PARLIAMENT OF THE REPUBLIC OF FIJI

PARLIAMENTARY DEBATES

DAILY HANSARD

FRIDAY, 17TH JULY, 2026

[CORRECTED COPY]

C O N T E N T S

FRIDAY, 17TH JULY, 2026

The Parliament met at 9.37 a.m. pursuant to adjournment.

DEPUTY SPEAKER took the Chair and read the Prayer.

PRESENT

All Members were present, except the honourable Deputy Prime Minister and Minister for Tourism and Civil Aviation; the honourable Minister for Foreign Affairs and External Trade; the honourable Minister for Immigration; the honourable Minister for Youth and Sports; the honourable K.K. Lal.

MINUTES

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

That the Minutes of the sitting of Parliament held on Thursday, 16th July, 2026, as previously circulated, be taken as read and be confirmed.

HON. A.V.B.C. BAINIVALU.- Madam Deputy Speaker, I beg to second the motion.

Question put.

Motion agreed to.

COMMUNICATION FROM THE SPEAKER

I welcome all honourable Members to the final sitting day for this week. I also welcome all those joining us in the gallery and those watching the live proceedings on television and via the internet. Thank you for your continued interest in the workings of your Parliament.

PRESENTATION OF PAPERS AND CERTAIN DOCUMENTS

The following Reports were tabled by the honourable Ministers responsible in accordance with Standing Order 38(1), and referred to the relevant Standing Committee for deliberation in accordance with Standing Order 38(2):

<u>Standing Committee on Foreign Affairs and Defence</u>

(1) Parliament of the Republic of Fiji 2023-2024 Annual Report *(Parliamentary Paper No. 168 of 2025)*; and
(2) Ministry of Foreign Affairs 2022-2023 Annual Report *(Parliamentary Paper No. 24 of 2026)*.

<u>Standing Committee on Public Accounts</u>

(1) Office of the Auditor-General 2023 Annual Report (*Parliamentary Paper No. 83 of 2025)*; and
(2) Office of the Auditor-General 2024 Annual Report (*Parliamentary Paper No. 84 of 2025)*.

Standing Committee on Economic Affairs

(1) Fiji Revenue and Customs Service 2024-2025 Annual Report *(Parliamentary Paper No. 25 of 2026)*;
(2) Energy Fiji Limited 2025Annual Report (*Parliamentary Paper No. 68 of 2026)*;
(3) Assets Fiji Pte Limited 2023 Annual Report 2023 *(Parliamentary Paper No. 1 of 2026)*; and
(4) Assets Fiji Pte Limited 2024 Annual Report 2024 *(Parliamentary Paper No. 2 of 2026)*.

Standing Committee on Social Affairs

(1) Tavua Town Council 2020 Annual Report 2020 *(Parliamentary Paper No. 162 of 2025)*

Honourable Members, please, take note that the following Papers are for information only and will not be referred to any Standing Committee:

(1) Third Quarter Appropriation Statement: Actual Expenditure from the 1st February, 2026 - 30th April, 2026; and
(2) Reserve Bank of Fiji March 2026 Quarterly Review.

PRESENTATION OF REPORTS OF COMMITTEES

DEPUTY SPEAKER.- Honourable Members, please, kindly take note that there will be nine Committee Reports for tabling today.

Review Report on the Fiji Police Force 2021-2022 Annual Report

HON. R. R. SHARMA.- On behalf of the Standing Committee on Foreign Affairs and Defence, I am pleased to present the Review Report on the Fiji Police Force 2021-2022 Annual Report.

The Fiji Police Force plays a critical role in safeguarding national security, maintaining law and order, protecting lives and property, and upholding the rule of law. During the period under review, the Force continued to operate in a challenging environment, marked by the ongoing impacts of the COVID-19 pandemic, increasing criminal complexity, and growing demands on policing services.

The Committee, however, notes several positive achievements, including –

- a 12 percent reduction in the overall registered crime, a decline from 20,239 cases in 2020-2021 to 17,842 cases in 2021-2022;
- an 11 percent reduction in road fatalities, following extensive traffic enforcement operations; and
- strengthened drug enforcement activities that resulted in 170 drug raids and destruction of more than 224,000 marijuana plants.

The Committee also acknowledges the Force's continued investment in community policing, digital technologies, and officer welfare programmes.

The Committee's scrutiny also revealed several areas of concern that require strategic attention. While the overall crime decreased, serious crime increased by 22 percent and sexual offences rose by 28 percent during the reporting period.

The Committee further notes that the Force faced a funding shortfall of approximately $165 million against its requested budget, operated with 219 unfilled vacancies, and continued to encounter challenges relating to ageing infrastructure, overcrowded detention facilities, cybercrimes, transnational crime and maritime border security. These issues highlight the growing complexity of Fiji's security environment and the need for sustained investment in policing capabilities, workforce development, technology, and operational resources.

The Committee has made several recommendations to strengthen the Fiji Police Force's operational effectiveness and accountability, including –

- the development of a formal whistleblower policy;
- increased investment in digital forensics and cybercrime capabilities;
- enhanced maritime border security through the deployment of the INTERPOL I-24/7 screening system at ports of entry;
- improved funding for policing infrastructure and technology;
- the implementation of body-worn cameras; and
- the expansion of community policing initiatives.

Collectively, these measures are intended to improve public confidence, strengthen national security, and ensure that the Force remains equipped to respond to evolving crime trends and emerging security challenges.

On behalf of the Committee, I wish to convey our sincere appreciation to the Fiji Police Force for its cooperation and constructive engagement throughout the review of its 2021-2022 Annual Report. The Committee acknowledges the valuable information and insights provided, which greatly assisted Members in the conduct of their scrutiny and deliberations.

I also extend my gratitude to the Members of the Standing Committee on Foreign Affairs and Defence for their commitment, diligence and bipartisan approach in the preparation of this Report.

Madam Deputy Speaker, I commend this Report to Parliament.

(Report handed to Secretary-General)

HON. R. R. SHARMA.- Madam Deputy Speaker, pursuant to Standing Order 121(5), I hereby move:

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

HON. T.R. MATASAWALEVU.- Madam Deputy Speaker, I second the motion.

Question put.

Motion agreed to.

Review Report – Electoral Commission 2023 and 2024 Annual Reports

HON. R.R. SHARMA.- Madam Deputy Speaker, on behalf of the Standing Committee on Foreign Affairs and Defence, I am pleased to present the Review Report on the Electoral Commission's 2023 and 2024 Annual Reports. In undertaking this review, the Committee has fulfilled its constitutional and parliamentary responsibility to scrutinise the performance of public institutions and ensure accountability, transparency and good governance in the discharge of their mandates.

The Electoral Commission occupies a central role in Fiji's democratic framework, with responsibility for overseeing electoral processes, safeguarding electoral integrity, and promoting public confidence in the nation's democratic institutions.

The Committee's examination of the Annual Reports highlighted several significant challenges encountered by the Electoral Commission during the reporting period. These included –

- prolonged vacancies within the Commission;
- the loss of quorum, resulting from the expiry of Commissioners' terms;
- resource constraints;
- staffing limitations; and
- disruptions arising from the unavailability of institutional records.

The Committee notes that these circumstances affected the Commissioner's ability to fully discharge certain aspects of its constitutional and statutory responsibilities.

Nevertheless, the Committee acknowledges the efforts of the Commissioners, the Supervisor of Elections and supporting staff, in maintaining core functions and advancing important initiatives aimed at strengthening Fiji's electoral framework.

A key focus of the Committee's review was the Commission's ongoing electoral reform programme, which seeks to improve governance, engagements, strengthen legal clarity, enhance public participation, and modernise electoral administration.

The Committee welcomes the Commission's commitment to reviewing electoral legislation, promoting disability-inclusive electoral processes, improving access for overseas voters, and addressing the continued underrepresentation of women in political leadership. These initiatives are critical to ensuring that Fiji's electoral system remains inclusive, credible and responsive to the evolving needs of its citizens.

The Committee also recognises the importance of strengthening institutional resilience. Throughout the review, Members emphasised the need for improved governance structures, enhanced records management systems, sustainable funding arrangements, and a fully resourced Secretariat to support the Commission's long-term effectiveness. The recommendations contained in this Report are intended to address these challenges and support the Commission in fulfilling its mandate with greater efficiency, continuity, and public confidence.

As Fiji prepares for the 2026-2027 General Election, it is imperative that continued efforts are made to strengthen electoral governance, uphold public trust, and ensure that electoral institutions are adequately supported to carry out their responsibilities. The Committee trusts that the findings and recommendations contained in this Report will assist the Electoral Commission and relevant stakeholders in advancing these objectives and further strengthening Fiji's democratic foundations.

I wish to acknowledge the Electoral Commission, who contributed to the Committee's review process through their written and in-person submissions. I also extend my appreciation to the Members of the Committee for their diligence and commitment throughout the scrutiny process and in compiling this Report.

On behalf of the Standing Committee on Foreign Affairs and Defence, I submit this Report to Parliament.

(Report handed to Secretary-General)

HON. R.R. SHARMA.- Madam Deputy Speaker, pursuant to Standing Order 121(5), I hereby move:

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

HON. T.R. MATASAWALEVU.- I second the motion, Madam Deputy Speaker.

Question put.

Motion agreed to.

Review Report – Reserve Bank of Fiji Insurance 2024 Annual Report

HON. R.R. SHARMA.- Madam Deputy Speaker, on behalf of the Standing Committee on Foreign Affairs and Defence, I am pleased to present this report on the review of the Reserve Bank of Fiji (RBF) Insurance 2024 Annual Report.

The Committee approached this review with the same diligence and commitment applied to all matters entrusted to it, recognising the critical role of the insurance sector in safeguarding households, supporting economic stability, and strengthening national resilience.

During the deliberations, the Committee engaged with the RBF at a public hearing held on 9th June, 2026. The Committee examined the Bank's regulatory oversight, industry performance and progress in advancing inclusive insurance, climate-risk protection and financial sector reforms. The Committee acknowledges that continued resilience of the insurance industry in 2024, marked by strong solvency positions, growth in assets and premiums, and the absence of major catastrophe-related losses.

The Committee also recognises the significant strides made in expanding parametric and micro-insurance coverage, particularly for low-income households, farmers, persons with disabilities, social welfare recipients and maritime communities. These initiatives demonstrate the RBF's commitment to strengthening financial inclusion and climate resilience, in alignment with Fiji's national development priorities and the Sustainable Development Goals.

At the same time, the Committee has identified areas requiring sustained attention, including the need for improved gender desegregated data, enhanced meteorological infrastructure to support parametric insurance triggers, and continued efforts to address affordability challenges for motor vehicle and household insurance.

The Committee's recommendations are intended to support the RBF in advancing regulatory modernisation, strengthening consumer protection and deepening cross-agency collaboration to ensure that insurance services remain accessible, inclusive and responsive to emerging risks.

I extend my appreciation to the Governor and the representatives of the RBF for their cooperation and constructive engagement. I also acknowledge the dedication of the Committee Members for compiling this bipartisan Report.

On behalf of the Standing Committee on Foreign Affairs and Defence, I submit this Report to Parliament.

(Report handed to Secretary-General)

HON. R.R. SHARMA.- Madam Deputy Speaker, pursuant to Standing Order 121(5), I hereby move:

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

HON. T.R. MATASAWALEVU.- Madam Deputy Speaker, I second the motion.

Question put.

Motion agreed to.

Consolidated Review Report - Office of the Prime Minister and Fijian Immigration Department 2019-2023 Annual Reports

HON. R.R. SHARMA.- Madam Deputy Speaker, on behalf of the Standing Committee on Foreign Affairs and Defence, I am pleased to present this Report on the review of the Office of the Prime Minister and the Fijian Immigration Department for the financial years 2019-2020, 2020-2021, 2021-2022, 2022-2023.

Over this reporting period, both institutions faced unprecedented challenges. The COVID-19 pandemic disrupted operations, strained resources, and demanded rapid adaptation. The Office of the Prime Minister coordinated national responses while managing increased public demand, digital transformation, and logistical hurdles in reaching remote communities. The Ministry of Immigration, meanwhile, navigated through border closures, rising compliance pressures and the transition from a department to a standalone Ministry.

