PARLIAMENT OF THE REPUBLIC OF FIJI

PARLIAMENTARY DEBATES

DAILY HANSARD

MONDAY, 17TH AUGUST, 2026

[CORRECTED COPY]

C O N T E N T S

MONDAY, 17th AUGUST, 2026

The Parliament met at 9.44 a.m. pursuant to notice.

MR. SPEAKER took the Chair and read the Prayer.

PRESENT

Hon. Sitiveni Ligamamada Rabuka, Prime Minister and Minister for Civil Service and Strategic Planning, National Development and Statistics
Hon. Viliame Rogoibulu Gavoka, Deputy Prime Minister and Minister for Tourism and Civil Aviation
Hon. Manoa Seru Nakausabaria Kamikamica, Deputy Prime Minister and Minister for Industries, Commerce, Business Development and Public Enterprises
Hon. Esrom Yosef Immanuel, Minister for Finance
Hon. Siromi Dokonivalu Turaga, Minister for Justice and Acting Attorney-General
Hon. Filimoni Wainiqolo Rasokisoki Vosarogo, Minister for Lands and Mineral Resources
Hon. Ro Filipe Qaraniqio Tuisawau, Minister for Public Works and Meteorological Services and Transport
Hon. Pio Tikoduadua, Minister for Defence and Veteran Affairs
Hon. Charan Jeath Singh, Minister for Multi-Ethnic Affairs, Culture, Heritage and Arts
Hon. Tomasi Niuvotu Tunabuna, Minister for Agriculture, Waterways and Sugar Industry
Hon. Sakiasi Raisevu Ditoka, Minister for Foreign Affairs and External Trade
Hon. Agni Deo Singh, Minister for Employment, Productivity and Workplace Relations
Hon. Sashi Kiran, Minister for Women, Children and Social Protection
Hon. Lynda Diseru Tabuya, Minister for Information and Environment and Climate Change
Hon. Ifereimi Vasu, Minister for iTaukei Affairs
Hon. Maciu Katamotu Nalumisa, Minister for Housing and Local Government
Hon. Jese Saukuru, Minister for Youth and Sports
Hon. Viliame Naupoto, Minister for Immigration
Hon. Ioane Naivalurua, Minister for Policing and Communications
Hon. Alitia Vakatai Bavou Cirikiyasawa Bainivalu, Minister for Fisheries and Forestry
Hon. Mosese Drecala Bulitavu, Minister for Rural and Maritime Development and Disaster Management
Hon. Sakiusa Tubuna, Assistant Minister for Office of the Prime Minister
Hon. Lenora Salusalu Qereqeretabua, Assistant Minister for Foreign Affairs
Hon. Isikeli Tuiwailevu, Assistant Minister for iTaukei Affairs
Hon. Iliesa Sovui Vanawalu, Assistant Minister for Education
Hon. Ratu Rakuita Solesole Sauramaeva Vakalalabure, Assistant Minister for Defence
Hon. Jovesa Rokuta Vocea, Assistant Minister for Rural, Maritime Development and Disaster Management
Hon. Ratu Josaia Bulavakarua Niudamu, Assistant Minister for Justice
Hon. Penioni Koliniwai Ravunawa, Assistant Minister for Health and Medical Services
Hon. Naisa Tatau Tuinaceva, Assistant Minister for Public Works, Meteorological Services and Transport
Hon. Inosi Kuridrani, Assistant Minister for Agriculture and Waterways
Hon. Sachida Nand, Assistant Minister for Commerce and Business Development

Hon. Shalen Kumar, Assistant Minister for Multi-Ethnic Affairs
Hon. Prof. Biman Chand Prasad
Hon. Kalaveti Vodo Ravu
Hon. Alipate Nagata Tuicolo
Hon. Taito Rokomatu Matasawalevu
Hon. Inia Batikoto Seruiratu
Hon. Jone Usamate
Hon. Faiyaz Siddiq Koya
Hon. Semi Tuleca Koroilavesau
Hon. Alvick Avhikrit Maharaj
Hon. Parveen Kumar Bala
Hon. Viam Pillay
Hon. Sanjay S. Kirpal
Hon. Hem Chand
Hon. Joseph Nitya Nand
Hon. Rinesh Ritesh Sharma
Hon. Virendra Lal
Hon. Ketan Kirit Lal

Absent

Hon. Aseri Masivou Radrodro, Minister for Education
Hon. Dr. Ratu Atonio Rabici Lalabalavu, Minister for Health and Medical Services
Hon. Aliki Bia, Assistant Minister for Youth and Sports
Hon. Vijay Nath

MINUTES

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

That the Minutes of the sitting of Parliament held on Friday, 17th July, 2026, as previously circulated, be taken as read and be confirmed.

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

Question put.

Motion agreed to.

COMMUNICATIONS FROM THE SPEAKER

Welcome

I welcome all the honourable Members for today's sitting and all those who are joining us in the gallery and those watching the live broadcast on television and internet.

Honourable Members, can you please join me in welcoming the Australian High Commissioner to Fiji, His Excellency Peter Roberts and his delegation from the Australian High Commission. Your Excellency, it is great pleasure to welcome you and your delegation to the Parliament of Fiji this morning.

Honourable Members, please, also join me in warmly welcoming the Navatu Secondary

School Under 19 Rugby Team from Cakaudrove in Vanua Levu. The Team is set to take on Lelean Memorial School in the Super Dean's Under 19 finals this week, so congratulations on reaching the finals and all the best in their endeavour.

Honourable Members, also join me in welcoming the first group of Year 2 Public Law students from the Fiji National University. Welcome to your Parliament and I hope that today's proceedings will provide some enlightenment on the working of Parliament.

SPEAKER'S RULING

Honourable Members, I will now proceed to addressing three important topical issues; the first pertains to the Speaker's advisory on the scope of Parliamentary precincts; the second is on the news article that appeared on Friday's *Fiji Sun* entitled, "Serve Minister in Parliament, High Court orders"; and the third and final is Chair's ruling on the point of order by honourable Jone Usamate against honourable Charan Jeath Singh.

Parliamentary Precincts

Let me first address the Speaker's Advisory on the Scope of Parliamentary Precincts. The Business Committee met on the afternoon of Thursday, 13th August, 2026, to consider the parliamentary business scheduled for the August sitting of Parliament. The meeting also provided an appropriate opportunity for the Chair to address matters that fall within the authority and responsibility of the Office of the Speaker, particularly issues relating to the definition and administration of Parliamentary precincts.

In light of recent public discussion concerning the booking of a vehicle belonging to the honourable Jone Usamate, whilst undertaking parliamentary duties, it is important for me to clarify the meaning and extent of the parliamentary precincts.

Whilst Standing Order 3 refers to the "parliamentary precincts" as the "*the parliamentary premises under the control and administration of the Speaker*"; the definition is rather broad and unhelpful. So, for greater clarity, reference is made to section 2 of the Parliamentary Powers and Privileges Act 1965, which defines the "*precincts of Parliament*" as, and I quote:

> "The chamber and offices of Parliament and any places provided for the use or accommodation of strangers, members of the public or representatives of the press and includes, while Parliament is sitting, and subject to any exceptions made by direction of the Speaker or President, the entire building in which the chamber of Parliament is situated, and any forecourt, yard, garden, enclosure or open space adjoining or appertaining to such building and used or provided for the purposes of Parliament."

Based on the statutory definition, the parliamentary precincts extend beyond the Chamber itself and encompass the wider Government Buildings complex, including adjoining areas that are provided for parliamentary purposes. This includes Constitution Avenue, which forms part of the forecourt and access area associated with Parliament. The word "appertaining" when used in this context is legal in nature and normally describes a right whereby its nature is incidental to the principal property. In this case, the Chair holds the view that the access to the Parliament Chambers is principally by way of Constitutional Avenue, which forms part of the forecourt of Parliament buildings, and as such, the Parliament has what is termed in law as "incidental right" to the Avenue and comes within the determination of "Parliament Precincts" as defined under section 2 of the Parliamentary Powers and Privileges Act.

Accordingly, it is the considered position of the Office of the Speaker that Constitution Avenue falls within Parliamentary precincts and is therefore subject to the jurisdiction and authority of the Speaker in matters relating to the administration, use, and protection of the precincts.

The Office of the Speaker remains committed to upholding the privileges of Parliament whilst maintaining constructive co-operation with all relevant authorities in ensuring the orderly conduct of parliamentary business and the uninterrupted performance of a Member's parliamentary duties.

Service of Legal Process Within Parliament

I turn to the second item and that is a news article on Friday's *Fiji Sun* entitled, "Serve Minister in Parliament, High Court orders." I wish to also address this, including a front-page article as it appeared on Friday, 14th August, 2026, which suggests that a senior Minister of Parliament who has allegedly been in difficult situation to locate for service of the court documents said, "will now have to be served in Parliament."

Given the public interest generated by that report, it is necessary for the Chair to clarify the law, parliamentary practice, and the privileges of Parliament concerning the service of legal process within the Parliament precincts. Under the Parliamentary Powers and Privileges Act 1965 provides a very clear definition regarding the service of court process within Parliament.

Section 5 of the Act states, and I quote:

> "No process issued by any court in the exercise of its jurisdiction shall be served or executed within the precincts of Parliament while Parliament is sitting or through the Speaker, the President, the Clerk, or any officer of Parliament."

The Act further defines the "precincts of Parliament" under section 2 which I have already alluded to. The effect of these provisions is clear. While Parliament is sitting, court documents and other legal processes may not be served or executed within the Parliamentary precincts, nor may the Speaker, the Clerk, or any officer of Parliament be utilised as a conduit for service upon the Member.

This is consistent with the practice set out by the House of Commons as documented in the *Erskine May* and, that is, it is a contempt for court documents to be served on a Member within the parliamentary precincts when the House (or potentially when the Committee is meeting) without first obtaining leave of the House to do so. The rationale is that service could obstruct or impede the House (or Committee), and the Member's participation in it.

This parliamentary protection is not designed to place Members of Parliament above the law, it is a long-established parliamentary privilege inherited from Westminster tradition and exists to protect the independence, dignity and uninterrupted function of Parliament. The purpose of the rule is to ensure that Members are able to discharge their constitutional responsibilities without interference, distraction or obstruction during parliamentary proceedings.

