servants within the Ministry have got to sort out. I will be happy to find out more and let you know. Thank you.

HON. SPEAKER.- Last supplementary question. Honourable Rasova you have the floor.

HON. S.R. RASOVA.- Thank you Mr. Speaker, Sir. I would like to ask the Honourable Minister for Health in regard to his statement, there will be about 100 people coming from New Zealand to go to Lomaiviti and Lau and also to Vanua Levu and Taveuni. Given that the Honourable Minister for Economy had said that the budget has already been done. The financial part of this, who is paying for all these? Can you elaborate on that? Thank you.

HON. DR. I. WAQAINABETE.- Honourable Speaker, the Sai Foundation is a charitable group that self-funds itself. This is a group that hardly we talk about, but the experts who come with the Sai Foundation, they actually pay their own way, they pay for their airfares, they pay for their accommodation and they even pay for their food. So when we have charitable organisations that come and help us in Fiji, there are different formulas. Sai Foundation is one that is completely volunteer, they pay everything for themselves and they liaise with certain partners to be able to support them, if they want to carry them into those areas.

They have been doing this for quite a while, they have been helping Taveuni. The Honourable Member beside you will be able to enlighten you on that. They have been up in Taveuni, they have been up in the North and again completely 100 percent volunteerism, they pay from their own pockets because it is in their faith and their belief that it is something that they will be blessed for.

We have other formulas where there is a partnership between them and between us in areas of need. But the one that you have asked for, the cost is completely theirs and it is something that as I see it, and it is in an infancy stage is something that we may be willing to support. As I have said earlier, we have an outreach budget. So certainly, this is something where, if they need support, we can then be able to help them. *Vinaka*.

HON. SPEAKER.- I thank the Honourable Minister.

We will move on to the seventh Oral Question for today and I give the floor to the Honourable Adi Litia Qionibaravi to ask her question. You have the floor, Madam.

National iTaukei Resource Owners Council - Funding and Operational Status  
(Question No. 155/2019)

HON. ADI L. QIONIBARAVI asked the Government, upon notice:

Can the Honourable Prime Minister, Minister for iTaukei Affairs and Sugar Industry please advise Parliament on the funding and operational status of the National iTaukei Resource Owners Council?

HON. J.V. BAINIMARAMA (Prime Minister, Minister for iTaukei Affairs and Sugar Industry).- Thank you, Mr. Speaker. Mr. Speaker, I rise to respond to the oral question No. 155/2019 that was asked by the Opposition Member, the Honourable Adi Litia Qionibaravi.

Honourable Speaker, the National iTaukei Resource Owners Council which the Honourable Member is referring to, was established in 2015. The objective of the Council is to support the active participation and capacity building of *iTaukei* resource owners, policy development, the planning, management and implementation of activities relating to *iTaukei* land and its resources.

The Council ensures the participation of *iTaukei* in the decision making process that affects their resources, and supports efforts to increase the resilience of the *iTaukei* communities against the impacts of climate change and natural disasters. There are further areas of their responsibilities.

The objective of the Council is, of course, to promote the capacity development of the *iTaukei*, as I have said, to make informed decisions on the sustainable management of their natural resources, to ensure the participation of the *iTaukei* in decision making processes that affect their resources and supports efforts to increase the resilience of the local *iTaukei* communities against impacts of climate change and natural disasters.

The Permanent Secretary is the Chairman of the Council and members are representative from the *i yau bula* communities within the Provinces. Through the Permanent Secretary for iTaukei Affairs, the Council is linked to other Boards, Councils and Committees regarding issues arising from the Council, and these bodies include the National Environment Council, the National Climate Change Coordinating Committee and the National REDD and Steering Committee. Initially, Mr. Speaker, the Council was founded through GIZ - the German Agency in conjunction with the REDD+ efforts from 2015, and efforts have been focussed on acquiring Government funding for the initiative.

Having received formal acknowledgment, through the National Environment Council and discussions with the relevant partners on funding, last year (2018-2019), the Government had agreed to fund this initiative. Previous efforts were also focussed on capacity building where sessions were held in Nadave this year. The scope has changed - adopting an onsite learning approach for participants with the field visit which was conducted in the *Tikina* of Naviti in the Yasawas from 13th March to 15th March, 2019.