Despite these challenges, the Committee acknowledges the substantial progress made by both institutions. The Office of the Prime Minister strengthened its oversight role, improved Cabinet coordination, and modernised service delivery through digital platforms. The Ministry of Immigration enhanced border security introduced automated systems, and expanded services for citizens and diaspora communities. Together, both institutions demonstrated resilience and a strong commitment to transparency, accountability and reform.

The Committee also acknowledges areas requiring continued improvement. These include ensuring equitable distribution of grants, strengthening complaint resolution frameworks, addressing staffing constraints, and enhancing enforcement against immigration breaches. We emphasise the importance of building institutional capacity, improving inter-agency coordination, and maintaining strong partnerships with development partners to meet future challenges, including pandemics, climate risks, monitoring of immigrants and transnational crime.

Our recommendations are aimed at supporting these reforms, ensuring resources are used effectively, and promoting sustainable development outcomes for all Fijians.

I extend my sincere appreciation to the representatives of the Office of the Prime Minister and the Ministry of Immigration for their cooperation and constructive engagement. I also acknowledge the dedication of the Committee Members in compiling this Report.

On behalf of the Standing Committee on Foreign Affairs and Defence, I submit this Report to Parliament.

(Report handed to Secretary-General)

HON. R.R. SHARMA.- Madam Deputy Speaker, pursuant to Standing Order 121(5), I hereby move:

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

HON. T.R. MATASAWALEVU.- Madam Deputy Speaker, I second the motion.

Question put.

Motion agreed to.

Consolidated Review Report - Energy Fiji Limited 2023 and 2024 Annual Reports

HON. S. TUBUNA.- Madam Deputy Speaker, on behalf of the Standing Committee on Economic Affairs, I am pleased to present the Consolidated Review Report on the Energy Fiji Limited Annual Report for the financial years 2023 and 2024. This Report reflects the Committee's examination of Energy Fiji Limited's (EFL) performance, financial management, governance and service delivery, and highlights areas requiring improvement to strengthen accountability and ensure the long-term sustainability of Fiji's energy sector.

As Fiji's national electricity provider, EFL plays a critical role in supporting economic growth, social development and energy security. The Committee acknowledges the importance of EFL's mandate and the challenges associated with meeting the growing electricity demand, while transitioning towards a more sustainable energy future.

The Committee's review identified several significant issues that require focused attention and corrective action. Of particular concern is EFL's continued dependence on imported diesel, which remains at its largest operating cost and exposes both, the company and the consumers, to fluctuations in global fuel prices. Despite the national target of achieving 90 percent renewable energy generation by 2035, the progress towards reducing fuel dependency does not advance at the pace necessary to achieve this objective.

The Committee also noted increasing debt levels and ongoing financial pressures which, if not carefully managed, could affect EFL's long-term financial sustainability. The review further highlighted deficiencies in transparency and reporting. The Committee found limited disclosure regarding dividends paid to customer shareholders, the treatment of interest earned on customer security deposits, and the outcomes of rural electrification programmes. Such information is essential for ensuring public confidence, promoting accountability, and enabling Parliament and consumers to assess whether EFL is delivering equitable benefits to all stakeholders.

In addition, the Committee expressed concern over the substantial expenditure incurred through the hiring of containerised diesel generators. While increasing electricity demand and climate-related impacts on hydroelectric generation present genuine challenges, these costs underscore the importance of stronger long-term planning, timely investment in renewable energy projects, and more effective management of generation capacity requirements.

To address these shortcomings, the Committee has made a series of recommendations aimed at improving EFL's performance and accountability. These include the development of a clear and measurable Renewable Energy Transition Plan, strengthened debt management strategies, enhanced reporting on capital expenditure delivery, and greater transparency in shareholder and consumer-related financial matters.

The Committee believes that implementing these recommendations will support better planning, improve transparency, strengthen financial stability and ensure that investments in the energy sector deliver tangible outcomes for consumers in the wider community.

We extend the Committee's appreciation to the Chief Executive Officer (CEO) and staff of EFL, as well as stakeholders, including the Consumer Council of Fiji and the Fijian Competition and Consumer Commission for their cooperation and available contributions during the review process.

I also acknowledge the valuable contributions of my fellow Committee Members - honourable Premila Kumar, honourable Semi Koroilavesau, honourable Alipate Tuicolo and honourable Kalaveti Ravu, for their support in producing this Report.

On behalf of the Standing Committee on Economic Affairs, I commend this Review Report to Parliament and urge all honourable Members to give due consideration to its findings and recommendations, which are intended to strengthen the performance, accountability and sustainability of one of Fiji's most important public utilities.

(Report handed to Secretary-General)

HON. S. TUBUNA.- Madam Deputy Speaker, pursuant to Standing Order 121(5), I hereby move:

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

HON. P.D. KUMAR.- Madam Deputy Speaker, I second the motion.

Question put.

Motion agreed to.

Consolidated Review Report - Fiji Sugar Corporation 2024 and 2025 Annual Reports

HON. S. TUBUNA.- On behalf of the Standing Committee on Economic Affairs, I present this Consolidated Review Report of the Fiji Sugar Corporation 2024 and 2025 Annual Reports.

The Committee's review highlights a sector under significant strain, facing deep-rooted structural, operational and financial challenges. While the Fiji Sugar Corporation (FSC) reported a net profit in 2025, the Committee finds that this outcome does not reflect a genuine turnaround in performance, but it is instead largely attributable to Government interventions and accounting adjustments. Beneath this headline figure lies a concerning reality of declining production, deteriorating infrastructure, and continued financial vulnerability.

Sugar production has continued its downward trajectory, reaching its lowest level in over a decade, while cane supply constraints, high burnt cane levels, and inefficiencies in harvesting and transport systems persist. At the same time, FSC remains heavily burdened by debt and dependent on ongoing Government support, raising serious concerns about fiscal sustainability and long-term viability.

The Committee further notes systemic weaknesses in governance, asset management, and industry coordination. Chronic underinvestment has contributed to infrastructure deterioration, while diversification initiatives though promising in concept remain largely aspirational without clear business cases, financing strategies, or measurable outcomes.

Equally concerning is the continued decline in the grower base and cane cultivation area, which poses a direct threat to the future of the industry. Without urgent interventions to restore the economic viability of cane farming and strengthen confidence among growers, production targets will remain unattainable, and the industry's contraction will persist.

The major problem affecting farmers is that the current cost of production is too high for the small farm size of 10 hectares, a farm size that was set in the 1960s. In addition, 80 percent of the farmers are producing 20 percent of total production to the mill, while only 20 percent are producing 80 percent of the total tonnage. Low sugarcane yields and rising production costs have significantly impacted the industry's competitiveness.

Notwithstanding these challenges, the Committee acknowledges FSC's efforts to sustain operations under difficult circumstances, including steps towards mechanisation, digitalisation, and potential diversification into new product streams. These initiatives, while still in early stages, provide a foundation upon which a meaningful reform can be built.

The Committee emphasises that increasing adjustments will not be sufficient to address the scale of the challenges identified. The findings of this Report point to the need for decisive and coordinated reform encompassing strengthened governance, improved accountability, strategic investment decisions, and a fundamental reassessment of the industry's long-term business model.

The recommendations contained in this Report are, therefore, directed at restoring operational discipline, improving transparency, reducing fiscal exposure, and enabling a managed transition towards a more sustainable and commercially viable industry. This will require strong leadership and collaboration across Government, industry institutions and stakeholders, including growers.

I extend my appreciation to the Board, Management and staff of FSC for their cooperation with the Committee during this review process, as well as to my fellow Committee Members - honourable Premila Kumar, honourable Semi Koroilavesau, honourable Alipate Tuicolo and honourable Kalaveti Ravu for their valuable contributions.

On behalf of the Standing Committee on Economic Affairs, I commend this Review Report to Parliament and request all honourable Members of this august House to take note of the findings and recommendations.

(Report handed to Secretary-General)

HON. S. TUBUNA.- Madam Deputy Speaker, pursuant to Standing Order 121(5), I hereby move:

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

HON. P.D. KUMAR.- Madam Deputy Speaker, I second the motion.

Question put.

Motion agreed to.

Consolidated Review Report on Investment Fiji's 2022-2024 Annual Reports

HON. S. TUBUNA.- On behalf of the Standing Committee on Economic Affairs, I am pleased to present the Committee's Review Report on Investment Fiji's Annual Reports for the financial years 2022–2023 and 2023–2024.

The Committee undertook a comprehensive review of these Reports in accordance with its parliamentary mandate to scrutinise the performance of governance, accountability and effectiveness of public institutions. In carrying out this review, the Committee examined the Annual Reports, considered the written submissions and received oral evidence from Investment Fiji and Reserve Bank of Fiji. The purpose of this process was to assess whether Investment Fiji is effectively delivering on its statutory responsibilities and providing Parliament with sufficient information to evaluate its performance.

The Committee acknowledges the important role of Investment Fiji as Fiji's national investment and trade promotion agency. During the review, the organisation continued its efforts to attract investment, facilitate exports, engage with investors and participate in international trade and investment promotion activities. The Committee notes positive developments in export promotion activities, expansion of investment engagement across various sectors, and efforts to diversify investment opportunities beyond traditional industries.

However, the Committee's Report also identified significant shortcomings in the quality, transparency and reliability of information presented in the Annual Reports. While considerable emphasis was placed on promotional activities and broad performance outcomes, the Reports did not provide sufficient evidence to enable Parliament to independently assess the actual impact of Investment Fiji's work.

Of particular concern was the absence of independently verified data supporting several key performance indicators, including reported investment outcomes, employment creation figures, export achievements and diaspora investment facilities. The Committee also observed deficiencies in governance reporting. Neither Annual Report provided adequate information regarding Board performance, including Board key performance indicators, meeting attendance records, committee activities or the outcome of Board deliberations.

Furthermore, the Committee found that reporting on critical operational functions such as investor aftercare services, investment facilitation and policy advocacy was limited. The Committee also notes broader challenges affecting the investment environment, including regulatory approval delays, infrastructure readiness constraints and the need for stronger coordination amongst Government agencies.

In response to these findings, the Committee has made several recommendations aimed at improving governance, strengthening performance reporting, enhancing data verification mechanisms, improving inter-agency coordination, increasing transparency in annual reporting, and ensuring that Investment Fiji is adequately resourced to effectively undertake its investment promotion responsibilities.

The Committee believes that the implementation of these recommendations will strengthen parliamentary oversight, improve public confidence in reported outcomes, and contribute to a more effective investment promotion framework that supports Fiji's long-term economic development objectives.

I extend my sincere appreciation to the Board, Management and staff of Investment Fiji and

Reserve Bank of Fiji (RBF) for their cooperation and constructive engagement throughout the review process.

I must also acknowledge the valuable contributions of my fellow Committee Members - honourable Premila Kumar, honourable Semi Koroilavesau, honourable Alipate Tuicolo, honourable Kalaveti Ravu, honourable Aliki Bia, honourable Jone Usamate, Alternative Member, honourable Penioni Ravunawa, for their support in producing this Report.

On behalf of the Standing Committee on Economic Affairs, I commend the Review Report to Parliament, and I encourage all honourable Members of this august House to take note of the findings and recommendations. The Committee remains confident that through the continued collaboration between Government, the private sector and development partners, Investment Fiji will continue to play a critical role in driving investment, trade innovation and sustainable economic prosperity for the people of Fiji.

(Report handed to Secretary-General)

HON. S. TUBUNA .- Madam Deputy Speaker, pursuant to Standing Order 121(5), I hereby move:

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

HON. P.D. KUMAR.- Madam Deputy Speaker, I second the motion.

Question put.

Motion agreed to.

Consolidated Review Report on Tourism Fiji 2015-2018 Annual Reports

HON. S. TUBUNA.- On behalf of the Standing Committee on Economic Affairs, I am pleased to present this Review Report on the Tourism Fiji Annual Reports 2015, 2016 1st January-31st July 2016, August 2016-July2017 and August 2017-July 2018.This review was conducted in accordance with the Committee's mandate to ensure transparency, accountability, and effective oversight of public institutions, and clustered with public funds.

In fulfilling this responsibility, the Committee undertook a detailed examination of the Reports, supported by written submissions and oral evidence from Tourism Fiji and the Ministry of Tourism and Civil Aviation. The Committee conducted site visits and consultations with Committee stakeholders across the Northern and the Western Divisions.