The Chair notes that parliamentary privilege belongs to Parliament as an institution. It is not a personal exemption from legal accountability, nor does it extinguish a Member's obligation under the law. Members remain subject to the jurisdiction of the courts and may be served outside the precincts of Parliament and outside the times when Parliament is sitting.

The Chair also acknowledges that constitutional principles, including access to justice, equality before the law, and the jurisdiction of the courts are important considerations in Fiji's constitutional framework. Where exceptional circumstances arise, particularly where urgent judicial relief is sought, questions concerning the interaction between parliamentary privilege and constitutional rights are matters that maybe ultimately determined by the courts.

The Speaker is bound to uphold the provisions of the Parliamentary Powers and Privileges Act 1965 and to protect the privileges and immunities vested in Parliament. Accordingly, the Chair rules that:

(1) No court process may be served or executed within the parliamentary precincts while Parliament is sitting, pursuant to section 5 which I had alluded to;
(2) No Member of Parliament may be served through the Speaker, the Clerk, or any officer of Parliament while Parliament is sitting;
(3) Any attempt to effect service within the precincts during a sitting may constitute an interference with the privileges of Parliament and may be treated as a matter of privilege and possible contempt;
(4) The court officials to serve documents to the Member at the Ministerial office, or home, or return to Parliament on a day when the House is not sitting; and
(5) This ruling should not be construed as conferring immunity from legal proceedings upon any Member of Parliament, who remains subject to the law and the jurisdiction of the courts in accordance with the Constitution and the applicable legislation.

The Chair trusts that this clarification will assist Members, the media, and the public in understanding the legal position of Parliament.

Point of Order Against Honourable Charan Jeath Singh

Finally, my Ruling on a Point of Order by honourable Jone Usamate. On Thursday, 16th July, 2026 during the Committee of Supply deliberations on the 2026 – 2027 Budget under the 2026 Appropriation Bill, a Point of Order was raised by the Opposition Whip, the honourable Jone Usamate against the honourable Charan Jeath Singh, the Minister for Public Enterprises, Multi-Ethnic Affairs, Culture, Heritage and Arts. Honourable Jone Usamate relied on Standing Order 74 and Standing Order 62 (4) (a) and (d) to support his contention.

I undertook to make my Ruling on the matter the next day, Friday 17th July. However, as the *Hansard* had not been released and was not available to the Chair to verify the details of the facts in issue, it was agreed that I will give my Ruling at the next sitting of Parliament, and that is, today.

Honourable Usamate's Point of Order, as I had stated, was raised at the time the Parliament was sitting as a Committee of Supply deliberating on Head 35 of the Appropriation Bill, dealing with the budget for the Ministry of Public Enterprises, Multi-Ethnic Affairs, Culture, Heritage and Arts. The Minister responsible for all these portfolios under the Ministry is the honourable Charan Jeath Singh and the honourable Shalen Kumar as the Assistant Minister.

Let me go to the narrative of the episode as set out in the *Daily Hansard* for the details of the cause of the Point of Order. The particular item that evoked the heated exchange between the honourable Minister, honourable Jone Usamate and then honourable Alvick Maharaj arose from a question raised by honourable Premila Kumar on Programme 2 Activity 1 SEG 6: Multi-Ethnic Grant to Community Based Organisations. An annual allocation of $2 million was made last year (2025-2026), and another $2 million is allocated for 2026-2027.

Honourable Premila Kumar posed the question of how the $2 million allocated last year had been utilised and/or distributed, and how the new $2 million allocation under scrutiny for the new fiscal year will be allocated. The response from the honourable Minister to honourable Premila

Kumar's question did not directly answer the question. Instead, he informed honourable Premila Kumar that her government had "disbanded the Multi-Ethnic Affairs portfolio" and was re-created by the present Government.

When honourable Premila reminded honourable Charan Jeath Singh saying, "it is not my question", the latter abruptly retorted, "listen to me" in a very loud and aggressive tone and manner. Honourable Usamate interjected that the response from the honourable Minister was not acceptable conduct inside Parliament and he reiterated his remakes when the honourable Charan Jeath Singh persevered with his loud outburst. The Chair intervened appealing to honourable Charan Jeath Singh to behave civilly, and he then proceeded to explain how the $2 million budget for SEG 6 was disbursed.

Honourable Alvick Maharaj then asked for further clarification from honourable Charan Jeath Singh on the same Head, Programme 2 Activity 1 SEG 6, which the Chair referred to the Assistant Minister, honourable Shalen Kumar to answer, which was done.

Honourable Alvick Maharaj next, on Head 35 Programme 2 Activity 1 SEG 8: Upgrade and Enhancement of Crematoriums, raised the issue of re-alignment of the furnace at Tuatua Cemetery in Labasa. As far as the Chair can ascertain, the re-alignment of the furnace had to do with the correct positioning of the remains when the final rites are performed. It was for this purpose that he was proposing an amendment that would increase the vote by $200,000.00.

This issue generated from honourable Charan Jeath Singh of what I can best describe as a diatribe on different religions and different religious practices, accusing honourable Alvick Maharaj of causing religious division in the country, whilst his Ministry is trying its best to promote social cohesion in the country and honourable Alvick Maharaj was trying to split hairs between Sanatan Dharam, Muslim Dharam, and every Dharam and that the Tuatua Cemetery is after all, a public not a Hindu cemetery. At that juncture, honourable Alvick Maharaj exploded shouting with loud and strong expression of objection to the accusation. It was at this point that honourable Jone Usamate raised his Point of Order. Quite clearly, the first altercation, after the exchange between honourable Premila Kumar and honourable Minister for Multi-Ethnic had been resolved, after I had directed the honourable Minister to apologise which he had done so.

The second heated and loud exchange is the one that I have detailed above and the subject of this Ruling. I now have the full benefit of both the *Hansard* and video footing of the incident. After reviewing all, I am satisfied, there has been breaches of Standing Orders by both Members, and the only issue for me to decide is whether Standing Order 75 or Standing Order 76 apply, that is, one of disorderly conduct resulting in the issuance of a yellow card, or grossly disorderly conduct that results in a red card with consequential sanctions.

There is another category under Standing Order 79 in the nature of a grave disorder that results in the suspension and adjournment of Parliament, but it does not apply in the circumstances of this case. The category of disorderly conduct under Standing Order 75 includes the use of unparliamentary words or expressions, and I find the use of phrases and expressions like, "you listen to me" or "listen *yaar*" and delivered by the honourable Charan Jeath Singh, in what sounded to me, to be a patronising and condescending manner, were unparliamentary and therefore disorderly.

By the same token, I find that honourable Alvick Maharaj shouting in response to honourable Charan Jeath Singh's statement also disorderly, and in breach of the rules for the conduct of the debate and for decorum of the House. As I have earlier alluded to, disorders in the House termed as "offence" are graduated from minor breaches of order to gross disorder to grave disorder as set out under Standing Orders 75, 76 and 79 respectively. Similarly, the punishments are also graduated.

I will, therefore, deal with each of the Member's offences and sanctions as follows:

- In respect of honourable Charan Jeath Singh, I find the honourable Member's behaviour on the floor of the House in response to the questions by the honourable Alvick Maharaj clearly amounts to unconscionable behaviour or conduct and he is guilty of disorderly conduct and the use of unparliamentary expressions.

  In the circumstances, I find honourable Charan Jeath Singh guilty of "Disorderly Conduct" under Standing Order 75, and I hereby issue him with a yellow card, and I order the honourable Member to withdraw from Parliament and its precincts for up to one and half hours.

  (Honourable Charan Jeath Singh exited the Chamber)

- By the same token, I find honourable Alvick Maharaj, in furtherance of my initial assessments during the debate, of his shouting interjection of honourable Charan Jeath Singh's statement on different religions and practices, as disorderly conduct bringing into disrepute the decorum of this House. I therefore direct that honourable Maharaj write a letter of apology addressed to the Office of the Speaker conveying to the Chair and to the honourable Members of Parliament, the same sentiments, which shall be entered into the official records.

Finally, I am aware that these breaches occurred while Parliament was sitting as a Committee of Supply and as the Committee is now resolved itself into Parliament, these actions I have taken are properly under its jurisdiction and, therefore, in accordance with the laws of this Parliament.

Thank you, honourable Members for your indulgence. We will now proceed to the next item on today's Order Paper.

Honourable Members, we have 16 Motions to deal with today. The first is for referral and the remaining 15 are motions for debate. First, I call on the Minister for Justice and Acting Attorney-General to move his motion.

REVIEW OF TREATIES: FIJI-AUSTRALIA VUVALE UNION AND OCEAN OF PEACE ALLIANCE

HON. S.D. TURAGA. - Mr. Speaker, Sir, I move:

That the Standing Committee on Foreign Affairs and Defense review the following Treaties:

(a) Fiji-Australia Vuvale Union; and
(b) Ocean of Peace Alliance or *Veitacini Treaty*.

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

MR. SPEAKER.- Honourable Members, the honourable Minister for Justice and Acting Attorney-General has moved a motion to refer the Treaties to the Standing Committee on Foreign Affairs and Defense. I can confirm that he has provided me with copies of the Treaties and Written Analysis as required under Standing Order 130(2).

Therefore, pursuant to Standing Order 130(3), the Treaties and Written Analysis stand referred to the Standing Committee on Foreign Affairs and Defense for consideration and review. The Committee may table its report to Parliament in the next sitting period of Parliament.

GOVERNMENT GUARANTEE – FIJI AIRWAYS

HON. E.Y. IMMANUEL. - Mr. Speaker, Sir, for the purpose of Section 145(1) of the Constitution and pursuant to Standing Order 131, I move:

That Parliament approves -

(a) for the Government to guarantee Fiji Airways additional borrowings of $200 million, valid for three years, effective from 1st August, 2026 to 30th June, 2029;
(b) that Fiji Airways be exempted from paying a guarantee fee; and
(c) for the Government to guarantee specified borrowing facilities until their full maturity or discharge.