In addition, Honourable Speaker, the functions of the National iTaukei Resource Owners Council are as follows:

1. Support the active participation and capacity building of *iTaukei* resource owners in policy development.
2. In consultation with resource owners, provide advice to programmes and projects seeking access to land for their activities.
3. Where appropriate, actively and with knowledge represent the interest of the *iTaukei* in meetings and consultations and make recommendations on the sustainable management of their natural resources and protection of ecosystem services which include:
  - i) wetland conservation;
  - ii) mangrove management;
  - iii) sustainable forest management;
  - iv) coastal and marine management; and
  - v) sustainable land use practices.
4. Acts as the forest owners representatives for the purpose of the Forest Policy.

5. Also promotes a free prior and informed consent process as a consultation and decision making requirement for all development activities in the province.
6. Ensures that traditional knowledge and expressions of culture of the *iTaukei* are protected.
7. Provide inputs into the development and implementation of climate change adaptation strategies to strengthen the capacities of *iTaukei* communities to cope with the impacts of climate change.
8. Facilitate efforts for *iTaukei* communities to support relevant Government institutions in monitoring the utilisation of their natural resources.
9. Ensure the effective monitoring and enforcement of EIA conditions, facilitate and promote local community awareness raising programmes, workshops, training and other capacity building initiatives on sustainable natural resource management climate change adaptation and mitigation and, of course, disaster risk reduction.
10. Also identify and promote best practices and successful community-based resource in land use management, climate change adaptation and other sustainable livelihood approaches from around the country, which includes information gathering and compilation of experiences from Provinces.
11. Also required to make recommendations to the iTaukei Affairs Board (iTAB) on community-based natural resources management and provide support on the implementation of iTAB resolutions affecting natural resources.
12. Ensure the effective participation of the *iTaukei* resource owners in the REDD+ activities.
13. Allow for information exchange on lessons learnt and issues in promoting socio-economic enhancement and development, including resource mapping within provinces.
14. The Council shall, of course, perform any other functions that the iTaukei Affairs Board confers on it from time to time.

To wrap it up, Mr. Speaker, the National iTaukei Resource Owners Council was established in 2015 to support the active participation and capacity building of *iTaukei* resource owners, its policy development, the planning, management and implementation of the activities relating to *iTaukei* land and its resources.

The Council ensures the participation of *iTaukei* in the decision making processes that affect the resources and support the efforts to increase the resilience of *iTaukei* communities against the impacts of climate change and natural disasters.

Mr. Speaker, prior to 2015, the Council was funded through the GIZ REDD+ Programme, and in 2015 noting the significance of the Programme, the Permanent Secretary then, Mr. Katonitabua, utilised Ministry savings to fund the Programme. Activities undertaken focussed on capacity building workshops and meetings that were held at Nadave.

Mr. Speaker, the success of the Programme can be measured in the number of Yau Bula Management Support Teams that have been established within the provinces, districts and villages.

Mr. Speaker, Sir, the National iTaukei Resource Owners Council was allocated an amount of \$50,000 from its budgetary allocation for 2018-19 and the amount of \$63,500 this year to conduct its operation. The establishment of this Council provided a voice for our iTaukei Resource Owners to be heard at the national level policy making.

The implementation of the National iTaukei Resource Owners meeting last year provided the much needed platform where members who represented the 14 Provinces around Fiji brought their issues on environmental degradation, economic exploitation, as well as social issues that are faced at the grassroots level where grassroot issues are tabled.

Mr. Speaker, Sir, it is worth noting that the Council is recognised by the National Environment Council (NEC) and under the Council Chairmanship, tabulates its issues at this high level policy meeting arena.

Mr. Speaker, Sir, the National iTaukei Resource Owners Council proudly provides assorted linkages and leverages to the existing Yau Bula Management Committee that exists at the grassroot level, as well as the Conservation Officers, whose work are basically centred on the implementation of natural resources management programmes, as well as capacity building.

Mr. Speaker, Sir, much of the impetus that this collaboration within the existing structures has provided for our iTaukei communities.

The Ministry of iTaukei Affairs, through its capacity building component, was also able to engage the members of the National iTaukei Resource Management Council, to explore best resource management practices, climate change adaptive measures and economic models from other Provinces within Fiji. This exposure surely made impacts, as we witnessed the commitment of resource owners, who have adopted these practises at the provincial level and that have also been reported through provincial meetings.

The Ministry of iTaukei Affairs' forecasting on the Council and its budget allocation, as I have said, in accordance with the PSIP Budget Submission for 2018-2019, the request was for the amount of \$50,000 this year, the amount of \$63,500 and this included trips that would allow for best practises and capacity building opportunities for individuals, including meetings for foreign members.