The Committee noted that the tourism sector continues to be a major contributor to economic growth and employment, with significant opportunities in eco-tourism, community-based tourism, marine tourism, and cultural tourism. The Committee noted concerns regarding the Na Vualiku Project, to adequately address infrastructure, particularly airport capacity, road networks, jetties and transport connectivity. Additionally, limited stakeholder consultation, weak coordination among agencies, and lack of transparency surrounding the implementation of the Project. Stakeholders raised concerns that a significant portion of project resources appear to be directed towards studies and consultancy services, rather than critical infrastructure investments.

The Committee recommends that a Parliamentary inquiry be undertaken into the Na Vualiku

Project to examine its planning process, identification of project components and activities, funding allocations, expenditure, governance arrangements and implementation progress.

The Committee acknowledges Tourism Fiji's contribution to the growth of the tourism sector during the review period, marked by record visitor arrivals, increased tourism earnings, and strengthened the global brand positioning. These achievements highlight the sector's critical role as a key driver of Fiji's economy and national development. However, the Committee's findings reveal significant shortcomings that require urgent attention. Of particular concern are the substantial delays in the tabling of Annual Reports which, in some instances, extended up to a decade. Such delays undermine parliamentary oversight and weaken public accountability, especially given the significant level of Government funds allocated to Tourism Fiji.

The review further identified gaps in financial transparency and performance reporting. Despite the considerable expenditure on marketing and promotional activities, there is insufficient analysis of cost-effectiveness, return on investment and value for money. The absence of detailed reporting on key performance indicators, outcomes and market level expenditure limits the ability to assess the impact and efficiency of public spending.

The Committee also notes that while tourism growth has been significant, the benefits have not been equally distributed equitably across Fiji. Regions such as the Northern Division, outer islands and rural communities continue to face limited participation in non-tourism development. In addition, governance and strategic planning require strengthening.

Issues relating to coordination among stakeholders, transparency in programme implementation, and the need for clearer destination-based tourism strategies were identified as critical areas for improvement. The Committee is also concerned about environmental sustainability and infrastructure constraints, which pose risks to the long-term resilience of the tourism sector.

On behalf of the Committee, I extend my appreciation to the Ministry of Tourism and Civil Aviation, Tourism Fiji Officials, and all stakeholders who contributed to this review process. Your cooperation and insights have been invaluable. The Committee remains committed to supporting reforms that will further strengthen the tourism sector and its contribution to Fiji's sustainable and inclusive growth.

I also acknowledge the valuable contributions of my fellow Committee Members - honourable Premila Kumar, honourable Semi Koroilavesau, honourable Alipate Tuicolo and honourable Kalivati Ravu, for their support in producing this Report.

On behalf of the Standing Committee on the Economic Affairs, I present this Review Report to Parliament and request all the honourable Members of this august House to take note of its findings and recommendations in this Report.

(Report handed to Secretary-General)

HON. S. TUBUNA.- Madam Deputy Speaker, pursuant to standing 121 (5), I hereby move:

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

HON. P.D. KUMAR.- Madam Deputy Speaker, I second the motion.

Question put.

Motion agreed to.

Review Report – Sugar Cane Growers Council 2022 Annual Report

HON. S. TUBUNA.- On behalf of the Standing Committee on Economic Affairs, I am pleased to present this Review Report on the Sugar Cane Growers Council 2022 Annual Report. This Report reflects the Committee's assessment of the Council's performance, governance, accountability and service delivery based on the review of the Annual Report, written submissions, oral evidence and consultations undertaken during the inquiry.

The Committee's review was undertaken in recognition of the important role that Sugar Cane Growers Council (SCGC) plays as a statutory body representing sugarcane growers. Given the significance of the sugar industry to Fiji's the rural economy and the public resources entrusted to the Council, it is essential that SCGC demonstrates strong governance, transparency and accountability in carrying out its statutory declarations.

While the Annual Report outlines a range of activities and industry developments during 2022, the Committee identified several areas where reporting and accountability mechanisms require improvement. More notably, the Committee found that the Annual Report was tabled significantly later than required under the Sugar Industry Act 1984, limiting timely Parliamentary scrutiny and oversight. The Committee also noted the shortcomings in performance reporting with insufficient information provided on the Council's achievements against its own Key Performance Indicators (KPIs) and limited evidence demonstrating the outcomes of its activities.

The Committee further observed the gaps in reporting on matters that are critical to the sustainability of sugar industry. These include the absence of comprehensive data on lease renewal outcomes, demographic trends within the grower community, youth participation, succession planning, and the involvement of farming cooperatives.

The Committee also raised concerns regarding the lack of transparency surrounding the SK Trust, particularly the absence of information on its financial performance, governance, arrangements and income distribution, despite SGC's substantial market interest.

In response to these findings, the Committee has made a series of recommendations aimed at strengthening governance, improving financial transparency, enhancing performance reporting and increasing accountability to both, Parliament and growers. These recommendations include enforcing compliance with statutory reporting timelines, undertaking an independent audit of the SK Trust, improving financial disclosures, reporting on lease outcomes and grower demographics, and commissioning an independent grower satisfaction survey. The Committee believes that the implementation of these recommendations will contribute to more effective oversight, better informed decision-making and improved service delivery within the sugar sector.

I extend my appreciation to the representatives of the SCGC, for their cooperation and their openness during the review process. I also acknowledge the valuable contributions of my fellow Committee Members.

On behalf of the Standing Committee on Economic Affairs, I commend the Review Report to Parliament and respectively urge all honourable Members of this august House to take note of these findings and recommendations.

(Report handed to Secretary-General)

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

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

HON. P.D. KUMAR.- Madam Deputy Speaker, I second the motion.

Question put.

Motion agreed to.

DEPUTY SPEAKER.- Honourable Members, we will now suspend proceedings for tea break. Parliament will resume in half an hour.

The Parliament adjourned at 10.27 a.m.

The Parliament resumed at 11.05 a.m.

COMMUNICATIONS FROM THE SPEAKER

Honourable Members, firstly, I thank most sincerely the Deputy Speaker, honourable Lenora Qereqeretabua, for presiding over this morning's session which has enabled me to attend to some personal matters.

Honourable Members, you will recall that I had last night undertaken to deliver today my ruling on a Point of Order raised by the honourable Jone Usamate, made against the Minister for Public Enterprises, Multi-Ethnic Affairs, Culture, Heritage and Arts, honourable Charan Jeath Singh, on what appears to be at the moment, an allegation of inappropriate behaviour and conduct last evening.

Unfortunately, the *Hansard Report* for yesterday is yet to be available and I will, therefore, defer my ruling, honourable Usamate, and the honourable Members of the House to a later date. Notwithstanding the delay and notwithstanding that there has yet to be a finding of facts, I stress once again that my primary role as the Speaker is to maintain order and decorum in Parliament, and in the exercise of the powers vested in me under the Standing Orders and the Convention, to protect the honour and dignity of this Parliament. I will, therefore, deal with the matter at hand, bearing the guidelines in mind as soon as the transcripts are available and I will return my ruling to the floor of this House as soon as it is available.

We will now continue from where we left off this morning, however, but before that, please allow me to make a few announcements.

An important event has been organised by the Commonwealth Women Parliamentarians (CWP) Fiji Group. The CWP Fiji Group will officially launch its commemorative booklet entitled, *Celebrating Women in Parliament 1966-2026* and the launch will take place on Monday, 3rd August, 2026 from 2.30 p.m. to 3.30 p.m. at the Grand Pacific Hotel. The publication will mark a significant milestone in recognizing and celebrating the contributions of women to Fiji's parliamentary history. It pays tribute to the lives, leadership, and achievements of former women Members of Parliament and Senators who had served our nation with distinction over the past six decades. Through their dedication to public service, these pioneering women have helped shape Fiji's democratic institutions, strengthened parliamentary governance, and advanced the interests of the people of Fiji.

The launch provides an opportunity to honour their legacy, reflect on their achievements, and inspire future generations of women leaders to participate in public life and parliamentary service. It is at this juncture, honourable Members, that I extend an invitation to you all to attend this special occasion and join our CWP Fiji Group women MPs, in celebrating the invaluable contribution of women to Fiji's parliamentary journey. The Secretariat will co-ordinate the necessary proceedings, and please kindly take note that all the Standing Committee proceedings will be suspended on Monday, 3rd August to enable everyone to attend.

The second and final announcement is that Parliament will host another segment of the Speaker's Debate on the topic, *From Participation to Representation: How Do We Increase Women in Parliament*. As you are all aware, Parliament supports the achievement of SDG Target 5.5, recognising that women remain significantly under-represented in political leadership in Fiji despite ongoing efforts to advance gender equality. As the current Parliamentary term approaches its end, there is a timely need to strengthen national dialogue and implement practical strategies to promote and support greater participation of women in parliamentary representation and leadership.

The Speaker's Debate will be held at the Grand Pacific Hotel on Thursday, 6th August at 5.00 p.m. At this juncture, I extend a warm invitation to all honourable Members to attend. There will be five panel speakers, and two of them will be the Minister for Women, Children and Social Protection and also the Leader of the Opposition. I trust that you will pencil in these two important dates:

(1) Monday, 3rd August from 2.00 p.m. to 3.00 p.m. for CWP Fiji Group Booklet Launch; and
(2) Thursday, 6th August from 5.00 p.m. to 7.00 p.m. for the Speaker's Debate.

2026-2027 BUDGET CONSEQUENTIAL BILLS 2026

HON. E.Y. IMMANUEL.- Mr. Speaker, Sir, pursuant to the resolution of Parliament on Friday, 26th June, 2026, I move:

That the following Consequential Bills be debated, voted upon and be passed:

(1) Tax Administration (Budget Amendment) Bill 2026;
(2) Income Tax (Budget Amendment) (No. 2) Bill 2026;
(3) Value Added Tax (Budget Amendment) Bill 2026;
(4) Customs (Budget Amendment) Bill 2026;
(5) Customs Tariff (Budget Amendment) Bill 2026;
(6) Excise (Budget Amendment) Bill 2026;
(7) Fiji Revenue and Customs Service (Budget Amendment) Bill 2026;
(8) Tourism Services Tax Bill 2026;
(9) Fiji National Provident Fund (Budget Amendment) Bill 2026;
(10) Reserve Bank of Fiji (Budget Amendment) Bill 2026;
(11) Exchange Control (Budget Amendment) Bill 2026;
(12) Superyacht Charter (Budget Amendment) Bill 2026; and
(13) Tertiary Scholarships and Loans Service (Budget Amendment) Bill 2026.

HON. RO F.Q. TUISAWAU.- Mr. Speaker, Sir, I beg to second the motion.

MR. SPEAKER.- Before we proceed with this motion, I remind honourable Members that whilst the speaking time provisions under Standing Orders are suspended for the business item, all honourable Members are further reminded that pursuant to the resolution of Parliament on Friday, 26th June, 2026, the 13 Consequential Bills must be debated and voted upon today.

HON. E.Y. IMMANUEL.- Mr. Speaker, Sir, I will be speaking on the 13 Consequential Bills together. The first is the Tax Administration (Budget Amendment) Bill 2026 (Bill No. 14/2026). The Tax Administration (Budget Amendment) Bill seeks to amend the Act to provide for the 2026-2027 budget policy changes.

Clause 1 of the Bill provides for Short Title and Commencement, passed by Parliament, the amending legislation will come into force on 1st August, 2026, except for section 6, which comes into force on 1st January, 2027.

Clause 2 of the Bill amends section 28 of the Act to allow the Chief Executive Officer with a written consent of a taxpayer to sell bill property that is subject to a tax charge without obtaining an order of the high court, therefore, facilitating the timely recovery of outstanding tax liabilities and reducing administrative and legal costs.

It should also be noted that in relation to the write-off of tax debts, the Fiji Revenue and Customs Service (FRCS) has strengthened its Standard Operating Procedures to provide for additional levels of checks and oversight. In particular, the applicable thresholds and approval processes require further review including agreements of the FRCS Board before the CEO may exercise any discretion.

Clause 3 of the Bill amends section 33 of the Act by deleting sub-section 6, with the effect that diplomatic missions, international organisations and international bodies will be subject to the same refund claim requirements as other taxpayers, including the requirement to lodge refund claims within the prescribed three-year period.

Clause 4 of the Bill amends section 34(1) of the Act to require taxpayers to maintain records that are sufficient to enable the CEO to readily ascertain the taxpayer's tax liability, thereby strengthening record-keeping standards and supporting tax compliance.