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

HON. E.Y. IMMANUEL.- Mr. Speaker, Sir, Fiji Airways is a critical strategic asset as it plays a pivotal role in maintaining Fiji's international connectivity, supporting tourism, facilitating trade, and contributing to the broader economic activity.

Fiji Airways carries around 70 percent of visitor traffic into Fiji through the national domestic carrier operating the core of Fiji's domestic and outer island network, and also the only carrier flying non-stop between Fiji and Asia and Fiji and North America.

Mr. Speaker, Sir, the Government of Fiji is the major shareholder of Fiji Airways, holding 51 percent shares. The second largest shareholder is the Fiji National Provident Fund with 30.02 percent; then Qantas Airways Limited of around 16.45 percent; followed by Unit Trust of Fiji at 1.58 percent, Air New Zealand Limited - 0.69 percent; Republic of Kiribati - 0.10 percent; Kingdom of Tonga - 0.10 percent; Independent State of Samoa - 0.04 percent; and the Republic of Nauru - 0.03 percent.

Mr. Speaker, Sir, the Government recognises the significant challenges currently facing Fiji Airways induced by the ongoing fuel crisis and substantial increase in aviation fuel cost. The fuel crisis came at a time when Fiji Airways was still recovering from massive cumulative financial losses of around $666 million during the COVID-19 pandemic from 2020 to 2022.

Nonetheless, Mr. Speaker, Sir, the Government also acknowledges that Fiji Airways has been a resilient entity and had made a quick turnaround after the pandemic to record a $121 million profit in 2023, driven by the record tourism rebound and strong post-pandemic economic recovery.

Mr. Speaker, Sir, to support the national airline, the Government, in its 2026-2027 Budget, announced the following support measures:

(1) Extending the loss carry-forward provision for the airline from the standard eight years to 15 years, and waiving fees and charges amounting to around $10 million for the next 12 months.

(2) Government introduced a temporary 5 percent tourism services levy on all hotels and tours and cruise operators, with an annual turnover of $2 million or more for the next 12 months, with proceeds to be directed to Fiji Airways. The 5 percent tourism tax will be effective

from 1st September, 2026 and anticipated to generate around $70 million for the national airline.

(3) For Cabinet and Parliament to consider an additional $200 million Government Guarantee for Fiji Airways, which we are discussing this morning.

Mr. Speaker, Sir, pursuant to section 62(1) of the Financial Management Act 2024, which says, and I quote, "…subject to any other Act, the Government may guarantee the financial ability of the entity in respect of a loan or otherwise, but only if the giving of the Guarantee is approved by Parliament".

Mr. Speaker, Sir, may I share a brief history on Fiji Airways. On 22nd October, 2021, Parliament approved a Government Guarantee to Fiji Airways borrowing by increasing the existing then local approved Guarantee from $191.1 million to $241.1 million, and the offshore borrowings from USD117.1 million to USD142.1 million, with a total Guarantee ceiling increased from around $455 million to $561.4 million, valid until the guaranteed facilities are discharged or fully settled, and Fiji Airways be exempted from paying the Guarantee fee.

Given that the Government Guarantee limit of $561.4 million has been discharged with an outstanding balance of around $340.9 million as of 30th April, 2026. Fiji Airways has requested for additional Government Guarantee of around $200 million.

Mr. Speaker, Sir, the guarantees are requested to support immediate liquidity requirements for financial sustainability and operational resilience for the Airline by –

(1) replacing cash collateral currently restricted against standby letters of credit of around $123 million; and
(2) around $77 million will support new come-and-go, or the revolving working capital finance facilities to manage the cash flow impact of the elevated aviation fuel cost.

Mr. Speaker, Sir, aviation fuel remains Fiji's single largest operational cost, and the current fuel price environment has placed material pressure on working capital and short-term cash flow. Fiji Airways' fuel bill falls to around $113 million in the second quarter of 2026 alone, compared with the same period last year, so this level of increase is expected to continue for some time. The financial pressure on the Airline is compounded by debt obligation accumulated during the pandemic period when the Airline sustained substantial losses in order to maintain the national network rather than suspend operations.

Mr. Speaker, Sir, it's one purpose is getting Fiji Airways through a global fuel shock and enabling it to increase cash reserve quickly and maintain full capacity at a time when other airlines are withdrawing services. Access to Government-guarantee supported funding will enable Fiji Airways to approach existing finances on a more credible and commercially efficient basis, and to secure funding on terms materially better than otherwise would be available on unsecured basis.

Fiji Airways, Mr. Speaker, Sir, confirms that the Government Guarantee will materially assist the company in preserving liquidity, reducing the level of cash tied up in collateral arrangements and maintaining access to funding during a period of significant external cost pressure.

Mr. Speaker, Sir, Fiji Airways' financial position prior to COVID-19 pandemic was strong, with consistent profits and strong equity position of over $500 million. Following a cumulative loss of $666 million from 2020 to 2022, induced by the closure of our borders, Fiji Airways' balance sheet had deteriorated, with its equity position falling to around just over $100 million, and that is around less than 5 percent of the total assets. The total liabilities increased as well to over 95 percent.

To support Fiji Airways, Government subscribed to additional share issuance, together with new equity partners, like the FNPF and Union Trust of Fiji. Apart from this, other broad policy measures were introduced to support the Airline and the broader tourism industry. Following the opening of the borders, Fiji Airways rebounded strongly with a profit of around $121 million in 2023.

However, with significant increase in interest cost, aircraft operations and passenger services, while its total operating revenues recorded a marginal increase. Fiji Airways, during that year, reported an audited consolidated loss of $25 million in 2024 and an unaudited consolidated loss of $40.3 million in the 2025 financial year. With total assets of around $2.8 billion and total liabilities at around $2.6 billion, shareholder's equity declined to around $200 million in the 2025 financial year.

Its total cash and cash equivalent was at $135.1 million, significantly lower as compared to $256.8 million in the 2024 financial year. Equity stood at around $200 million or around 7 percent of its total assets.

Mr. Speaker, Sir, following the fuel crisis and the significant increase in aviation turbine fuel, Fiji Airways is now under significant financial pressure, both in terms of its cash position and equity level. The Airline is projected to, again, register a significant financial loss for this financial year - 2026. Given the Government's significant guarantee exposure, being the major shareholder and given the importance of Fiji Airways to the economy, the Airline has to be supported. However, given the Government's own fiscal challenges and risks from contingent liabilities, Government's ability to continually support Fiji Airways is limited.

While the Government will support Fiji Airways with an additional guarantee of $200 million, this should be contingent upon a detailed action plan to strengthen the Airline's overall financial position moving forward. These include, among other initiatives put in place by Fiji Airways, cost reduction measures; operational efficiencies; full partial divestment of non-core assets, like Sofitel; fleet route optimisation; price adjustment; revenue enhancement initiatives; and other actions proposed by the Management and the Board.

Mr. Speaker, Sir, Fiji Airways' strong repayment history and management of its existing Government-guaranteed facilities has resulted in a reduction in its outstanding guaranteed debt balance to around $340.9 million at the end of April this year.

Fiji Airways remains one of Fiji's most important infrastructure assets, Mr. Speaker, Sir. It will play a critical role in the recovery of the tourism industry, trade, employment, foreign exchange earnings, and regional connectivity. As such, it is important that Government provides support to Fiji Airways in the form of guarantee, to support its immediate liquidity requirement. If support is not provided to Fiji Airways, there would be drastic long-term implications on the tourism industry, the overall economy, jobs, and the balance of payments.

Mr. Speaker, Sir, in terms of financial implications, the Government guaranteed debts stood at around $1.1 billion, or 8 percent of GDP at the end of April 2026. The additional guarantee of $200 million to Fiji Airways will increase the total guaranteed exposure to around $1.3 billion, or 9.5 percent of GDP. In the event of a default, Government will be liable for the guaranteed borrowings of Fiji Airways. However, the company has never obligated the Government to honour its guaranteed borrowings.

Mr. Speaker, Sir, Fiji Airways outlook in the medium term is expected to stabilise. However, given the uncertainty in the fuel market and headwinds for the tourism industry, the Government needs to take a cautious stance.

Mr. Speaker, Sir, the Government's support has been met by airline reform. Fiji Airways has increased its flight frequencies and its network schedule on higher performing routes, ahead of pursuing further network breadth and running these alongside the wide-ranging cost reduction programmes, including:

- fuel-efficient light planning;
- network and frequency optimisation;
- revised on-board catering costs;
- reduced employee per diem allowances;
- deferred non-essential capital expenditure and heightened hiring costs;
- transition of ground support vehicles to electric and hybrid fleet;
- review of non-core assets to sharpen commercial focus; and
- automation of outdated manual head office tasks, including a new revenue management system.

Mr. Speaker, Sir, this year, we will show a decline in financial performance for the company, which is a direct consequence of the fuel cost surge rather than weakness in the underlying business. Top-line revenue and passenger growth remain robust in 2026.

Fiji Airways' own guidance is that the Airline returns to sustainable profitability by 2027, supported by the reforms I had mentioned before. Therefore, Mr. Speaker, Sir, I respectfully move that this august House approves:

(a) for the Government to guarantee Fiji Airways additional borrowings of $200 million, valid for three years, effective from 1st August, 2026 to 30th June, 2029;
(b) that Fiji Airways be exempted from paying a guarantee fee; and
(c) for the Government to guarantee the specified borrowing facilities until their full maturity or discharge.

Mr. Speaker, Sir, I commend this motion to the House.

MR. SPEAKER.- Honourable Members, I think this is an appropriate time to take our tea break. Before I do, I am reminded by the Secretary-General that I stand to be corrected in the conclusion of my issue on the service of court processes. I did say at the end, 'accordingly, the Court rules.' I think someone had picked it up. I think it is carried over from my old occupation. It should read, I think, and *Hansard* to bear this, 'accordingly, the Chair rules'.

Honourable Members, we will suspend our proceedings for our break. The Parliament will resume in half an hour.

The Parliament adjourned at 10.31 a.m.

The Parliament resumed at 11.06 a.m.