A similar programme, Mr. Speaker, is to be undertaken this financial year for a trip to Gau, Lomaiviti, to assist the resilience project the communities have implemented to address water inundation experienced by coastal communities.

Mr. Speaker, Sir, I stand with utmost confidence and assure the Members of Parliament, including Honourable Adi Litia Qionibaravi, that the Ministry for iTaukei Affairs in seeing the potential that the National iTaukei Resource Management Council has for the iTaukei communities, has promptly secured funding from donor partners for the implementation of its activities for this new financial year. Thank you, Mr. Speaker.

HON. SPEAKER.- Thank you, Honourable Prime Minister.

HON. ADI L. QIONIBARAVI.- I would like to thank you, Honourable Prime Minister, for a very comprehensive answer to my question. I just have one supplementary question.

Under the Environmental Management Act, the Council was established to advise the National Environment Council on matters affecting their resources. I am very pleased to hear that the role has been expanded to cover critical areas of importance to indigenous Fijians. Thank you very much, Sir.



(Honourable Members interjected)

HON. SPEAKER.- Order, order!

We will move on to the next Oral Question for today, and I give the floor to the Honourable Veena Bhatnagar to ask Question her question. You have the floor, Madam.

Status of Fiji's Building Industry  
(Question No. 156/2019)

HON. V.K. BHATNAGAR asked the Government, upon notice:

Can the Honourable Minister for Industry, Trade, Tourism, Local Government, Housing and Community Development update Parliament on the status of the building industry in the country, what types of development applications are being received and the numbers?

HON. P.D. KUMAR (Minister for Industry, Trade, Tourism, Local Government, Housing and Community Development).- Thank you, Mr. Speaker, Sir. I thank the Honourable Member for the question.

Mr. Speaker, Sir, construction of building plays a key role in the socio-economic development of any country. It is through these construction activities that we are able to put up critical infrastructure, like roads, bridges, ports and other basic amenities for our people. And it contributes greatly in our economic growth and one that is investment led. So, my response to this question will actually add to the response given by the Honourable Attorney-General on the investments.

Mr. Speaker, Sir, the first half of 2019 recorded 612 applications worth around \$363.7 million. Bulk of the activity or 84 percent was for residential development followed by commercial and industrial at 12 percent and tourism-related projects at 4 percent. Highest number of applications were received from the Western Division, followed by Central Division and the Northern Division.

Mr. Speaker, Sir, some major developments were recorded in the second quarter which had not commenced but projects that were approved, include the Tanoa Group Developments at Cuvu, Sigatoka and at Votualevu, Nadi. This will be in excess of \$200 million.

Mr. Speaker, Sir, looking at the past, the total number of building permit applications approved in 2017 was 1,618 with a monetary value of \$353 million. In 2018, this increased to 1,725 applications worth \$370 million. Mr. Speaker, 48 percent of this was received from the Western Division, followed by 37 percent from the Central Division and 15 percent from the Northern Division.

Mr. Speaker, Sir, the beginning of 2019 brought major developments with a higher value and every year we record an overall increase by December in the construction of residential dwellings, as well as commercial and industrial projects. To illustrate this, for the first quarter of 2019, completion certificates for residential dwellings accounted for \$100 million while for commercial and industrial buildings accounted for \$150 million. So, in total, the value of the completion certificate for the first quarter of 2019 was \$251 million.

These figures indicate that there are significant investments being made in the housing sector. The growth in the construction industry has seen more job creation over the years. However, there is shortage of skilled workers in the industry, resulting in the hiring of skilled workers from abroad which also delays the construction of some of the projects.

Mr. Speaker, Sir, the Ministry of Industry, Trade and Tourism has reviewed and put in place new building material standards for roofing and other materials and is working on the review of the reinforcement of steel standards and wind loads for housing.

Besides that, my Ministry is also working with the World Bank Group in formulating the guidelines for the single storey houses because after *TC Winston*, there was a major devastation and we believe that it was very important for us to put in some standards for the construction of single storey houses as well as schools. Mr. Speaker, Sir, thank you for giving me this opportunity to respond to the question.

HON. SPEAKER.- I thank the Honourable Minister. A supplementary question.

HON. RO F. TUISAWAU.- Thank you, Mr. Speaker, Sir. Just a supplementary question. The Honourable Minister mentioned 1,618 building permits in 2017, 1,700 in 2018 and also jobs, skilled workers coming from overseas. My question is, of these building permits, how many actually resulted in buildings and with the workers coming in from overseas, do they come in on work permits, how many work permits were issued? Where were they from - Bangladesh, Philippines et cetera? If she could provide some clarifications on that. Thank you.