Clause 5 of the Bill amends section 35 of the Act to provide the CEO and authorised tax officers with additional investigative powers for the purpose of investigating offences under tax law and facilitating the collection and use of evidence in related proceedings.

Clause 6 of the Bill amends the Act to insert new the Division 5A to implement the common reporting standard and the automatic exchange of financial account information in accordance with Fiji's international obligations under the Convention on Mutual Administrative Assistance on Tax Matters and the Multilateral Competent Authority Agreement on Automatic Exchange of Financial Account Information.

Clause 7 of the Bill amends the Act to insert a new the Division 5B to establish a central register of beneficial owners and to strengthen transparency in legal entities and legal arrangements through the collection and reporting of beneficial ownership information.

Clause 8 of the Bill amends the Act that by introducing penalties for failure to notify the CEO where a capital gains tax certificate has been issued but the relevant transaction does not proceed, and failure to include all contracted details including those holding certificates of exemption in the provisional tax monthly summary. This is in order to strengthen compliance and improve the completeness and accuracy of tax information.

Clause 9 of the Bill amends section 54 of the Act to strengthen the protection of tax officers by creating offenses for violent conduct, threats and attacks against tax officers in the performance of their duties under tax law.

Clause 10 of the Bill amends the Act by inserting a new section 112(a) to authorise FRCS to collect, administer and account for fees on behalf of the Tax Agents Board and to provide for the use of those fees in carrying out the Board's function.

Clause 11(a) of the Bill amends the Act by inserting a new section 114(a) to empower the Board to publish the name, businesses and visit details of a tax agent whose registration or license has been suspended or cancelled.

The second Bill, Mr. Speaker, Sir, is the Income Tax (Budget Amendment) Bill. The Income Tax (Amendment) Bill seeks to amend the Income Tax Act 2025 to provide for the 2026-2027 budget policy changes.

Clause 1 of the Bill provides for Short Title and Commencement, as I mentioned before, passed by Parliament, the amending legislation will come into force on 1st August, 2026.

Clause 2 of the Bill amends section 25 of the Act to allow for a tax incentive for a person who establishes a new sports facility. The tax incentive is to allow the person a 150 percent tax deduction for establishing the new sports facility.

Clause 3 of the Bill amends section 30 of the Act to allow any loss incurred by a company in the aviation sector to be carried forward for a maximum of 15 years.

Clause 4 of the Bill amends section 40 of the Act to provide that any inventory or trading stock write-off that exceeds the value of $250,000 requires the CEO's prior approval.

Clause 5 of the Bill amends section 67 of the Act to exempt a person who has made capital gains through equity crowdfunding, small offers or innovation hub companies from capital gains tax.

Clause 6 of the Bill amends section 88 of the Act to empower the CEO to allow for deferral of payment of tax for companies under reorganisation, where the shareholding requirements under section 88 are not met, and that is where the minority shares held are not more than 5 percent.

Clause 7 of the Bill amends section 121 of the Act to require a person who provides a monthly provisional tax summary to the FRCS to also include in the summary all contractors engaged whether or not tax is withheld.

Clause 8 of the Bill amends section 180 of the Act to require a person to inform FRCS where a proposed transfer of a person's capital assets for which a capital gains certificate is issued does not occur or is not complete.

Mr. Speaker, Sir, on the Value Added Tax (Budget Amendment) Bill, this Bill amends the Value Added Tax 1991 in two important respects:

(1) The Bill applies import VAT on electric vehicles at a rate of 12.5 percent. This measure is intended to create a level playing field in the taxation of imported vehicles. The amendment promotes consistency with the VAT framework and ensures equitable treatment across vehicle categories.
(2) The Bill introduces a special time-of-supply rule for the tourism industry. Under this amendment, VAT on accommodation and related tourism supplies will be accounted for at the end of a guest stay or upon checkout, rather than at the earlier point when deposits, advance booking, repayments, or partial payments are received. This amendment recognizes the practical realities of the hotel industry, where payments are often received well before services are provided.

It resolves the tensions between existing VAT timing and commercial practice, improves administrative certainty for tourism operators, and aligns VAT accounting more closely with the actual delivery of taxable supply. Importantly, the amendment supports one of Fiji's significant economic sectors while maintaining the integrity of the VAT system.

Fourthly, Mr. Speaker, Sir, is the Customs (Budget Amendment) Bill which proposes amendments to the Customs Act 1986 to strengthen customs administration, improve compliance and align Fiji's customs framework with international best practice.

The Bill enhances the power of FRCS to ensure that goods under Customs control can be properly assessed and verified. One of the key amendments allows goods to be tested through arrangements made by IFRCS with the cost of such testing to be borne by the owner of the goods. This provides greater certainty in determining the classification, composition or value of goods where necessary. The Bill also strengthens enforcement by introducing an offence for failing to provide information or documents required under Customs law. This reinforces the obligation on importers, exporters and other person involved in Customs transactions to co-operate with Customs authority and supports more effective compliance and enforcement activities.

In addition, the Bill extends the period within which Customs duty may be recovered from one year to five years. This aligns the duty recovery period within the existing Customs audit period, allowing the service sufficient time to identify and recover any unpaid duties resulting from audits or compliance investigations.

Another important amendment expands the investigative powers of Customs officers by allowing them to question traders and other persons connected with goods that are subject to Customs control. This will improve the effectiveness of Customs investigation and assist in preventing duty evasion and other Customs-related offences.

Finally, the Bill updates a number of definitions within the Act to recognise the licensing of cargo agents and yacht agents, while also requiring these licensed agents to comply with the relevant codes of conduct. These amendments support greater professionalism and accountability within the Customs industry. Overall, the Bill seeks to modernise Fiji's Customs regime, improve regulatory certainty, strengthen compliance and enforcement, and bring Customs administration into close alignment with international standards.

Fifthly, the Customs Tariff (Budget Amendment) Bill 2026 amends the Customs Tariff Act 1986 to revise fiscal duty, import excise and VAT rates on selected goods and motor vehicles, introduce and remove specified tariff items and concessional codes, establish new duty concession for approved investment incentive schemes, and align fiscal duty on certain motorboats.

Clause 1 provides for Short Title and Commencement of the Bill. The Bill will commence from 26th June, 2026 to give effect to the Customs and taxation measures announced in the 2026-2027 National Budget from the date of the Budget Announcement.

Clause 2 amends Part 1of Schedule 1 to the Act by expanding the definition of price actually paid or payable to align Fiji's Customs valuation framework with the WTO valuation agreement and strengthen the legislative framework governing Customs valuation.

Clause 3 amends Part 1 of Schedule 2 to the Act by revising tariff classification and applicable fiscal duty, import excise duty, and VAT rates, inserting new tariff items, deleting outdated or non-existent tariff items and correcting differences in the tariff schedule to give effect to the Government's 2026-2027 Budget measures.

Clause 4 amends Part 2 of Schedule 2 to the Act by expanding the scope of certain duty concession codes, removing concession codes that are no longer required and introducing a new concession code for eligible PVC boards.

Clause 5 amends Part 3 of Schedule 2 to the Act by inserting new duty concession codes for eligible companies undertaking investment projects under prescribed Income Tax Investment Incentive Regulation.

Mr. Speaker, Sir, the Excise Bill 2026 amends the Excise Act 1986 to introduce a specific excise duty rate for liqueur products. At present, the Act does not provide a separate duty for liqueurs. As a result, FRCS applies the excise duty rate prescribed for spirits. Therefore, the Bill seeks to create a distinct excise category for the applicable excise duty to be applied to liqueurs and to ensure that excise duty is calculated and imposed consistently and accurately.

The proposed amendments provide greater certainty for manufacturers, importers, and distributors of alcoholic beverages by clarifying the applicable duty retrieval while supporting the service in administering the excise regime more effectively and reduces the potential for disputes over product classification and duty liability.

Mr. Speaker, Sir, the Fiji Revenue and Customs Service (Budget Amendment) Bill 2026 amends the Fiji Revenue and Customs Act 1998 to update the secrecy provision, so as to allow for the release of documents and information by revenue officers to representatives of taxpayers, where there is written consent of the person to whom the documents and information relates, which is necessary for the ordinary operations in the day-to-day work of the revenue officers.

Mr. Speaker, Sir, the Tourism Services Tax Bill 2026 provides for the imposition of a temporary tax at a rate of 5 percent on the turnover of any person conducting a business involving the provision of tourism services with an annual gross turnover of over $2 million. The tourism services are prescribed in the Schedule to the Bill. The tax is borne by the recipient of the prescribed tourism service.

The revenue generated will be used to support Fiji Airways, our national carrier which has been affected by the fuel crisis. Without support provided, there can be an adverse effect on our tourism industry and our economy. A similar tax policy has been used before in Fiji, such as the Hotel Turnover Tax and Service Turnover Tax to generate revenue when required. Providing support to Fiji Airways is to protect our tourism industry and Fiji's economy during these difficult times, when the whole world is struggling due to the economic crisis brought about by the war in the Middle East.

Clause 1 of the Bill provides for Short Title and Commencements. If passed by Parliament, the new legislation will come into force on 1st September, 2026.

Clause 2 of the Bill provides for the interpretation and defines key terms used throughout the Bill.

Clause 3 of the Bill provides for the levy and payment of a Tourism Service Tax at the rate of 5 percent.

Clause 4 of the Bill provides for the person who is responsible for the daily management of a tourism service, that is the accountable person must pay FRCS the Tourism Service Tax that is collected and failure to do so, is an offence.

Clause 5 of the Bill provides that from 1st September, 2026 to 31st August, 2027, the tourism services tax collected will be paid to the company that owns or operates Fiji Airways.

Clause 6 of the Bill provides that an accountable person from a tourism service must be registered with FRCS.

For a business that is already operating, the person responsible for the daily management of the business will be deemed to be the accountable person from 1st August, 2026. For a new business, an accountable person must be registered with FRCS within 30 days of commencing business.

Clause 7 of the Bill provides that the Chief Executive Officer of FRCS has the authority to address arrangements that may be designed to reduce, avoid or interfere with Tourism Service Tax obligations.

Clause 8 of the Bill provides for the application of section 102 of the Income Tax Act 2015.

Clause 9 of the Bill provides that the Minister may make regulations.

Mr. Speaker, Sir, the Fiji National Provident Fund (Budget Amendment) Bill 2026 seeks to amend the Fiji National Provident Fund Act 2011 to provide for the 2026-2027 budgetary policy changes.

Clause 1 of the Bill provides for Short Title and Commencement and if passed by Parliament, the amending legislation will come into force on 1st August, 2026.

Clause 2 of the Bill amends section 37 of the Act to reduce the total mandatory contributions made by an employer or an employee for a month from 2 percent from 1st August, 2026 until 31st July, 2027.

Mr. Speaker, Sir, the Reserve Bank of Fiji (Budget Amendment) Bill seeks to amend the Reserve Bank of Fiji Act 1983 to strengthen the regulatory and operational framework of the Reserve Bank of Fiji, including aligning the account treatment of foreign exchange gains and losses with international financing reporting standards, and enhancing RBF supervisory and enforcement powers in line with contemporary regulatory practices.

Clause 1 of the Bill provides for Short Title and Commencement. If passed by Parliament, the amending legislation will apply from 1st August 2025. This change is expected to be implemented in the Reserve Bank of Fiji's 2025-2026 financial year from 1st August, 2025 and ends on 31st July, 2026.

Clause 2 of the Bill amends section 7 of the Act to align the treatment of foreign exchange revaluation gains and losses with the International Financial Reporting Standards (IFRS) by providing a framework for determining the distributable profits and maintaining an unrealised revaluation reserve account for unrealized gains and losses.

Clause 3 of the Bill amends section 8 of the Act to align with the amendments made in section 7 regarding the distribution of net profits by ensuring that the payment of net profits to Government is subject to the allocations and applications provided for under section 7.

Clause 4 of the Bill amends the Act by deleting section 34 to align the treatment of foreign exchange gains and losses with IFRS by removing the requirement for such gains and losses to be credited or debited to a revaluation reserve account.

Clause 5 of the Bill amends section 55 of the Act to allow the appointment of external auditors for a term of up to two years and to permit their reappointment upon the expiry of their term.

Mr. Speaker, Sir, the Exchange Control (Budget Amendment) Bill 2026 seeks to amend the Exchange Control Act 1950 to strengthen regulatory and operational framework of the Reserve Bank of Fiji in relation to exchange control under the Act.