MR. SPEAKER.- Honourable Members, we will continue from where we left before we adjourn. The floor is now open for debate on the motion from the honourable Minister of Finance.

HON. P.D. KUMAR.- Mr. Speaker, Sir, I rise to speak on the motion before the House to endorse the government guarantee for Fiji Airways' borrowing. I support this guarantee with reservations.

Mr. Speaker, Sir, on the other hand, I support Fiji Airways. I support thousands of Fijians whose livelihoods depend on this airline and because I understand the consequences to our economy if our national airline is weakened. However, my support for Fiji Airways is not a blank cheque. If Parliament is being asked to endorse the government guarantee for our airline, then we have every right to demand accountability, financial discipline and value for the people of Fiji.

Mr. Speaker, Sir, before we talk about the guarantee, we must understand what Fiji Airways means to this country. Fiji Airways carries our flag to the world. It is often the first and the last point of contact or the impression that a visitor has with Fiji. It connects our people, our families and our businesses.

Mr. Speaker, Sir, tourism contributes around 40 percent of our national economic activity and Fiji Airways plays a central role in that. In fact, Fiji Airways sits at the center of that economic engine.

Fiji is a small island nation of less than one million people that has actually built an airline that is competing with some of the world's best carriers. It has received major international aviation, branding and passenger-service awards since 2014. That is something every Fijian is proud of.

Mr. Speaker, Sir, this is not the first time this Parliament has been asked to stand behind Fiji Airways. In May 2020, at the height of COVID-19, this House approved a guarantee of $455 million for Fiji Airways at a time when Fiji Airways' revenue had fallen virtually to zero, while its fixed costs were still around $38 million a month. It was an extraordinary crisis and an extraordinary time.

At that time, there were voices from the Opposition, who are now in the Government, questioning whether Fiji Airways could survive. There were suggestions about selling the airline, returning aircraft and even cancelling lease arrangements. Some started their conspiracy that Waqavuka Financing Limited was family owned, and I am glad all these matters have been cleared. Honourable Tuisawau was asking who, and I hope he can recall who that person is.

Honourable Gavoka, Mr. Speaker, Sir, was never tired of lobbying for Qantas. He wanted Qantas to come and operate Fiji Airways. Just read the *Daily Hansard*, Mr. Speaker, Sir, and look at the condition in which Qantas is today. Fiji Airways is still better off. Mr. Speaker, Sir, but how did it become better off? It was the previous Government that worked extremely hard to bring it to the stage where it is today. Mr. Speaker, Sir, I also have not forgotten. We even saw honourable Tabuya eating a model aircraft as she was trying to make the point that people needed food, not planes.

Recently, we had all seen what Fiji Airways did. Fiji Airways is still trying to recover $3 million from the very innovative scheme that they introduced - Fly Now Pay Later. So, these are the things that need to be looked at very carefully before we approve any guarantee.

Mr. Speaker, Sir, let us look at today. Today, those same arguments that happened a few years back look very different. The Airline recovered. It did not collapse. By 2023, Fiji Airways recorded $131.81 million profit before tax. It repaid $100 million in debt in one single year, restored its equity position and paid $15 million interim dividend to its shareholders, and that is the Government of Fiji.

The government guarantee helped save the airline, and that is why I support the Government's guarantee for Fiji Airways, but again with reservations.

Mr. Speaker, Sir, Fiji cannot afford to weaken an institution that sits at the heart of our tourism economy. However, that does not mean that Parliament should look away and simply give that guarantee.

The Government is proposing a $ 200 million guarantee alongside other measures that we announced during the 2026-2027 National Budget and we have heard the honourable Minister speak about the temporary 5 percent Tourism Services Tax, which is expected to raise around $70 million; an extension of the tax-loss that can be carried forward from 8 to 15 years; and, of course, a waiver of approximately $10 million in Government fees and guarantees. These are the various assistance that has been planned for Fiji Airways besides the government guarantee that we are talking about.

Mr. Speaker, Sir, when you put all these together, we are talking about substantial public support and public money. If the public is being asked to support the Airline through taxation and government guarantees, then the Airline must demonstrate that it is doing everything possible to control its own costs.

First, I am questioning the cost discipline. Mr. Speaker, Sir, we have heard questions about the Airline's cost structure. There are discussions that the cost structure is too high, and whether its management structure is also top-heavy. The business community had raised these concerns during the post-budget consultation in Nadi, and it was a fair discussion.

Government as a majority shareholder has acknowledged at that meeting that the Airline's investments and route network are under scrutiny, and that discussions are taking place with the Board on cost reduction. Unfortunately, we do not hear much after that commitment, there is nothing else Parliament knows about Fiji Airways, and we need to have all these information, Mr. Speaker, Sir.

Now, if the taxpayer is being asked to stand behind the Airline, then the Airline must show Parliament where it is reducing its expenditure. When we are talking about reducing the expenditure, let us not have this discussion only on fuel hedging, as we have heard from the honourable Minister. Fuel hedging is just one component of the discussion - the other major component is the whole operation mechanisms. Where can you reduce the cost?

We should know the management-to-frontline staffing ratios. We should know what efficiencies are being achieved, and Parliament should receive an annual report on whether those commitments have actually been delivered. So today, when we approve this guarantee, it should be approved with conditions and the conditions should be clearly listed - I will talk about it later, and the Fiji Airways must produce the annual report so that we can have a discussion on that later on.

Now, let us move on to non-co-investment. Mr. Speaker, Sir, I have said this before - Fiji Airways' co-business is aviation. So, when the airline has substantial public backing, Parliament is entitled to ask, why is capital tied up in assets outside its co-aviation function?

The airline's investment in the Sofitel Fiji Resort & Spa has specifically been raised before and in many other forums, and particularly with hotel operators, and the arguments are very clear. They are simply saying, why should other hotel operators contribute through Tourism Services Tax to another hotel owner, who is in competition with them? So, that argument is pretty sound.

Now, if an investment is generating a strong return, demonstrate it. If it is not generating an appropriate return, explain why the airline continues to hold on to its non-core investments.

Mr. Speaker, Sir, a guarantee intended to strengthen Fiji's national airline should not quietly become a mechanism for financing non-core investment, so we need to understand that and this needs to be monitored as well.

Third is about ordinary Fijians, Mr. Speaker, Sir, and this is where the government must listen to the public. We can talk about profits, debt, guarantees and balance sheets, but ordinary Fijians experience Fiji Airways very differently.

For many Fijians, particularly those travelling between the islands, air travel is expensive. A family travelling urgently for a funeral does not have the luxury of waiting for a cheaper affair. People have raised concerns about domestic and international fares, and it seems Fijians are subsidising the low fares paid by tourists abroad, people who are coming from outside Fiji. Also, you can see when Fiji is advertising tickets and accommodation in Australia and New Zealand, you wonder why we are paying such exorbitant air fares. Are we the ones who are subsidising and keeping the airline afloat?

The quality of food is the next question, Mr. Speaker, Sir, which is served in economy class is simply not good enough. It is not good enough, particularly, for an award-winning airline.

Then, looking at our culture. In our culture, food plays a very big role, so how can you just serve a sandwich? Now, Fijians are not travelling on a budget, no-frill carrier. If they are travelling on a budget, no-frill carrier, fair enough, do not give them any food! We understand.

A return ticket from Nadi to Sydney can cost more than $2,000. In fact, a flight from Nadi to Vancouver and return costs more than $6,000 economy class. This is what the people of this country are paying if they have to travel. Yet passengers are served with such poor-quality food. Actually, it is quite interesting. On one hand, I am saying, “Please, don't serve long loaf and tea. We should not reach that stage.” However, on the other hand, long loaf is a nice bread which is associated with our country and, perhaps, we should, rather than giving a bun. Serve them with a long loaf, but not just long loaf and tea, with rewa butter, of course.

Mr. Speaker, Sir, if Fiji Airways wants to promote itself as an award-winning world-class airline, then that standard must be reflected, not only in its branding and awards, but also in the everyday experience of the ordinary passengers sitting in economy class. This must be addressed. The people own this airline, through the Government, they have the right to expect value.

Mr. Speaker, Sir, financial performance is important, but passengers need reliable services. We have seen serious disruption, including a major delay on the Nadi-Auckland route, where passengers reportedly face difficulties with accommodation and communication.

When an airline carries the national flag, it also carries a national responsibility for how it treats its passengers, and that needs to be taken seriously. Reliability, communication, customer service and fair treatment of passengers must matter.

Mr. Speaker, Sir, I want to make another point. A government guarantee is not free money. It may not require an immediate cash payment from Government, but it is a contingent liability, and if Fiji Airways meets its obligation, then the guarantee may not materialise. However, if it does not, the Fijian taxpayer, ultimately, carries the risk and we saw what happened with FSC. That is why Parliament must not simply approve the guarantee and walk away. There must be continuing oversight.

I, therefore, require Fiji Airways to report to Parliament on guaranteed and non-guaranteed debt, the borrowing costs, debt repayment, implementation of its cost reduction programme, the performance of non-core investment, the outcome of a domestic fare review, and use of any borrowing supported by this guarantee.

Mr. Speaker, Sir, supporting a guarantee does not mean that the Board and Management should be insulated from scrutiny and the problem is solved for them. If Government is providing the guarantee, Government must continue to scrutinise and we have heard on the side, from the public, from the people who work for Fiji Airways, that the Management has become top-heavy. That needs to be seriously looked at.

People of this country should not be expected to provide this guarantee to an airline, that is not even looking at its own cost, and they are trying to divert our attention only towards fuel hedging. Fuel hedging is just one part of that issue, but the other major issue is the choices they make - the destinations they fly. Was Dallas a good option for Fiji Airways?

Those are the questions we must ask and we should get a response so that we truly understand how we can support our Fiji Airways in a nice big way, so that it continues to exist and continues to serve, not only Fijians, but serve all others who prefer to fly on Fiji Airways. Why I am saying they prefer to fly Fiji Airways is because when you land at Nadi Airport, you can just see that long queue waiting for their transit. That demonstrates that they may not be coming to Fiji, but they are using our airline because it has created a name for itself. We have to save that name, and we can only save that name if we save the airline, and that can only happen if we guarantee this loan, but with conditions.