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

HON. P.D. KUMAR.- Thank you for asking that. I think I had already highlighted very clearly that from the completion certificate that was issued in the first quarter of 2019, \$251 million worth of projects were completed. So that answers your first part of the question.

Now, the second part of your question which is on skilled workers coming into the country. I can very briefly say to you that, yes, there is a committee put in place and any business can put in their application if there is a shortage of that particular skill. But now we are talking about the construction industry, they can do the same.

In terms of where these workers are coming, I cannot give you the specific statistics on it, I can provide that at a later date. Thank you.

HON. SPEAKER.- Thank you. Honourable Lynda Tabuya you have the floor.

HON. L.D. TABUYA.- Thank you, Honourable Speaker.

I thank the Honourable Minister for her answer regarding this question. The Honourable Minister has stated about 84 per cent of the applications are for residential so that is quite a huge number of our people engaging in applications obviously to build their homes and in her former role as the CEO for Consumer Council could have seen many complaints about shoddy building work and builders who do not do the work on time or do not deliver what our people pay for.

Would the Honourable Minister consider the need for, because really nowadays if anyone puts two pieces together with a nail they call themselves a builder they can register themselves.

Would the Minister consider a register, the need for a register for builders, a proper register for builders where they will register and with a proper sufficient standard of building that our people deserve that they would be able to register as part of this group that they can hold themselves out as proper builders so that our people are protected. Thank you.

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

HON. P.D. KUMAR.- Thank you Mr. Speaker, Sir. Yes, there is a lot of work going on in that area. When I was with Consumer Council we were working with the Construction Industry Council and they are working on a licensing system. So how you license the various builders that came to be very good builders. So the work is in progress. Thank you.

HON. SPEAKER.- Honourable Nagata you have the floor.

HON. A.T. NAGATA.- Thank you Mr. Speaker for allowing me to ask the last supplementary question for oral question 156/2019.

What has the Ministry done to improve the processing of the development applications?

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

HON. P.D. KUMAR.- I am sorry I did not get the question.

HON. A.T. NAGATA.- Mr. Speaker, I withdraw.

HON. SPEAKER.- I was hoping you were going to say that.

(Laughter)

Honourable Members we move on. I give the floor to the Honourable Ro Filipe Tuisawau to ask the first Written Question. You have the floor, Sir.

#### Written Questions

##### Update on River Bank Dredging, Drainage and Construction of Seawall (Question No. 157/2019)

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

Would the Honourable Minister Agriculture, Rural and Maritime Development, Waterways and Environment inform Parliament as to how many projects are currently being undertaken in the Central Division with regards to the river bank dredging, drainage and construction of sea walls with timelines for completion?

HON. DR. M. REDDY (Minister Agriculture, Rural and Maritime Development, Waterways and Environment).- Honourable Speaker, Sir, I will table my response at a later sitting date as permitted under Standing Order 45(3).

##### Disbursement of Funds - Parenthood Assistance Payment Scheme (Question No. 158/2019)

HON. S.V. RADRODRO asked the Government, upon notice:

Would Honourable Minister for Attorney-General, Minister for Economy, Civil Service and Communications update Parliament on the disbursement in the 2018/2019 fiscal year of the \$1,000 Parenthood Assistance Payment Scheme; and how many recipients?

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

Mr. Speaker, Sir, I would like to table my answer at a later date as provided for under the Standing Orders.

Update on Black Sand Mining in Ba  
(Question No. 159/2019)

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

Would the Honourable Minister for Agriculture, Rural and Maritime Development, Waterways and Environment advise Parliament on the fullest details including who conducted the EIA and community consultations, dates of consultations, places of consultation, people consulted (for example, the people of Votua and Nawaqarua) and concerns raised, if any, pertaining to the black sands mining in Ba?

HON. DR. M. REDDY (Minister for Agriculture, Rural and Maritime Development, Waterways and Environment).- Thank you, Honourable Speaker. I will table my response at a later sitting date as permitted under Standing Order 45(3).

HON. SPEAKER.- You are very keen to get off the floor, very unusual.  
(Laughter)

It must be getting to 9 o'clock.

Thank you, Honourable Members. That is the end of the questions.

Honourable Members, I thank you for your attendance, your indulgence and for your contributions to today's sitting.

We will now adjourn the House till tomorrow morning at 9.30.

The Parliament adjourned at 9.32 p.m.