Clause 1 of the Bill provides for Short Title and Commencement. If passed by Parliament, the amending legislation will come into force on 1st August, 2026.

Clause 2 of the Bill amends section 2 of the Act by inserting a definition for Minster to mean the Minster responsible for Finance and Reserve Bank to mean the Reserve Bank of Fiji.

Clause 3 of the Bill amends section 36 of the Act to allow the Reserve Bank of Fiji to impose sanctions on authorised dealers for certain contraventions under the Act or any other written law.

Clause 4 of the Bill inserts a new section 45 to identify the grounds for imposing a sanction on any authorised dealer and to specify the sanctions that may be imposed.

Mr. Speaker Sir, Superyacht Charter (Budget Amendment) Bill makes a targeted amendment to the Superyacht Charter Act 2010. The amendment clarifies the definition of a recognised superyacht agent to include yacht agents who are already licensed under section 148 of the Customs Act 1986. This change removes unnecessary duplication in licensing requirements.

Currently, yacht agents may be required to obtain recognition under the Superyacht Charter Act 2010, while also maintaining a license under the Customs legislation. The amendment streamlines regulatory processes, supports the efficiency of Fiji's super yacht sector, and maintains appropriate oversight and compliance standards.

Mr. Speaker, Sir, the Tertiary Scholarships and Loans Service (Budget Amendment) Bill 2026 seeks to amend the Tertiary Scholarships and Loans Service Act 2014 to provide for the 2026-2027 budgetary policy changes to *inter alia* update outdated definitions, remove the need for constant amendment of schedule by repositioning the list of approved schemes and eligible institutions to the Services' Scholarship Policies Handbook and refine the roles, functions and processes for greater operational efficiency of the service.

Clause 1 of the Bill provides for Short Title and Commencement. If passed by Parliament, the amending legislation will come into force on 1st August, 2026.

Clause 2 of the Bill amends section 2 of the Act to re-define at-risk student, eligible institution, schemes and student.

Clause 3 of the Bill amends section 4 of the Act to delete sub-section 4 so that the outdated provision in relation to the appointment of Board members is removed.

Clause 4 of the Bill amends section 5 of the Act to *inter alia* facilitate the transition of matters dealt with in Schedule 2, to now be prescribed in the Services' Scholarship Policies Handbook instead, and to update provisions to reflect the current functions of the Service.

Clause 5 of the Bill amends section 6A(1) of the Act so that the Board of the Service may now delegate its powers to the Service instead of the Chief Executive Officer.

Clause 6 of the Bill amends section 7 of the Act to specify that a Board member may be reappointed for a second term only.

Clause 7 of the Bill amends section 10 of the Act to *inter alia* reduce the quorum required for meetings of the Board from four members to three members.

Clause 4 of the Bill amends section 13 of the Act to change the composition of the Appeals Committee.

Clause 9 of the Bill amends section 14 of the Act to allow for the appointment of one or more senior officers of the Service to elect a CEO during periods of vacancy in the position.

Clause 10 of the Bill amends section 15(2) of the Act to remove the additional requirement for the approval of the Board for the determination by the CEO as to the remuneration terms and conditions of employment for employees of the Service.

Clauses 11 and 12 of the Bill amends sections 18 and 18B of the Act respectively, to update the actions that the Service can take against students and current roles and against eligible institutions in case of default of repayment, prohibition of false or misleading information, or non-compliance with applicable requirements.

Clauses 13, 14 and 15 of the Bill deletes section 26, Schedule 1 and Schedule 2 to the Act respectively as the eligible institution and available schemes will now be listed in the Services' Scholarship Policies Handbook instead.

MR. SPEAKER.- Honourable Members, the floor is now open for debate on the motion. Members are reminded that the speaking time provision is suspended, but only for this business item.

HON. F.W.R. VOSAROGO.- Perhaps, Mr. Speaker, that is a signal to all of us that we only have a few minutes to 12.30 p.m., and so I will take about two minutes of the Parliament's time.

Mr. Speaker, I rise to support the honourable Ministers for Finance's motion in the introduction and his seeking for the House to accept the 11 Consequential Bills this morning.

Allow me, Sir, just to create some light moment, I know it is a Friday and we might all be entitled to a light moment after last night's very intensive passage of the Budget. Mr. Speaker, Sir, I *Googled* in the net this morning and it said that in the medieval and early modern times, there were three recognized professions in the world: divinity, medicine; and law.

The great plagues happened, a lot of faith failed and medicine, of course, under-delivered, so the recognition changed. In the later part of modern times, they say that there were only two professions in the world, the law and everything else.

Note, Mr. Speaker, Sir, that I did not say "lawyers" just to make sure that the credit only belongs to a certain few, but law and we in the House today are the lawmakers of the country. I stress this because without these 11 Consequential Bills, the passage of the Budget yesterday would be futile. So, I urge every Member of the House to support the Consequential Bills that have been moved by the honourable Minister for Finance. There goes my two minutes, Mr. Speaker, Sir, and I stand in support.

HON. P.D. KUMAR.- Unfortunately, I will not be speaking for two hours, I will be speaking on four Bills, and these are Bill Nos.14, 17, 21 and 26. So, there goes your disappointment.

The Opposition supports the need for a modern and effective tax administration system; no doubt about that. Government must be able to collect revenue efficiently, combat tax evasion and meet Fiji's international obligations. However, every time Parliament gives Government or a public authority more power, it also has a duty to make sure that those powers are exercised fairly and that the rights of ordinary taxpayers are protected. That is where we believe this Bill requires closer scrutiny.

The first concern relates to the sale of the taxpayer's property. Under the current law, a High Court Order is required before charged property can be sold. This Bill removes that safeguard if the taxpayer gives written consent. At first glance, this may seem reasonable, but we must ask, when someone is already under financial pressure and facing the loss of their property, can we always say that their consent is truly voluntary? Should there not be additional safeguards such as independent legal advice, a cooling-off period where one can change his or her mind, this is normally used in consumer protection, or a clear process to challenge consent if it was obtained under pressure. There are important protections because once a person's property is sold, the consequences are permanent.

Mr. Speaker, Sir, the second concern is the significant increase in the investigative powers given to tax officers. The Bill allows tax officers to enter premises, conduct searches, seize documents, take photographs and recordings, and compel people to answer questions. The Opposition is not saying FRCS should not investigate tax offences, it should and it must, but these powers are very broad and should be balanced with proper safeguards.

For example, should a search of private property require a warrant or a written approval of the CEO instead of relying only on the opinion of the investigating officer. If someone is compelled to answer questions during an investigation, should they not also have the right to seek legal advice? These safeguards protect honest citizens just as much as they help ensure investigations are conducted fairly.

Mr. Speaker, another concern is the record keeping requirement. The Bill says taxpayers must keep records that are sufficient for the CEO of FRCS to readily determine the tax liability. The problem is that the law never explains what sufficient actually means. One tax officer may consider certain documents acceptable while another may disagree. This creates uncertainty for businesses and taxpayers. Instead of leaving these important standards open to interpretation, the law should clearly specify what records are required to allow regulations to define those standards. The Bill also introduces new penalties and compliance requirements, particularly in relation to international information sharing and beneficial ownership. Fiji must comply with international standards and we must support that objective.

But if you look at the penalties, these penalties are not fair. The penalties should be fair and proportionate. For example, a small family business should not automatically face the same penalties as a large corporation, where the scale and impact of the breach are completely different. Likewise, there should be a clear distinction between deliberate tax fraud and an honest administrative mistake. The purpose of penalties should be to encourage compliance, not to punish unfairly.

Mr. Speaker, Sir, there are also some drafting issues that Parliament should not ignore. One provision, 37L2, dealing with calculation of interest is so poorly worded that it is unclear how the interest should actually be calculated. Section 37(3) states that interest rate is 10 percent per annum, but it does not say whether it is compound interest rate or simple interest rate. This may sound like a minor drafting error, but it is not. If the law is unclear, the taxpayers may not know how much they owe. Sir, FRCS may interpret the law differently and disputes may end up before the courts, and not everyone can afford a lawyer. Our law must be clear, precise and capable of being understood by everyone.

Mr. Speaker, Sir, the Bill also establishes a Central Register containing beneficial ownership information. This Register will hold sensitive personal information. The legislation should therefore clearly state who can access the information, how it will be protected and what safeguards exist to prevent misuse or unauthorised disclosure.

Public confidence depends on knowing that personal information is secure. Mr. Speaker, Sir, we must build a tax system based on fairness, transparency and public confidence rather than giving broad powers without enough accountability. In my view, these are not technical matters that can be dismissed as drafting issues. In tax law, a single unclear provision can determine whether a citizen pays a penalty, loses a property or faces prosecution. That is why Parliament must get this legislation right. So based on that reasoning, we cannot support this Bill No. 14.

Let me move on to Bill No. 17 of 2026, which is the Customs (Budget Amendment) Bill. We support the objectives of strengthening Fiji's Customs system. Let me acknowledge the positive aspects of the Bill.

The introduction of a licensing framework for cargo agents is sensible. The creation of a separate licence for yacht agents reflects the growth of Fiji's marine tourism industry. Making it an offence to deliberately refuse to produce Customs documents strengthens compliance. Clarifying that existing freight forwarders do not require additional licence also removes unnecessary duplication. These are constructive reforms, and we support these reforms. As I said earlier on, our responsibility in Parliament is to ensure that laws are effective, but also fair, proportionate and practical. Unfortunately, this Bill, in its current form, fails that test.

Mr. Speaker, Sir, the first concern is the penalty for operating without a cargo agent's licence. The Opposition agrees that cargo agents should be licensed. They play an important role in handling imports, exports and documentation. Proper licensing protects businesses, consumers and Government revenue, but what we cannot support is the punishment proposed in this Bill. The Bill allows for a maximum penalty of 10 years' imprisonment, or a fine of $25,000, simply for operating without a licence.

Mr. Speaker, Sir, 10 years' imprisonment is a punishment; I know it is the maximum, normally reserved for very serious criminal offences. Can the Government honestly explain why a licensing offence deserves the same maximum sentence as some of the most serious offences under criminal laws? We have not seen any justification for such an excessive penalty. The punishment simply does not fit the offence.

Mr. Speaker, Sir, our second concern is the transition period. The Bill comes into force on 1st August, 2026, yet existing cargo agents have only one month to become licensed. Let us think about that in practice. These businesses must prepare applications, gather supporting documents, satisfy fit and proper person requirements, pay the required fees, and then wait for FRCS to process those applications. We believe businesses should be given sufficient time to comply with the new law, and those who face administrative delays beyond their control should be given more time. It would be nice if that assurance can come from the Minister concerned.

Mr. Speaker, Sir, the third concern relates to the new questioning powers given to the Customs Officers. The Opposition accepts that the Customs Officers need powers to question people during investigations, but those powers must come with safeguards. The Bill gives Customs Officers the authority to question people without providing important protections such as the right to legal advice, the right against self-incrimination, or clear procedures on how questioning should be conducted. Those safeguards protect innocent people from unfair treatment and ensure that investigations are carried out properly.

Mr. Speaker, Sir, the fourth concern is the new power allowing FRCS to order independent testing of imported goods. Again, we agree that testing is sometimes necessary, and not all the time. Sometimes when you are in doubt, it is required. However, there is no clear threshold before testing can be ordered. There is no limit on the cost that may be passed on to the importer. They can just send this test to any lab they like, and it will be footed by the businesspeople.

There is no timeframe within which testing must be completed. So, if the testing is not completed on time, that means the container load of things are sitting somewhere and probably getting expired. We heard that from honourable Maharaj last night. It is our job to highlight all these issues, whether you take it or not, that is your problem, but as an Opposition, we are speaking on the Bill and highlighting the issues.

(Honourable Members interjected)

HON. P.D. KUMAR.- Alright, I think you are all done with that, so now I can speak. I have worked in consumer protection. I have also advocated for testing of products, which is very important. But I am saying that you got to have some safeguards there. That is all. I am not saying do not get the testing done. No, get it done. But we got to have some safeguards so that the officers understand the timeliness of those processes. That is all I am saying. I am not saying, take away the testing. No, we should not.

There is no provision for compensation if the testing proves the importer was right all along. Imagine a business importing fresh food, as I said, or medical supplies. If those goods are held for weeks while testing is carried out, and I mean, we have heard over the week that some of these tests are not done locally. It is sent abroad, particularly food testing, you have to send it to these certified labs abroad, and it is not cheap.