HON. V.R. GAVOKA.- Mr. Speaker, Sir, at the outset, let me state here that tourism is doing brilliantly. On a rolling total from June to June, we have exceeded one million visitors. With the rate things are going, we can also do a million on the calendar year, January to December. June was brilliant, July was brilliant, and that has every indication that the rest of the year will be brilliant.

In June, we had the highest number of visitors ever in this country, in our history. In June, we welcomed the highest numbers of Americans to Fiji, ever in our history. Mr. Speaker, Sir, this came because Fiji Airways did not reduce capacity. For them to survive, they had to make some measures, including the catering of the food and the like. So, when you balance the two, if you want to provide that quality of catering that is consistent with oneworld standard, they would have had to reduce some flights.

However, the decision they made which we all applaud, is that we will cut back on some areas like food, but we will not reduce our capacity. Fiji will celebrate this year's tourism because of the decision by Fiji Airways. We know that Air New Zealand has withdrawn its services to Fiji, and that translates to thousands and thousands of seats to the country, whereas Fiji Airways did not do that.

Mr. Speaker, Sir, it is very easy to criticise the Airline at a time like this. Let us look at the big picture. We are likely to have the best tourism year ever because Fiji Airways had the confidence to continue to fly, but it had to take some measures, like cost-cutting in the food area.

Mr. Speaker, Sir, interestingly, most of the complaints that they get from the food is through the locals. The other passengers - the tourists, accept it as part of the environment we fly in today. It is our people who are very unforgiving on their national airline and, no doubt, encouraged by some of my colleagues across the aisle.

In terms of the operation of Fiji Airways, the Tourism Action Group (TAG), as you know, was formed to help recover tourism. I am in dialogue with Fiji Airways on some issues that have been raised as we have heard today, Mr. Speaker, Sir. Comments have been made about Qantas and let me clarify this, Sir.

When the question of Fiji Airways came up with their difficulties, my point was that we have a partner in Qantas. Why do you exclude them from being part of the problems that we had at that time? Qantas, for the benefit of those who do not know this, in the 1980s, Fiji Airways was bleeding very badly. It could have affected the country in a very big way, but Qantas stepped in and took over all the liabilities of Fiji Airways. They took on the management of the company, and they demanded conditions on two main points - they decide on the kind of equipment purchased by the Airline and they decide on the new routes the Airline would take. Those are the ones that were non-negotiable in the way that they were dealing with Fiji Airways then.

We know what happened, Mr. Speaker, Sir. Qantas helped saved Fiji Airways (Air Pacific) at that time, and the training they provided our people, we are producing some of the best pilots that are now part of the culture in terms of flying for Fiji Airways today.

Mr. Speaker, Sir, we need to support Fiji Airways. We should not be picking on insignificant issues at a time like this, and we should support them and celebrate what they are doing. We know that being Oneworld, you do not just become a Oneworld, unless you subscribe to a different standard of service. While you may criticise the way management is structured today, but that is required to support a product of the quality that enables us to be part of Oneworld.

Mr. Speaker, Sir, we are guaranteeing a loan. For those of us who understand this, we are not handing Fiji Airways $200 million. We are guaranteeing and that they will be borrowing based on their own borrowing capability and who they deal with. However, all we do is guarantee.

They are not a weak company. They came through COVID-19. We arranged for those guarantees, and today, they are servicing all those loans quite well. My colleagues in Parliament, support the Airline. Do not listen to those who are picky and do not realise the big picture. This is a saviour for our country and an Airline that we are all proud of so, please, support this guarantee that we need to strengthen to keep our Airline operating.

HON. F.S. KOYA.- Mr. Speaker, Sir, at the outset, let me remind the honourable Deputy Prime Minister that this side of the House is not Fiji Airways bashing. We are not saying anything bad about it, we are actually supporting the motion that is before the House with respect to the guarantee. However, we are raising issues of concern that every Fijian citizen ought to and should know about.

No one on this side of the House will believe anything other than the fact that Fiji Airways is one of the best boutique Airlines that exist in the world. It has the awards to prove it. It is quite funny that previously, when the honourable Deputy Prime Minister was on this side of the House, there was a serious amount of Fiji Airways bashing that was going on then, contrary to what he may be espousing now, and it is there for the record to speak for itself. Just read the *Daily Hansard*!

Nevertheless, I think we need to look at this particular issue in a very different perspective. What we must realise is that Fiji Airways is, and if it is not, it should be, classified as a critical industry - critical in the sense that it is one of the most important industries that exists in Fiji.

Mr. Speaker, Sir, 40 percent of our GDP is tourism. From a transportation perspective, without Fiji Airways, we are up a creek without a paddle. It is to do with our trade, and it is to do with our tourism. This is a huge aspect of all of it.

We need to readjust our thinking caps. We have always supported the Airline. As a matter of fact, we grew it – the previous government grew it. This Government is actually now growing it, despite the protestations regarding Qantas, et cetera, before, because they realised and saw the light of what Fiji Airways is.

Having said all of that, Mr. Speaker, Sir, as I have said, the motion is being supported, but there are questions that need to be asked about why we are in this position where the Government now has to guarantee $200 million in advances being given to a loan that is going to be taken out by Fiji Airways. Why are we in that situation? Everyone in the world who is anywhere remotely even connected to an airline, will know that you live in a volatile industry, especially when it comes to fuel.

Mr. Speaker, Sir, the expectations from every Fijian citizen are that that particular Airline is so important and so huge that it needs to be looked at from a different perspective, even more of a different lens than the Fiji Sugar Corporation (FSC) does. That is way beyond what we can actually even comprehend at the moment. We should look at that and think, "Alright, let us not get this into that situation".

Mr. Speaker, Sir, revenue management is not an optional thing in the airline industry and let me also correct the honourable Deputy Prime Minister regarding, "Oh, it is just a little bit of a change with respect to catering, et cetera". That catering, that laundry and everything that exists within Fiji Airways is part and parcel of that particular boutique airline.

When you start cost cutting, you ought to be very careful. He might say, "Oh no, no, we are not going to take away any routes". From 6th September, Fiji Airways stops flying to Dallas. Let me correct him on that. They will not fly to Dallas anymore from 6th September, and that is public news. The reason being or what is being offered to the general public is that, yes, the fuel costs are high. The fuel costs are high but, again, you use the mechanisms of hedging, et cetera.

The questions that we should be asking are:

- Is the expenditure being properly controlled and scrutinised? Since this is all Government-backed, remember! It has the Fiji National Provident Fund (FNPF) and it is Government-backed.

- Are we simply focused on filling airline seats, or are we also looking at the wider economic benefit of putting heads on beds?
  From what I understand, and I am sure that I will be corrected if I am wrong, Mr. Speaker, and I say this with a proviso, I understand that the actual capacity for the seats would be about $3 million odd, but we are only filling a million. The reason there is that we do not necessarily have the beds to be able to cater for that number. The reason why I said that there is room for Fiji Airways to grow, but it can only grow if it is properly controlled and scrutinised.

- Is it a case of one job gone and five other people employed to do that particular job?

- Is it a case of being top-heavy?

- Is it a case of just overspending and being overly creative?
  We do not know. The answer must be that we must take a measured and commercially responsible approach with respect to this. Just like anything, sometimes the budget is constrained. Just ask the honourable Acting Attorney-General, his budget is constrained, but he is going to have to work within it to make sure that he is successful in what he does, and he has made that publicly known.

- Was it poor planning? We do not know.

- Was there inadequate futureproofing? We do not know.

- Is there overstaffing or is there inefficient cost structure?

- Was there short-sighted decision making?
  All of these questions need to be answered, Mr. Speaker, Sir. Most importantly, knowing fully well that fuel prices have a historically volatile atmosphere that you actually live in, and they represent a significant operating cost to the Airline.

- Were there sufficient contingencies put in place?
  We have all had fair warning about this fuel issue. We had fair warnings long before it actually happened and we had fair warning about what was happening.

- Were there risk management measures put in place?
  Of course they are going to say 'no', since they never put the risk management in place.

Mr. Speaker, Sir, supporting the Airline cannot simply mean responding when financial pressure reaches a critical point. You have to be prepared and ready. At the end of the day, you have to come up with measures that are actually going to put the Airline back on a firm footing. Look at what happened during COVID-19. We put it back on a firm footing afterwards, and that was a shock, not just to Fiji, but to the rest of the world. Fiji came off good, great and Fiji Airways turned a profit.

One of the things also is that we have to be sustainable and competitive. One of the issues with respect to fuel volatility that was actually put on the table is the use of sustainable aviation fuels. The honourable Deputy Prime Minister knows this. He was actually the one who instigated all of this in Dubai at the conference. He took me along to ensure that we had a joint opinion on all of this; however, it has not really been taken up. There is a very small percentage that is actually there that helps a lot with respect to the Airline.

Mr. Speaker, Sir, as I have said, of course, we can have brilliant figures this year, brilliant figures next year, et cetera, but what will happen to those brilliant figures if the very Airline that helps us with those brilliant figures is not supported? We understand that. It is critical that we support it, but it is critical also that it must be managed.

Mr. Speaker, Sir, rightfully, we are also answerable to all the other shareholders that exist. The honourable Minister for Finance has mentioned all of them - FNPF, Qantas, Tonga, Samoa, Unit Trust of Fiji, so we are answerable to all of them. At the end of the day, what needs to happen is, we need to take a serious look at the basic things that need to happen in the airline industry. It does not matter what you say, it does not matter how many planes you have, it does not matter how much you want to say about it — every single person in this House knows Fiji Airways is here to stay. It is a critical industry. We must protect it; we must look after it and we must support it. We do, on this side of the House, 100 percent. All we are asking is that you be very mindful, very careful, and very critically thought-bound with respect to the future of Fiji Airways.

Let it not turn into something that we all do not want to talk about — the elephant in the room, the FSCs. Let it not turn into that. We have always guarded against that. Let it not be that we get dictated by other airlines. Let it not be that. We actually fall into a space where, at the end of the day, Fiji Airways cannot cope, and we are subject to other airlines bringing in our tourists. It should never happen because our entire tourism industry is dependent on Fiji Airways.