I recall, when I was with Consumer Council, we got about 20, 30 food products. We had to send it to Malaysia for testing. That came with a huge bill and thank God, we did not have the money to pay for it, but another consumer organisation outside Fiji picked up the bill. We have to think along those lines as well, Mr. Speaker, Sir. The only thing I am saying is that the law should strike a fair balance between enforcement and commercial reality. Mr. Speaker, Sir, we believe the Bill can be improved.

The Government should reduce the excessive penalty for licensing offences. It should provide a realistic transition period for existing businesses. It should strengthen the safeguards around questioning powers. And it should introduce clear limits and accountability for testing costs. These are reasonable amendments. They do not weaken customs enforcement. In fact, they strengthen confidence in the law. Mr. Speaker, Sir, regulators should be given powers, but those powers must be balanced with accountability. Again, for these reasons, we cannot support this Bill.

Mr. Speaker, Sir, I will now move on to Bill No. 21, which is on Tourism Services Tax Bill 2026. We recognise that Fiji Airways is a national asset, carrying around 80 percent of our international visitors. Its success is vital to tourism, employment and the wider economy. In fact, Fiji Airways is our pride. The Opposition therefore accepts that Government needs to support the national carrier. Okay, now let us look at what is the problem with the law. The issue before Parliament is not whether Fiji Airways deserves support, but whether this Bill provides a fair, transparent and accountable way in providing that support.

Mr. Speaker, Sir, again, my first concern is that this Bill places the financial burden almost entirely on one sector of the economy. Tourism has only recently recovered from the devastating effects of COVID-19. Many businesses during that time took loans to renovate the properties around Fiji, and some of them are still servicing loans which they took during the pandemic, and they are still trying to rebuild their cash reserves and trying to remain competitive in an increasingly challenging global tourist market. Yet this Bill imposes tax based on a gross turnover, not profit. That means a business can still be making a loss but will nevertheless have to pay this tax because the tax is based on gross turnover rather than profit. Businesses making little or no profit will still pay exactly the same tax as profitable businesses, and that is fundamentally unfair. Even the Permanent Secretary for Finance has acknowledged that a turnover tax is not the best way to design a tax.

If Government itself accepts that, then Parliament must ask why a fairer alternative was not considered. Mr. Speaker, Sir, another major concern is existing contracts hotels have entered into. We know hotels, resorts and tour operators sell holiday packages many months ahead and sometimes years in advance. Prices are agreed, deposits are paid and contracts are signed. These contracts cannot simply be changed just because the Government introduces a new tax. Businesses cannot suddenly tell overseas visitors that they must now pay more because Parliament has changed the law. Doing so would breach legally binding agreements and damage Fiji's reputation as a reliable tourism destination.

As a result, businesses are left with only two choices. Either they break their contract with the customers, or they absorb the additional tax themselves. In reality, most businesses will have no choice, but to absorb the cost. Another serious concern is accountability. Instead of tax being paid into the consolidated fund, I mean, I found it very strange the way this was announced by the Minister for Finance, that we will collect this money and it will go to Fiji Airways. I mean, I would have preferred to hear that Fiji Airways will be assisted with $70 million of money. That is it. Then you can separately announce that we are now introducing a new tax called tourism tax, full stop!

However, the point that you linked directly with Fiji Airways raises a number of concerns. The first concern is that you are asking the hotel industry and other operators to pay 5 percent and Fiji Airways themselves are operating a hotel. They are in direct competition with hoteliers. Why should this hotel industry be bailing out Fiji Airways? Why should it be just one sector? That is my concern. The second point is….

HON. M.S.N. KAMIKAMICA.- What is you solution then?

HON. P.D. KUMAR.- My solution is to introduce tax across the board for everyone else to pay and not just one sector! The precedent that you have set is this, next time if the Fiji Sugar Corporation (FSC) needs money, you will say, alright, and another sector will now pay this much and pay directly to the sugar industry. This is the precedent you have set!

(Chorus of interjections)

HON. P.D. KUMAR.- We do not have a system like this. Nowhere, never! You are simply saying that this money will be collected and paid directly to Fiji Airways, so there is nothing that shows. We would like to know why Fiji Airways is getting into businesses which is not their core business. Fiji Airways is supposed to be flying, yet they have gone into other businesses. Have they tried to sell off some of their shares, or have they tried to consolidate the operations?

(Chorus of interjections)

MR. SPEAKER.- Order, order!

HON. P.D. KUMAR.- I am not talking to you, I am talking to Mr. Speaker. I will only look at you, Mr. Speaker, Sir.

(Laughter)

MR. SPEAKER.- Yes, you are supposed to address me anyway.

HON. P.D. KUMAR.- Fiji Airways must demonstrate that they have looked at the operational cost and have reduced it. We all know seated here, that they have the Board members and their families are jetting here and there at reduced rates. How are you reducing all their costs? We would like to know how they are reducing those costs if they are in a terrible financial situation. They must demonstrate that they have become a lot more responsible, and therefore they need to be assisted.

Mr. Speaker, Sir, another issue is the consultation. The Government claims the tourism industry broadly supports these tests, yet the Fiji Hotel Tourism Association has publicly stated that it neither proposed nor endorsed it. If the industry's principal representative disagrees, Government should explain how it concluded that there was broad support. The Government lied.

Mr. Speaker, Sir, the Bill describes this as a temporary measure, yet it contains no sunset clause ending the tax itself. While payments to Fiji Airways are limited to 12 months, the legal authority to continue collecting the tax remains. If this is genuinely temporary, the legislation should make that absolutely clear.

Mr. Speaker, Sir, the Opposition is not saying Fiji Airways should not be left to struggle. Far from it! To the earlier point that I made, why should hotels be supporting Fiji Airways, since Fiji Airways is in direct competition with hotels? Let me also highlight that most of these hotels are owned by FNPF. So, who is actually involved here? It is us – all those individuals who have accounts with FNPF; we are the ones.

Mr. Speaker, Sir, as I said earlier on Fiji Airways is our national asset, its success matters to every Fijian, but so does the success of the hotels, resorts, restaurants, tour operators, transport providers and thousands of workers who keep our tourism industry alive. The responsibility of supporting our national airline should be shared, fairly managed, transparently and approved with full parliamentary accountability.

Now, I will come to the last presentation, and I will be speaking on Bill No. 26, which is on Tertiary Scholarships and Loan Services. Mr. Speaker, Sir, again the Bill has a number of positive reforms, and I would like to acknowledge those positive reforms. The first one is the introduction of term limits for Board members. It is a good governance measure. It prevents the same people from remaining on the Board indefinitely. Requiring every Board member present to vote on decisions is also a positive step because it makes members accountable for the decisions they make. Clarifying arrangements for an Acting Chief Executive Officer and strengthening action against people who deliberately provide false information are also good improvements, and the Opposition supports these changes.

However, these positive amendments do not change the fundamental concerns of this Bill. Its central objective is to transfer important powers away from Parliament and weaken independent oversight while concentrating greater authority in the hands of Minister and the TSLS. The most significant amendment is the removal of the schedules from the Act. Currently, Parliament determines which institutions qualify for TSLS funding and which scholarship schemes exist because it comes to Parliament and we normally have a debate. If the Government wishes to amend those lists, as I have said, it comes to Parliament and we do those changes collectively.

Mr. Speaker, Sir, now what is going to happen is, these schedules will go into the handbook. Once in the handbook, they cannot be changed without Parliamentary approval, because it is in the handbook and they can change it whenever they like. What can they change? They can change a scholarship scheme. Any scholarship scheme can be removed, eligibility rules can be changed, and an institution can be added or removed. All of these can happen without Parliament ever debating those changes.

The Government says this will make administration more efficient because Parliament will no longer have to amend the schedules. I ask this House, is Parliamentary oversight a problem? Since when has Parliamentary oversight become an inconvenience? Parliament exists precisely to oversee how taxpayers' money is allocated. Efficiency should never come at the expense of accountability.

Mr. Speaker, Sir, perhaps the most worrying amendment is the change to the Appeals Committee, and I wish the honourable Minister would be able to respond. At present, the Solicitor-

General plays an important role in that Committee, providing legal independence. The Bill removes the Solicitor-General and instead allows the TSLS itself to determine who sits on the Appeals Committee. Think about that. What does that mean? If a student is unhappy with a TSLS decision and lodges an appeal, that appeal will be heard by people selected by the very organisation whose decision is being challenged. Justice must not only be done, but it must also be seen to be done. An appeals process must be independent if the public is to have confidence in it.

The Bill also changes who can exercise delegated powers. Instead of delegating powers to the Chief Executive Officer, powers can now be delegated to the Service. The Chief Executive Officer is clearly an identifiable person who can be held accountable. The Service is much broader. It becomes difficult to know exactly who made a particular decision and who should answer for it. Where is clear lines of responsibility and this Bill weakens those lines.

Mr. Speaker, Sir, the Bill also removes an important safeguard over staffing decisions. Currently, the board approves employment conditions determined by the CEO. This amendment removes that Board oversight, meaning one individual, that is, the CEO, can determine salaries and employment conditions without the board's approval.

Another concern is the enormous discretion given to the Minister. Under this Bill, an institution becomes eligible simply because the Minister approves it and it is placed in the handbook, but nowhere does the Bill explain the criteria the Minister must use. There is no requirement to give reasons if an institution is rejected.

There is no time limit for making a decision. There is no appeal process. Imagine a nursing college, a teacher training institution or a private tertiary provider being refused approval. How will they know why? How do they challenge the decision?

Mr. Speaker, Sir, the Bill also allows TSLS to suspend funding to an institution that it believes has failed to comply with its requirements. Now, no one disputes that institutions should comply with the law, however, before funding is suspended, procedural fairness must exist and we would like to see that safeguard in the Bill.

Mr. Speaker, Sir, again, we see Parliament giving away its oversight role. More authorities are being transferred to ministers and Government agencies while independent checks and balances are steadily reduced, and that should concern every member of this House because it alters the constitutional balance between Parliament and the executive.

HON. GOVERNMENT MEMBER.- Nonsense!

HON. P.D. KUMAR.- The Opposition supports modernising TSLS. We support making administration more efficient, but efficiency must never replace accountability. Parliament should continue to determine the major policies governing scholarships because this involves around $160 million of public funds and, more importantly, the future of our young people. While we support the positive administrative reforms which I mentioned earlier on, contained in this Bill, the Opposition cannot support the concentration of power and reduction in parliamentary oversight that this Bill creates in its present form.

HON. S. TUBUNA.- Mr. Speaker, Sir, I rise in support of the Consequential (Amendment) Bills, which are presented before this House. These Bills are more than just legislative amendments. They are the legal instruments that give a practical effect to the 2026-2027 National Budget. They ensure that the policy announcements made by the Government are supported by the appropriate legislative framework so that businesses, investors, the workers and ordinary Fijians can benefit from the message contained in this budget.

Mr. Speaker, Sir, during the Budget Debate this week there has been a considerable discussion about the Government's economic outlook. We have heard from the Members of the Opposition, the doomsayers, particularly from Honourable Vijay Nath and Honourable Rinesh Sharma, who continue to paint a very bleak picture about the economy.

I wish to draw your attention, Mr. Speaker, Sir, to the interesting development reported in today's *The Fiji Times*, ANZ, Senior Pacific Economist, Dr. Kishti Sen has projected that Fiji's economy will grow by 2.7 percent in 2026. This is quite significant, and it is higher than the Government's own 1.5 percent the worst-case projection that underpins this Budget. This will be driven mostly by the increasing visitor arrivals, increasing performance of the agriculture sector and, of course, increased remittances. So, the honourable Opposition Members from the other side, all the commentaries on the economy that you have been portraying this week are all false. Because this is an international expert who is portraying that the economy will grow and all the people of this country should have faith in this Government, because this is the Government that will deliver to the people of this country.

Mr. Speaker, that is an important point; it demonstrates that the Government has deliberately chosen to prepare a prudent and responsible budget rather than an overly optimistic one. Instead of over-inflating revenue expectations or making promises based on another best-case scenario, this Government has budgeted conservatively. That is exactly how responsible this Government is.

Of course, one of the things that I would like to share is investor confidence in this country. We have heard from investment in Fiji, a pipeline of $8 billion. We were in Rakiraki last week. I am talking about the consequential amendments and how that will impact the people of this country. How are the people motivated to invest more? Of course, the Leader of the Opposition, I wish not to tell you that cowpea will be the crop that will project Fiji forward.

HON. J. USAMATE.- Point of Order!

MR. SPEAKER.- Point of Order.

HON. J. USAMATE.- We are actually talking about Consequential Bills, not about what we read in newspapers, not about what other people have said. Consequential Bills, that is what the debate is on. Thank you.

MR. SPEAKER. - Yes, I, somewhat, share the views in here. Can you please, honourable Assistant Minister, continue speaking on the 13 Consequential Bills that are before the House? You may, in fact, refer to, for example, in the newspapers, if it in fact is relevant to one of the issues, one of the Bills in there. But come back to the Bill, if you wish.

HON. S. TUBUNA.- Thank you, Mr. Speaker, Sir. The Consequential Bills and all of the amendments that have been made have an effect on how the economy will be operating in the next year or so, Mr. Speaker, Sir. Many of our rural and maritime communities, most of them I serve, are quite confident of the changes that are being made in terms of legislation that this Government is carrying forward.

Of course, the legislative amendments enable the Government to implement those commitments efficiently and transparently. Mr. Speaker, Sir, the Consequential Bills are therefore not merely technical amendments. They are an essential component of Government's broad strategy to strengthen economic resilience, investment and create employment and improve the lives of all

Fijians in this country.

For those reasons, I fully support the Consequential Bills before the House and commend them to Parliament.

HON. I.B. SERUIRATU.- Mr. Speaker, Sir, I will be very brief. The other side of the House, Government, had heard from the Opposition. We approve the Consequential Bills but there are some reservations as alluded to by the members on the Opposition who have spoken. We are here to ensure that whatever Bills we come up with and the policies as well are the best and delivers the expectations according to the intentions of Government as per the budget that has been passed yesterday. I just want to talk specifically on Bill No.16. I find this as very disappointing, particularly the intention to remove the VAT concession for electric vehicles and restore it to 12.5 percent. It contradicts our intentions, particularly when we want to transition to clean energy and, of course, in the transportation sector as well.

Mr. Speaker, Sir, as you are aware, in terms of our mitigation and NDC implementation, we all want to transition into clean energy, and we want to get rid of fossil fuel vehicles. Unfortunately, this is in contradiction with our international commitments and the plans that we have here in Fiji. I hope that the Government can reconsider this.

As you go around Suva, I heard the honourable Minister saying that he wants to have a fair idea across the board. But then, Mr. Speaker, Sir, you see the private sector is already moving into this transition. Most of the vehicle dealers are already bringing in electric vehicles, and that we applaud. Even some of us have gone into that as well, purchasing Electric Vehicles (EVs).

However, for the removal of the VAT consensus and bringing it back to the 12.5 per cent, as the honourable Minister stated in his Budget Address, VAT on personally imported electric vehicles will be reinstated at 12.5 per cent. I, for one, do not disagree with this, and I hope that this Bill can be reconsidered by Government, because Parliament is the bridge between our international commitments and our local implementation. And for us to be doing the contrary, despite our international commitments, is perhaps something that will not reflect well on us, as members of the august House.

That is one thing that I wanted to point out. But we approve the Consequence Bills in principle, but there are some reservations, as already alluded to, by Members of this side of this side of the House, Mr. Speaker, Sir.

HON. S.L. RABUKA.- Mr. Speaker, Sir, I just want to thank all Members for their contribution to the Budget Debate. I was not worried about the vote. I could not take it for granted, but I was not worried. It was my 12th budget. I lost one, and I thank all Members. I was also very encouraged by the quality of the debate, and I was encouraged by the contribution of the honourable Members of the Opposition. I saw during the debate many of them qualified to be Cabinet Ministers in any government, and I wish them well in the upcoming elections.

Mr. Speaker, Sir, as the Honourable Minister has referred to, these are Consequential Bills. They are Bills to enable the Government to fund and effectively execute the Budget that we have voted for. Although the honourable Members of the Opposition have voiced concerns and reservations about some of the Bills and some of the aspects of the Budget itself, as the Minister had said, while moving the Appropriation Bill, it is necessary for the time being to be prudent about our spending but also make sure we form the basis or the foundation for a sustainable future, a more prosperous future. We have to bear the pains of the injections in the operations now, and we look forward to the healing and new strength when the operation is properly healed. And this is like an operation. I thank all Members for their participation in the debate, and I commend the Consequential Bills to the House, Mr. Speaker, Sir.

HON. J. USAMATE.- Thank you, Sir, thank you honourable Members for their contribution to the debate, and thank you as well, honourable Prime Minister, about the nature of these Bills. These are consequential to the budget, and they are designed to allow the implementation and the execution of the budget.

We also thank the opportunity given to be able to talk on these Bills and frankly, share our thoughts, which we think, at the end, you do have the numbers, you will pass all the Consequential Bills, but this debate gives us an opportunity also to share our thoughts on those Bills, since that is what this House is for. Bill No. 14, Sir, on the Tax Administration (Budget Amendment) Bill 2026. I think overall it is a very good Bill. The role of the FRCS is something that is critically important for our country. It is the revenue collector, and this Bill obviously sets out to strengthen tax administration and strengthen tax compliance.

There are two things in this Bill that I have overall, the Bill in itself is supported by these two elements, some of which have been highlighted by honourable Premila Kumar. One of the things that this Bill does is that it expands the investigative powers and information-gathering powers of FRCS. That is a very important thing for FRCS to be able to do that. It has to investigate; it has to have those information-gathering powers, and it must do that. If there are any concerns on our part, looking at the rights of citizens, as these investigative powers are expanded, we want to be able to make sure that in the execution of this, the expansion of these investigative powers is sufficiently balanced with taxpayer rights and the rights for the protection of themselves. So, it is very important in the execution of this, as the regulations are developed, that, that balance is brought in, yes. FRCS must have those powers. But at the same time, the rights of taxpayers, there must be additional safeguards protecting the confidentiality of taxpayer information when all that is done.

We agree with the idea that FRCS has to be strengthened but our concern is also that the rights of the taxpayers in that process must be protected. That is one of the issues that I have about this particular Bill. It also focusses on the Bill itself, also focusses on modernising several administrative processes and the review procedures. If there's something that will have a question on this, will all of this lead to more implementation compliance costs that smaller businesses might have to deal with? And if so, that needs to be made apparent to them. It is something that needs to be put into place. Will the implementation increase compliance costs for financial institutions? That is a key question that needs to be answered. If it is there, it is something that needs to be raised with them so that they fully understand. If there are additional costs, if there are, they need to be made known through implementation guidelines, through awareness, through the various bodies that could be expected to deal with this.

Mr. Speaker, Sir, the second Bill that I will talk briefly on, on just one aspect of the Bill, is Bill No.15, which also is looking at the amendment to the Income Tax Act 2015. There are a number of key measures there. One that I want to speak on is because I appreciate that this particular measure quite a lot is the introduction of the 150 percent tax deduction for approved expenditure on sports facilities. We know the importance of sports in our country. Sports is very important for physical wellbeing, for wellness and so forth, and also for big business. It is a way in which a lot of investment has come into this country. So overall, on my part, looking at this particular Bill, that is something I support. The tax concessions, the 150 percent that is given on that particular component there.

The third one, very briefly, Bill No.16 on the Value-Added Tax (Budget Amendment Bill) 2026. It introduces a VAT exemption for different sorts of things. There are two things that I would like to talk about. First is for the drug rehabilitation centres. As we all know, drugs is a huge crisis in our country. This particular Bill deals with something at the end, when somebody's gone through the process of having been impacted negatively by drugs. We need to have more drug rehabilitation facilities in Fiji. This is obviously something that is going to help us in that area. That is something I fully support, but I share also the concerns expressed by the Leader of the Opposition on the removal of the concessions for electrical vehicles.

As the Leader of Opposition has said, the quintessential challenge of our time is climate. That is the big challenge that faces us in small island countries all over the world. We need to be able to do our bit to get to carbon zero, and all of those targets that we have to remove incentives that help people to move towards those emission reduction targets do not make sense in the bigger scale of things.

Climate change is the bigger scale. Climate change and greenhouse gas emissions and all the things that come with it, this is the major challenge for life itself for us in this country. Removing this might fall into compliance with other laws that we have around FRCS. However, in the big picture of things, climate change is the issue. It is the issue. We have fought all over the world about oceans, greenhouse gas emissions, climate change. We need to be able to show that there is compatibility and coherence with what we say around the world and what we do intently.

I understand that there are some administrative requirements, but it does not make sense to me when you look at what the big problems in the world are and what we stand up for and what we do internally. That does not make sense to me.

Mr. Speaker, Sir, I wish to also speak briefly about is Bill 20 on the Fiji Revenue and Customs Service (Budget Amendment) Bill 2026 where it permits FRCS to disclose taxpayer information where the taxpayer has provided a written consent or disclosure is authorised by regulations. I see as I read through this, why this will lead to administrative efficiency, it will facilitate legitimate information sharing, and I agree with that. However, the concern I have is the protection of taxpayer confidentiality and the importance of making sure that this is maintained.

Taxpayer information is amongst the most sensitive information held by the Government. It is very sensitive information and as Parliament, we should ensure that the amendment does not weaken public confidence in the confidentiality of taxpayer records. A question for us, Government to make sure that there are sufficient safeguards in place to prevent the misuse or unauthorised disclosure of this taxpayer information. I am glad to see that there are written consent requirements there and I hope that it will be managed in such a way that it will be sufficient to maintain that confidentiality.

There are also aspects in this about cybersecurity and data protection. When that comes up for all of us, we always get a bit worried. At the end of the day, it is important for us as leaders in this country and as legislators that the public continue to have confidence in our tech system because our tax system depends on voluntary compliance, so taxpayers must have confidence that confidential and financial information will only be disclosed where absolutely necessary and in accordance with the law, Mr. Speaker, Sir.

Mr. Speaker, Sir, the last Bill I wish to discuss is Bill 26 on the Tertiary Scholarships and Loan Service and honourable Premila Kumar has also talked about this Bill. Honourable Kumar shared some very pertinent governance issues that I hope that the Government is listening to the points that have been highlighted. This is in regard to what might seem to be the removal of Parliamentary oversight on some of the functions relating to this particular Bill. These are important things.

I can see the Attorney–General shaking his head; but please listen to the comments that we have come up with. Think about it, as you will have the power to implement it. Your role is to listen to the loyal Opposition of this country, giving its loyal commentary for the benefit of our country. You may laugh and you may tell me to sit down, but you will know my words. This is your loyal Opposition, doing this work for the people of this country.

Mr. Speaker, Sir, one of the things that I have highlighted in this debate is I am feeling very good towards my good friend, the honourable Tuisawau. My feeling is that there is a mismatch between what we are doing in terms of the money that we are throwing into education and training and what we are getting out of it. There is a mismatch, but I do not really know what the solution is. This is like a dark gloom that hangs all over me when I think about it.

As we move down this path, I think aligning scholarships with national workforce needs. The way that we manage it. What is happening right now with the changes that have come in, as was pointed out, the pass rates in exams are going up. People are getting more and more marks. More and more people are getting scholarships. So, what do the institutions do? They start going around just hunting for people to take up these opportunities. There is a danger there that we are giving money and it is not leading to the outcomes and outputs that will meet the needs of our industry. This is very critical.

As we do all of these changes, that, Mr. Speaker, Sir, is very critical. I think we have taken the time to be able to share our thoughts. Our votes are not going to count. Our votes in this particular passage of the Consequential Bill is going to count, but what counts is our words and our thoughts, that you think about them and that you take it into account. If you make wrong decisions in your execution, you must stand and bear responsibility for that.

HON. A.M. RADRODRO.- Mr. Speaker, Sir, I would like to make a small contribution in terms of Bill No. 26 of 2026. I support the motion before the House, but I want to specifically talk on the Tertiary Scholarship and Loans Act 2014 amendments. Considering the comments that have been coming from the other side of the House, I think what they failed to mention is their realisation of the changes that we are now putting through towards the failure that they did not act in time to address the concerns that they are now raising. They were sitting on this side of the House at one time; they could not voice their opinions and raise their concerns in time. Every time we were speaking from that side, highlighting what needed to be done, they could not have enough influence to make the amendments as we are doing now.