I could stand here for a whole day to say all those good things, Mr. Speaker, Sir, and I am sure the honourable Deputy Prime Minister understands where I am coming from. All we are asking is that there be accountability. I know there are certain things in court and I do not want to mention them but at the end of the day, all we are asking is that from here on, we need to ensure that we are careful and critical about how we deal with this because it is, in a very short term a critical industry which deals with 40 percent of our GDP.

I support the motion before the House with respect to the support that has been given in terms of the government guarantee.

HON. PROF. B.C. PRASAD.- Mr. Speaker, Sir, I begin by saying that I wholeheartedly support the motion before the House to approve the $200 million guarantee for Fiji Airways. I was listening to honourable Premila Kumar when she talked about the long loaf, and I remembered the long loaf in Dreketi that we used to buy from Hop Ing and Sons. That is a delicacy around Dreketi at that time.

Mr. Speaker, Sir, I think it is important for us to understand what a government guarantee means. This morning, someone messaged me and said, "Why is Government giving $200 million loan to Fiji Airways?" I said, "No, it's just a guarantee." So, I tried to explain what a government guarantee is.

For the benefit of the people, a government guarantee is not necessarily the Government providing direct cash support to the airline. It is a contingent liability, in the sense that the liability is only called on if the airline or if the entity being provided with the guarantee is not able to meet its debt obligations or payment obligations. I think it is very important for us to understand that.

Of course, Mr. Speaker, Sir, there is always a risk to the taxpayers and to the Government in terms of a situation where a particular entity with government guarantee is not able to meet the repayment, the Government will have to bear the cost. However, in terms of Fiji Airways, there is no such risk, or remotely, there is no such risk as far as Fiji Airways is concerned.

The other important point that I think honourable colleagues from the Opposition made and is very important is that there has to be transparency and accountability. We have to ask all the right questions of the Airline as to what they do in terms of financial management. Mr. Speaker, Sir, let me remind the Members of the Opposition that when we were sitting on the other side, one of the things that we called for eight years was Government to actually provide or table the Fiji Airways' Annual Reports in Parliament, and they refused.

The first thing I did as Minister of Finance responsible for Fiji Airways was to instruct Fiji Airways to get their annual report and have it presented to Parliament, which they did. So, in 2024, we have the report and I think it is an important governance principle because it does provide all of us, including the Opposition and those on the Government side, to actually interrogate Fiji Airways, the Board and those responsible for the management of Fiji Airways to answer questions to Parliament and, indeed, answer questions to the people who are represented by Members of Parliament. I think that is a very, very important governance improvement or transparency mechanism that we provided to the people of this country so that Fiji Airways' activities have to be openly discussed in a transparent way in Parliament.

I think we can, Mr. Speaker, Sir, continue to talk about what we have said when we were sitting in the Opposition, whether it is to do with Qantas, and I think to the honourable Deputy Prime Minister Gavoka's credit, when he was in the Opposition, he did raise some very, very important questions of accountability, transparency and management of Fiji Airways. So, the difficulty sometimes lies not in the new ideas, but in escaping from the old ones. I think the Opposition has to remember that sometimes, things that happen at a particular point in time, systems are changed and new ways of doing things are put in place. So, 10 or 12 years later, it is very difficult to always go back. Therefore, it is important then to look at how we can improve the systems and the way in which a particular entity operates, and that is precisely what we did as a government with respect to Fiji Airways, Mr. Speaker, Sir.

I am not going to labor on all the important points that have been raised with respect to the importance of the Airline to the country, to the tourism industry, and to the economic and social fabric of our country as a Small Island State, and the whole issue of connectivity to the world with respect to how Fiji Airways does and operates in the future.

There are, obviously, questions with respect to the management and the cost structure of Fiji Airways. Yes, they are important questions. I think the Opposition is right to raise some of those but, again, let me remind the Opposition that some of those are legacy issues that because of lack of transparency and because of lack of questioning on the structure of the Fiji Airways and the changes that were made around that time, it was not always easy to address some of those, and I know that a lot of the cost structure, the management issues existed in Fiji Airways until we had COVID-19, until we had to do away with a lot of the structures that were there. However, a lot of them, obviously, were brought back in the same way as they were removed.

I think those questions are very important. The 2026-2027 package for Fiji Airways, Mr. Speaker, Sir, is not just the $200 million government guarantee - I think there is also provision for the extension of Fiji Airways' tax laws carried forward period from eight years to 15 years. As the honourable Minister pointed out, around $10 million in waived fees and charges for 12 months.

Of course, on the temporary 5 percent Tourism Services Tax, I know that tourism operators have expressed concern about the ease with which this 5 percent Tourism Services Tax is being implemented. I am sure the FRCS and the Ministry of Finance would be working with the various hotel and tourism services operators to address some of the difficulties that might be there.

Mr. Speaker, Sir, in totality, I know there are issues that have been raised with respect to cost-cutting measures that Fiji Airways have undertaken right now. Some of those concerns may sound legitimate, and I agree. Perhaps, Fiji Airways needs to look at the food part. That is a very important component of Fiji Airways' services to our people.

I am sure with this guarantee, Mr. Speaker, Sir, and the other support in the package, Fiji Airways would be able to redirect its energy and cost-cutting measures in a way that it is not going to bring any kind of disrepute to the Airline and the services that it provides to the people and, of course, its importance to the tourism industry.

Mr. Speaker, Sir, just one last point, I think honourable Koya is right. If you look at the capacity, Fiji Airways has a lot of opportunity to grow, but that will also depend on other infrastructure, other investment, particularly investments in hotels. We already know that in peak seasons, it is almost impossible to find a hotel room anywhere in the country, or at least in Viti Levu. So, I think our focus in Fiji Airways and those looking at how to support investment that will help not only Fiji Airways but the tourism industry and the economy more broadly, also support the policies that need to be put in place to attract investment.

With those words, Mr. Speaker, Sir, I, once again, support the motion and congratulate Fiji Airways and its management, the CEO and the Board, for coming up with these very important changes that would allow them to support the airline grow in the future and support our tourism industry and our country as a whole.

HON. A.A. MAHARAJ.- Mr. Speaker, Sir, at the outset, I would like to convey my apology to your Office and to the august House as well. I will be further writing to your office, as required by you in the Ruling today, and I respect your decision with regard to the Ruling you have made. Thank you.

Mr. Speaker, Sir, coming to the motion, sometimes it is very interesting to hear certain Members who were part of a similar motion in the last term of Parliament. I must reiterate that nowadays, everything said in this Parliament is captured on video. So, it becomes a very interesting concept when you say something else a few years ago, and then you try to actually twist and turn it around in favour of the same entity on the same subject of getting a government guarantee.

On one side, at that point in time, the government guarantee was the money that was given, and now you actually have to explain, "No, it is not a guarantee. It is not in monetary value; it is just a guarantee". They are going to use that particular guarantee to take loans from the financial institution. It becomes very interesting when we are part of that particular debate at that point in time and what we are doing in this august House now, Mr. Speaker, Sir.

Mr. Speaker, Sir, talking about Fiji Airways, yes, we have to look at the bigger picture. As I alluded earlier, what happened to the big picture when we were debating the government guarantee of $495 million loan, when all the flights had to be grounded because no one was travelling? At that time, the Members did not see the bigger picture, that we need to continue with our Airline. We need to actually fund our Airline to have the planes so that once the border opens, it becomes a necessary asset to fly in visitors to Fiji. So, what happened to that big picture then?

Mr. Speaker, Sir, very rightfully picked up by the honourable Deputy Prime Minister, yes, Qantas was part of it, but they had veto powers. With veto powers, he forgot to mention that while Fiji Airways was trying to expand, it was Qantas that was not allowing Fiji Airways to fly on the routes which would have been more profitable to Fiji Airways. They were looking at the profitability of contest over Fiji Airways, and that is not what business partners do. It was a hindrance to the expansion of Fiji Airways, and it was only once the structure was changed and the veto powers were removed, we saw the expansion of Fiji Airways bringing in A350s, not just one, not just two.

HON. J. USAMATE.- Hear, hear!

HON. A.A. MAHARAJ.-The two that were received by the current Government were ordered by the previous administration. They had the foresight to look into that. We knew very well that one day the borders will open, and in order to bring tourists into Fiji, we needed aircrafts. Had we sold the aircrafts back then, there was a suggestion in this august House during a debate to sell all the planes. Why do we have to keep the planes? Let us sell the planes. Once the border opens, we will see then. Had the Government back then decided to sell the Fiji Airways aircrafts, where we would have been today?

It was that decisive decision back then that helped Fiji to be the fifth fastest-growing economy in the world, Mr. Speaker, Sir, because as soon as the border opens, everyone knew that people were stranded in their homes, they wanted to fly, they wanted to go on vacation. Fiji being vaccinated was the opportune place for people to come and visit because our COVID risk was basically zero. Almost 99 percent of the people were vaccinated.

Mr. Speaker, Sir, I rise to contribute to this particular motion. It is not that we are against it. No, I would not like to be caught again after four years if we have to give another government guarantee when we actually come into government and saying that time we opposed the guarantee, now we will support it. No, we are going to support it, but we are going to support this guarantee with reservations.

Mr. Speaker, Sir, at a time when Fijian taxpayers are already overburdened by the national debt and living costs, asking this august House to underwrite another $200 million contingent liability for the national airline is fiscally irresponsible. Fiji Airways is a limited liability company. I would like to ask honourable Professor Prasad which particular Act he used to bring the report to Parliament.

Fiji Airways is not governed by public enterprises; it is governed by the Companies Act and the Companies Act does not require any limited liability company registered under the Companies Act to present its report to Parliament. It has been stated in this august House previously, Sir. If you need to access it as a public entity, you can go, pay a subscribed fee to the Registrar of Companies and get access to the report, but no one was willing to walk across the road to Suvavou House, pay a little money and get hold of the financial report.

If there is no regulation saying that you have to present the report in Parliament, the Government will not do it. Did they actually change the regulations? No! What will happen to Energy Fiji Limited (EFL)? The EFL Report is not coming to Parliament. Will you also bring that particular report to Parliament? It is now registered under the Companies Act.

On financial analysis – high revenue versus deepening bottom line distress; a review of the Fiji Airways' Annual Report recently tabled in Parliament revealed a deeply concerning financial pattern. The report was presented to Parliament and now an official document to be used by the honourable Members of Parliament.

In its 2023 financial performance, the Airline reported a record operating revenue of $1.8 billion and a pre-tax profit of $131.8 million, driven by the post-pandemic pent-up travel demands. In its 2024 financial performance, the operating revenue reached an all-time high of $1.85 billion, carrying 2.3 million passengers. Yet, despite record top-up growth, the Airline posted a net loss tax of $25 million. Operational costs were skyrocketing and spiked up to $1.5 billion in 2024, squeezing profit margins significantly. How can an entity generate $1.85 billion in revenue, the highest top earning in Fijian corporate history, failed to translate that into a sustainable bottom-line net profit without running to the State for a $200 million safety net?

On commercial blunders and lack of financial discipline, the public purse cannot serve as an open-ended ATM for commercial risk-taking. We must hold Management accountable for ongoing commercial missteps.

On unhedged and high-risk foreign exchange exposure, the 2024 financial loss was driven by $83.5 million in unrealised foreign exchange translation losses on US dollar denomination leases. Operating in an industry priced in US dollars without an adequate financial hedging mechanism is an unacceptable commercial lapse.

On aggressive expansion without cost control, rapid network expansion, such as Dallas, and heavy fleet commitment, has expanded seat capacity to 3 million, but operating expenditure has outpaced the income growth. We do understand and we do know that close to 2 million visitors come and leave Fiji. Fiji Airways has a capacity of 3 million. That means one million seats are flying without a passenger in it, but the operational cost keeps increasing because we are increasing the number of routes that we are travelling on.

On disproportionate executive and sponsorship spending, while asking Parliament to guarantee loans, Fiji Airways has committed millions of high-profile international and sports sponsorships, such as the LA Galaxy, Melbourne Storms, NRL, et cetera. Corporate vanity cannot take priority over financial self-sufficiency. They do not have money, yet they are giving money in sponsorship. This is what we call commercial blunders.

We do sponsorship when we have a healthy balance sheet. We do not get into a sponsorship when our balance sheet is running in the negative, otherwise, instead of sponsoring other teams, it is important that we reduce our operational cost. This is the basics of the company, that people need to understand who are sitting in the Board. They do not even understand the basic facts about how to run a company.

On unbearable taxpayer risks, a government guarantee is not free money. It increases Fiji's total public contingent liabilities. If global headwinds of fuel prices spike further, the burden faults directly onto the Fijian taxpayer. By extending loss, carrying forward provision to 15 years, waiving $10 million in statutory charges and granting $200 million in debt, the Government is shielding management from commercial discipline. However, Management should be held accountable rather than just cushioning them with this kind of guarantees.

On double exposure for Fijian workers, the Fiji National Provident Fund (FNPF) is already 30 percent plus shareholder in Fiji Airways. Taxpayers are exposed through public funds, retirement savings, and now sovereign guarantees.

Mr. Speaker, Sir, instead of relying on State guarantees, Fiji Airways must fix its internal balance sheet; reduce operational costs; implement strict operationality; rationalise low-yield routes; cut non-essential marketing sponsorship; and restructure vendor supply agreements.

Mr. Speaker, Sir, additionally, there should be prudent balance sheet management to strengthen currency risk management; stop unhedged capital expansion; and prioritise debt paydown using its current $375.2 million cash reserve rather than adding sovereign bank debts.

Mr. Speaker, Sir, in regard to commercial accountability, they must align expansion strategy strictly with yield profitability rather than sheer capacity growth.To conclude, recently the tourism industry was just slapped with a 5 percent Tourism Services Tax. Who is going to bear this? At the end of the day, it is the consumers. Without proper consultation with the tourism industry, they have been tasked to bail out Fiji Airways and now, this additional burden on every citizen is just not acceptable.

Mr. Speaker, Fiji Airways is a commercial entity - it cannot enjoy the independence of a commercial operation during boom years, only to socialise its financial burden during downturns. The Directors of the Board should be changed immediately. We were rated as one of the best airlines in the world. What has the management done to our high-flying airline and the Fiji Airways brand?

You have brought the airline to its knees. Look at the food quality provided on board the aircraft! Look at the waiting lines at the airport when all flights land early in the morning at the

Immigration counter! What about the pay and working conditions of the staff of Fiji Airways? Has there been any increase or improvement in their working conditions? Parliament must only say 'yes' to this $200 million guarantee if Fiji Airways is willing to resolve the issues mentioned above. We demand that Fiji Airways stand on its own feet, clean up its balance sheet and cut its operational costs according to its revenue reality.

HON. E.Y. IMMANUEL.- Mr. Speaker, Sir, I heard the contributions this afternoon from respective Ministers, as well as Members of Parliament. Thank you all. I can hear and also see the overwhelming support towards this guarantee, as well as to our strategic asset.

Fiji Airways, as rightly mentioned by honourable Kumar, is the center of economic engine supporting the tourism industry and, in that matter, it is doing heavy lifting, which is another reason why we are asking for the support. We are saving our Airline for the future. Why are we doing this? It is due to this current fuel crisis. If it were not for the crisis, Fiji Airways would be operating normally.

I have heard the reservations coming from the Opposition and I wish to acknowledge and also mention that all the reservations and the questions asked, they are under review and all addressed by the current management and board. It is all under consideration, and we cannot wait for another month or two or three months to assist Fiji Airways.

They currently have a fully planned detailed five-year profit plan. I briefly mentioned that they wish to reach sustainable profit in 2027. That is a good indicator for our airline. With that, cost discipline is extensively addressed, including route reservation and a focus on profitable routes.

There is some question about management being top-heavy. Currently, they have reduced it from 18 to 10. They are reviewing the Management ranks as we speak.

Non-core assets are also under review, but it was a strategic decision long time ago. At that time, it was Colonial. With Fiji Airways and looking at the shortage of rooms, they came up with a plan to build those hotels. It is good that they have built an asset that is not only assisting Fiji Airways but also assisting in terms of profitability.

I wish to reiterate that this assistance is basically because of the current fuel crisis. For Fiji Airways, this fuel crisis is not its normal fuel volatility, and it is the biggest shock for them in over 50 years. I hope we all understand that.

With those comments, Mr. Speaker, Sir, again, I commend the motion to the House.

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

Question put.

Motion agreed to.

REVIEW REPORT ON THE FIJI DEVELOPMENT BANK 2024 ANNUAL REPORT

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, I move:

> That Parliament debates the Review Report on the Fiji Development Bank 2024 Annual Report, which was tabled in this House on 27th May, 2026.

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

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, at the outset, I wish to commend the Committee for its thorough review, including extensive consultations and site visits throughout Fiji. This Report confirms that the Fiji Development Bank (FDB) remains a critical institution for promoting rural development, supporting agriculture, strengthening MSMEs and advancing economic participation for women, youth and the underserved communities.

Mr. Speaker, Sir, I also wish to place on record the Committee's appreciation to the honourable Minister for Finance, Commerce and Business Development as the line Minister responsible for the FDB, and to the Management of FDB for the comprehensive and constructive responses provided to the Committee's 11 recommendations which arose from its review of this Annual Report.

The Committee particularly acknowledges that the Bank has accepted 10 recommendations and noted and supported one recommendation with several initiatives already underway or incorporated into the Bank's operational and strategic programmes. These include measures relating to sustainable funding, post-financing support, management of non-performing loans, climate finance, staff retention and development, digital transformation and rural outreach, interagency coordination, agricultural lease renewals, agricultural advisory and financing services, support for women and youth borrowers, and agricultural value chain development.

The Committee welcomes the Bank's commitment to implementing these recommendations in a timely and transparent manner and, in particular, its undertaking to provide the honourable Minister of Finance and the Reserve Bank of Fiji with progress reports within six months of accepting the Committee's recommendations.

The Committee considers this positive response as an important demonstration of accountability to Parliament and encourages the Ministry and FDB to maintain this constructive engagement as the recommendations are progressively implemented.

Mr. Speaker, one of the Committee's key findings, was that the Bank achieved a net profit of $5.6 million in 2024, representing a 46.21 percent increase from the previous year, while also exceeding its loan disbursement target by reaching 114 percent of planned lending. This demonstrates improved efficiency and stronger portfolio management.

However, the Committee recognised that the Bank still faces challenges arising from high borrowing costs that affect its ability to provide affordable development finance. Therefore, the Committee recommends that the FDB, together with the Ministry of Finance and the Reserve Bank of Fiji, develop a long-term sustainable funding strategy that reduces borrowing costs and expands access to concessional and blended finance.

The Committee found that 54 percent of loan disbursements were directed to rural areas, with increased lending to women-led businesses and youth enterprises. This has helped address financial exclusion and improved access to capital for vulnerable groups. At the same time, the Committee noted that the long-term success of these enterprises depends on ongoing guidance and support.

Accordingly, the Committee recommends strengthening post-financing services through business advisory support, mentorship programmes, financial literacy planning, and enterprise monitoring, particularly for MSMEs, women, and youth entrepreneurs.

The Committee also observed notable improvements in credit risk management, with the

Bank reducing its non-performing loan ratio from approximately 32 percent to 15 percent. While this is commendable progress, the ratio remains above the Reserve Bank of Fiji's benchmark and continues to pose sustainability risks.

To address this concern, the Committee recommends strengthening early intervention systems, improving borrower assessments, enhancing recovery processes, and maintaining proactive engagement with clients, especially those operating in climate-vulnerable sectors.

Another significant finding was the Bank's growing leadership in climate finance. The Committee observed investments in climate-smart agriculture, renewable energy projects, environmental safeguards, and sustainable development programmes that support Fiji's climate resilience agenda.

In response, the Committee recommends that the Bank continues expanding climate finance initiatives, including support for renewable energy, climate-smart agriculture, water security projects, resilient infrastructure, and environmentally sustainable practices.