Mr. Speaker, Sir, these amendments are both timely and necessary to strengthen the administration of the TSLS, improving its enforcement mechanism, and enhance accountability in terms of the students that they sponsor and the stakeholders of the higher education institutes. They will help ensure that the TSLS scheme remains sustainable, transparent and effective in delivering educational opportunities for the benefit of current and future students.

The amendments that relate to the definitions of at-risk students, eligible institutions, and students and schemes have been revised to ensure greater precision and alignment with the services' operational objective. This amendment is needed because it also gives responsibility to the institutions to identify at-risk students, as compared to what was previously, where TSLS has taken on all the responsibilities in terms of identification of at-risk students and sometimes great unnecessary volumes in terms of students, a number that comes through. This is timely because it allows the institutions to identify at-risk students and work with TSLS in terms of student care.

Mr. Speaker, Sir, the amendments have also been made to the composition of the Appeals Committee to ensure it remains effective, impartial and responsive in discharging its responsibilities.

Further amendments to strengthen the enforcement provisions, available to the service by updating the actions that may be taken against students, guarantors, and eligible institutions in incidents of loan repayment default. The provision of false or misleading information or non-compliance with legislative and policy requirements.

Mr. Speaker, Sir, I also wish to inform this august House that Schedules 1 and 2 have been removed as being alluded to earlier. These Schedules which previously listed eligible institutions and available schemes will now be incorporated into the TSLS Scholarship and Policies Handbook. This approach provides greater flexibility to update approved institutions and scholarship schemes as required while ensuring the handbook accurately reflects the services, current functions and operations. These amendments are intended to strengthen legislative clarity, improve administrative efficiency and consistency and ensure greater alignment between the Act, policies and the Services' operational practices. Collectively, they will support the effective governance and administration of the tertiary education funding framework and enhance the Service's ability to meet the needs of students and stakeholders. Mr. Speaker, Sir, I once again support the motion before the House.

HON. PROF. B.C. PRASAD.- Mr. Speaker, Sir, thank you for giving me this opportunity. I will try and be very brief. I just wanted to begin by saying that I was listening very carefully to my good honourable friend, Minister for Lands when he was talking about the historical profession, and I quickly did a ChatGPT AI and it says that today’s most wanted professions are teachers and healthcare workers. So, lawyers are not the favour of the day.

Mr. Speaker, just very quickly on Bill No. 14, the Tax Administration Bill, this has always been part of Consequential Bills and over a period of time, there is always identification of loopholes, experiences, strategies to strengthen tax compliance and what we have done in the last three years, as is reflected in the level of revenue, a lot of it has come through proper compliance. This amendment, I think, is designed to further strengthen tax compliance and enhance revenue for government. I do appreciate the points that were raised by honourable Premila Kumar, but I think the implementation of these laws can be carefully done and that itself is going to provide the safeguard in the way in which the FRCS and those responsible for implementing those laws would take care of that.

Mr. Speaker, Sir, Bill No. 16, I heard both honourable Leader of the Opposition and honourable Usamate talking about the removal or the imposition of import tax on electric vehicles. As they will see that there are other exemptions of VAT on the importation of capital goods for the establishment of Drug Rehabilitation Centres. There is always a choice that Government makes, the Ministry of Finance makes in terms of looking at how, at a particular point in time, we can raise additional revenue, we can exempt revenue from certain areas just to allay the fears of both the honourable Leader of the Opposition and honourable Usamate. Yes, incentives for climate change mitigation, greenhouse gas mitigation is important. In fact, there have been a lot of other incentives that are already in place for residential solar plans, et cetera. We are not sort of deviating from our international commitments in that area just because we put an import tax on electrical vehicles this year.

Bill No. 21, Mr. Speaker, the honourable Kumar made some very important points, but I just wanted to remind her and the Opposition, there is a thing called “earmarking of revenue”. This is not something new, it has always been done. You can talk about environmental levy that we used to have before, you can talk about health levy, you can talk about fuel levy, for example, road maintenance, et cetera. These are earmarking revenue measures for a particular purpose. And what it does, Mr. Speaker, Sir, it builds trust, it brings about transparency, accountability, and those who actually bear the burden of that particular levy or tax understand very clearly where it is supposed to go.

Let me say, I do not think this should be of serious concern to the tourism operators. In fact, post-pandemic, in 2022, with a very strong recovery in tourism, and continued growth in the tourism numbers, the tourism industry has done very well. I also want to remind the tourism sector, I think many of them understand, government has constantly before and in the last three years injected funds to support tourism marketing.

Fiji Airways does its own marketing, and it helps the industry in getting as many tourists to Fiji as possible. I think this is a temporary tax measure that is designed to help Fiji Airways, that in turn, is going to help bring more tourists into the country, and the numbers are showing that it has not been affected in any way, compared to last year, the growth is still there.

I do not think there should be any serious concern about this particular Bill and this particular tax that tourism operators and those providing these tourism services will have to pay, because the revenue is clearly marked for supporting Fiji Airways, which is a very important aspect of why this is being done.

Just on the Tertiary Scholarships and Loans Service Act, I just wanted to make a very brief comment and support the strategy to ensure that we identify at-risk students. This happens, Mr. Speaker, at every level, and should happen at every level, whether they are in Class 1, whether they are in Form 4, Form 6, or Form 7, teachers, school principals, administrators, and in universities, we always used to identify in a class of students those that might be at risk, and might fall on the wayside and not be able to pass, and therefore there is always some intervention that could be put in place if you identify at-risk students. What happened, and we have talked about this in Parliament, in fact, in the previous loan scheme, $160 million worth of loans to students was almost non-existent. In fact, there was hardly any record. So, what happened, students took loan, they went to universities, they went to institutions, there was no requirement for tertiary institutions to report to TSLS, and government basically lost $160 million. That $160 million, Mr. Speaker, added to the $650 million debt that we piled up, and what we were getting was, as I said previously, $7 million to $8 million a year, and sometimes less than that. So, if you go by that total loan, you probably require 80 years to get to collect that $650 million and within that period, you are going to build that more. What has happened is, the replacement or writing-off that $650 million debt and replacing it with a scholarship, making sure that we identify, we follow-up and take a very interventionist approach to making sure that the students actually complete the programme, it is better value for money, and it helps build human resource capacity in our country.

I think the decision that the Government took to write-off the loan, replace it with a scholarship and to make sure, even with the scholarship, Mr. Speaker, there are quite a number of students who would be at risk, who would take the scholarship, not complete, remain in the country, serve their bond by remaining in the country, not pay a single cent, and yet the Government would have wasted that amount of money by giving scholarships to students who do not complete the programme at the end. In that respect, I think this is a very important amendment and important strategy by TSLS to ensure that the students who are given scholarships are followed through and that they are able to complete the programmes.

Mr. Speaker, Sir, as I said earlier, and as the honourable Prime Minister quite rightly pointed out, these Consequential Bills are to give effect to the measures that are in the Budget. It is all designed to ensure that we collect the right amount of revenue, put in the right amount of administration effort in making sure that whatever we have announced in the Budget takes effect.

To conclude, Mr. Speaker, I want to support what honourable Tubuna said. All this is designed, and in fact, the 1.5 percent growth forecast for this year, in my view, was a very conservative forecast. The IMF said 2.8 percent, ANZ is saying 2.7 percent, we are already on the way to achieving at least about 3 percent, if not more, or higher than 3 percent growth in 2026. If you look at the trajectory in the last three years, we have had three consecutive years of good growth and it is arising out of a very clear, transparent, accountable, no surprise policy agenda that this government has pursued in the last three budgets and in this budget as well.

I commend the Bills to the House and once again I thank the honourable Minister for Finance for bringing all these Bills and having a very successful budget session.

HON. E.Y. IMMANUEL.- Mr. Speaker, Sir, I thank all the honourable Members for their contribution to the Consequential Bills for 2026-2027 Budget. Based on the contributions to this motion, I believe that we are all clear on the intent of the legislative amendments that are required to give effect to the policy measures contained in this Budget. Your comments are noted and most of the questions raised by the Opposition were asked during consultations and accounted for. These are the best options that we have.

Most of the pertinent matters are covered or will be covered in the policies. The honourable Premila is not here. I am also encouraged by the strong support for these changes, as reflected in the 77.7 percent support received for the Appropriation Bill last night, with 35 honourable Members voting in favour out of the 45 members present in Parliament last night.

Mr. Speaker, I wish to reiterate that the Government remains committed to maintaining a tax system that is simple, transparent, efficient and fair, while ensuring that sufficient revenue is raised to fund essential public services and national development policies.

As honourable Members would have noted, there are few substantive tax policy changes in this Budget. The only significant new tax measure is the introduction of the Tourism Services Tax, which has been designed to provide much-needed support to Fiji Airways, recognising its strategic importance to our tourism industry connectivity and the wider economy. Just for information, that Tourism Services Tax came through from the tourism industry itself. We conducted a few meetings with them, and the last one was yesterday. So, we agreed that this tax is essential for Fiji Airways, and the only issue left is for FRCS and the industry to work on the policy details. The industry is aware that Fiji Airways is important.

Imagine if Fiji Airways took out, say, 15 percent of their services, that will lead to a major decline, a major effect on tourism operators' revenue. We are aware of how these tourism operators operate, and they are aware as well. That is why they are not only targeted, but they are also the ones that came up with those policies. Beyond this measure, the remaining tax amendments are largely technical, administrative, and consequential in nature, aimed at improving the operation of the tax system rather than introducing new tax burdens.

Mr Speaker, Sir, following the major revenue measures introduced in previous budgets, this budget largely maintains the existing tax settings. Our focus is on strengthening tax compliance and administration to ensure that everyone pays their fair share, while providing certainty and stability to businesses, investors, and taxpayers. So, it is important that maintaining a stable and predictable tax regime is critical for supporting investments, fostering business confidence, and sustaining economic growth.

I will not go into the details of the Opposition Members' views, because some of those are already catered for by the comments by the honourable Minister for Education, as well as honourable Prasad.

On the Electric Vehicles (EVs), what I can say is that currently, import duty exemption is still in place for them, compared to the diesel and the petrol vehicles that we have. So, the other issue, too, is that we have other incentives that are there, in tax and customs incentives, for the EVs, charging stations, and related infrastructures. The other reason is to close a loophole that is there. That is for buyers who buy from a local dealer, they pay VAT; but for those who import e-vehicles directly, they do not.

Mr. Speaker, with those few words, I commend these Bills to Parliament.

Question put.

Motion agreed to.

The following Bills:

(1) A Bill for Act to amend the Tax Administration Act 2009
(2) A Bill for an Act to amend the Income Tax Act 2015
(3) A Bill for an Act to amend the Value Added Tax Act 1991
(4) A Bill for an Act to amend the Customs Act 1986
(5) A Bill for an Act to amend the Customs Tariff Act 1986
(6) A Bill for an Act to amend the Excise Act 1986
(7) A Bill for an Act to amend the Fiji Revenue and Customs Service Act 1998
(8) A Bill for an Act to impose tax on Tourism Services and for related matters
(9) A Bill for an Act to amend the Fiji National Provident Fund Act 2011
(10) A Bill for an act to amend the Reserve Bank of Fiji Act 1983
(11) A Bill for an Act to amend the Exchange Control Act 1950
(12) A Bill for an Act to amend the Superyacht Charter Act 2010
(13) A Bill for an Act to amend the Tertiary Scholarships and Loans Service Act 2014

Enacted by the Parliament of the Republic of Fiji.

(Acclamation)

ADJOURNMENT

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

That Parliament adjourns until Monday, 17th August, 2026 at 9.30 a.m.

HON. A.V.B.C. BAINIVALU.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

MR. SPEAKER.- Honourable Members, I once more extend my sincere appreciation to each of you for your invaluable input throughout the Budget deliberations, culminating in the passage of the 2026-2027 National Budget last evening. We have had a very long and demanding five days, which easily sets the strength of any ordinary individual, let alone the slightly elderly amongst us. Allow me to once again commend the honourable Minister for Finance, Commerce and Business Development along with his Permanent Secretary, Mr. Shiri Gounder and the officials at the Ministry of Finance for their commendable efforts and successful delivery of the National Budget.

Honourable Members, before we adjourn, please join me in wishing our Flying Fijians all the best in the game against Scotland early Sunday morning.

HON. MEMBERS.- Hear, hear!

MR. SPEAKER.- Parliament will now stand adjourned until Monday, 17th August, 2026 at 9.30 a.m.

The Parliament adjourned at 1.10 p.m.