Mr. Speaker, Sir, the Committee also highlights staff retention challenges in critical technical areas such as project finance, risk management and financial modelling, and losing skilled personnel could undermine institutional capacity and operational continuity. Therefore, the Committee recommends stronger workforce retention strategies, including competitive remuneration, specialised training, succession planning and professional development programmes for its technical staff.

I am running out of time very quickly, but I will reserve the rest of my comments for my right of reply. With those words, Mr. Speaker, I support the motion and I commend this motion to the House.

MR. SPEAKER.- Honourable Members, the floor is now open for debate on the motion. I have a list of speakers with me. Each speaker is given five minutes to deliver his or her contribution.

HON. E.Y. IMMANUEL. – I wish to thank the Committee for its Report and a thorough analysis of the Fiji Development Bank (FDB). Some additional information about FDB, Mr. Speaker, Sir, and the first is that in 2024, we faced some revenue decline and some challenges in terms of customer retention due to aggressive competition in the market, as well as some operational challenges, including digital limitations. However, they continue to work on the roadblocks they faced.

Some key highlights from 2024, the Bank's portfolio, which comprise around 9,700 accounts valued at $464 million are making 3.66 percent increase in account numbers. On non-performing loans, as mentioned by the Chairperson, the Bank has strengthened its non-performing loan management framework, leading to a reduction in non-performing loans. On net profit after tax, it is good to hear that the FDB reported a consolidated profit of around $5.6 million at the end of 2024, which is a 46 percent increase when compared to the previous year.

The total operating revenue recorded a decline by around 11.7 percent, as I mentioned before, due to market-wide low interest rates margin and heightened competition in the market.

However, going forward, FDB is reviewing its 1966 Act, aimed at modernising the Bank's legislative framework so that it can remain competitive and relevant to the Fiji's financial sector. As well as introducing new products, the FDB has returned to housing finance, offering home loans at a concessional rate of around 3.99 percent, including a dedicated facility to support housing for tourism sector workers, with approximately $1 million in housing loans approved today. So, the Bank has continued its support to both the tourism and agricultural sector, with the rollout of the green electric vehicle, financing under its SME sustainable package.

The FDB continues its role in financial inclusion, that is, it participates in the Reserve Bank of Fiji's Women Entrepreneurs Financial Initiative, which is part of a broader national effort under which more than 12,000 women-led businesses have accessed financing in the past three years. The Bank also launched a Blue Finance Framework to direct funds towards coastal, marine and river-based enterprises, clean technology and renewable energy, following a multi-year partnership with both, UNDP and UNCDF.

The FDB is moving to strategic partnership for both, conservation and climate finance, as alluded to by the Chairperson. It signed a Memorandum of Understanding with Conservation International to co-design the Lau Seascape Stewardship Impact Facility.

On digital transformation, the FDB launched Fiji's first Artificial Intelligence (AI)-based credit assessment tool in November 2025, that is designed to enhance customer experience and reduce turnaround times for loan applicants.

Mr. Speaker, Sir, I commend the Board, CEO, Management and staff of the Bank for the hard work and perseverance during the financial year in review. Therefore, Mr. Speaker, Sir, I move that the House supports the Review Report of the Fiji Development Bank 2024 Annual Report.

HON. P.D. KUMAR.- Mr. Speaker, Sir, I acknowledge the work of the Committee and the important findings contained in the Report.

Mr. Speaker, Sir, the Report shows that the Fiji Development Bank (FDB) has made measurable progress in 2024, as compared to the past years. The Bank recorded a net profit. We have heard from the Chairperson of the Committee. The FDB also exceeded its rural lending that is commendable and its continued leadership in climate finance and its climate smart agriculture guarantee facility. Now this achievement should be recognised, and we do recognise the work they have done in these areas. However, Mr. Speaker, Sir, the performance of the Development Bank should not be judged only by profit and the number of loans disbursed. On that broader test, this report highlights few issues, and I would like to speak on it and because of the time, I will start with the women.

Mr. Speaker, Sir, we have already heard from the honourable Minister that there are a lot more women accessing funds from FDB but let me tell the real story over here. Now women led accounts have increased almost six-fold since 2021 initially from 490 to 2,941 accounts. Now while youth lending increased by 46 percent year-on-year. Now this is definitely encouraging but the figures show women account holders represent approximately 30 percent of FDB's account holders, yet women account for only 18 percent of the value of the Bank's loan portfolio. What does that mean?

It means that these women are accessing finance only at the micro level. In other words, there is no pathway for them to progress from micro to small to larger businesses. This is where women need assistance and why I am highlighting this, Mr. Speaker, Sir, during our consultation, we heard the plight of the women. Some of these women had applied for FDB loans, it was not given to them. One particular woman went ahead and borrowed money from her neighbours, her friends, whoever, and she opened up her hair and beauty salon in Sigatoka. When she had already done that, after one year, FDB comes in and asks, how can we assist you? She was so annoyed at that time that when she was asking for money, they did not come in. But later on, when her business was when she was asking for money, they did not come in. However, later on, when her business was established, that is when they stepped in.

This was a bit late, and now looking at the data, I am just concerned this could be the direction that, women should be given smaller loans, just do tailoring, that is it. They need to go a step higher, and I think the honourable Minister for Business Development can surely assist these women. Let us change the statistics the other way around, where the value should be 30 percent, and the account holders should also go up. Even if the account holders are lower, that's fine, but the value must go up.

Mr. Speaker, Sir, the other issue that I would like to also discuss is in regard to the second concern is FDB's exposure to financially distressed government-linked entities, which the Chairperson had highlighted. FDB has approximately $20 million in lending to Fiji Sugar Corporation, in addition to more than $34 million in lending to individual sugar cane farmers.

Supporting sugar is important, the livelihoods of thousands of Fijians depend on the industry, but Parliament must also ask whether the risks being taken by FDB are properly managed. We know that FSC has faced serious financial difficulties, with its debt reported at approximately $310 million, even after $200 million government debt was written off. Therefore, Mr. Speaker, Sir, FDB must clearly explain what provision it has made against its exposure to FSC, and how that risk is being managed. There is more than $34 million lent to cane farmers, which is good. I am sure they must be taking these loans to build their houses and for many other activities. But the question here is, what is the role of the Sugar Cane Growers Fund? Why can't they come forward as well to assist the farmers? This was why the Sugar Cane Growers Fund was established.

Mr. Speaker, Sir, these are the two bigger items that need to be addressed, and I understand that there is lack of competition because FDB is not competing with the commercial bank, and most of the people who go to FDB, they are the ones who are rejected by the commercial banks. They are taking a lot of risk. But the key challenge here is when they want to borrow money, they have to pay higher interest rate as compared to the other banks.

Now, how can we make FDB sustainable? I know they should not be making huge profits, but we must understand that FDB has FDB Nominee Limited. That means, if they keep investing their profits through FDB Nominee Limited, a day will come when they are sustainable – on their own feet and will no longer need Government's assistance. I think that is the direction we need to take.

MR. SPEAKER.- I now invite the Deputy Prime Minister and Minister for Industries, Commerce, Business Development and Public Enterprises for his contribution, and welcome him back to the front bench of the right side of the Chair.

HON. M.S.N. KAMIKAMICA.- Mr. Speaker, Sir, I rise to contribute to the Report by the Standing Committee on Foreign Affairs and Defence, regarding the Fiji Development Bank (FDB). Firstly, I would like to acknowledge the progress that the FDB has made since this Government took over.

Firstly, as mentioned by honourable Premila Kumar, they registered a profit of $5.6 million, which represents 46.21 percent increase in the previous year. On top of that, the annual disbursement targets were overachieved. They achieved 114 percent of their targets, which is an indicative of strong portfolio management and operational efficiency, despite the challenges that FDB faces.

I smirked when honourable Premila Kumar mentioned something about women lending and some of the small issues that she identified. The question I want to pose to her is, if the FDB was being managed in a good way under the previous government, where was the women's lending lot for the last 16 years?

The other issue that I take great comfort in and was acknowledged by honourable Kumar is that at last, FDB is now being acknowledged in this House as focussing on development of Fiji. You will recall that in the last government, they were lending to Fiji Airways, quite a few big corporates, et cetera. We have restored the real function of FDB.

Mr. Speaker, Sir, on that, I would like to provide some quick context on how transformed the FDB is. Right now, we have referrals to the FDB on a potential aquaculture project. There are discussions on solar in Bureta, which will come forward soon, even the Taveuni hydro project, which will, if anything, create self-sustaining electricity power for Taveuni which is the Garden Island of Fiji. Not only that, but it will also provide power back into Vanua Levu, which will actually mean that Vanua Levu, over time, will be able to supply its own electricity from its own resources.

There are a few other things I thought I would mention. First is, I would like to congratulate FDB on the management of their impaired loans. There has been a significant improvement from, I think, 30-plus percent down to 15 percent. That is closing in on the loan provisions for commercial banks, so that is a positive development. I totally agree with the sentiments raised by the honourable Minister for Finance and honourable Kumar in trying to develop funding structures that will allow FDB to borrow at a lesser rate. If we are able to do that, we will see increased activity from FDB.

In terms of the comments mentioned by honourable Premila Kumar about FSC, I guess, like with all FSC debt, it is guaranteed by Government, which is probably why the Fiji Development Bank (FDB) is holding on to that loan for now. Of course, the work that is now being carried out by the Parliamentary Select Committee will, hopefully, help ensure that whatever exposure that is out there for FSC, it does not deteriorate.

Finally, Mr. Speaker, Sir, I would acknowledge two other things:

(1) That the reforms regarding reporting to Reserve Bank of Fiji (RBF) is now in place and restructuring of the Board Committees. This is an excellent initiative which will only enhance the Bank's performance.
(2) That the FDB is one of the early adopters of Artificial Intelligence (AI). In fact, a homegrown SME was the service provider that provided the AI platform for FDB. It is called ThirdRoc and that, in itself, attests to the capabilities that our young men and women in Fiji have, in terms of ICT technology.

With those few words, Mr. Speaker, Sir, I commend this Report to the House. I also acknowledge the leadership of Mr. Filimoni Waqabaca and his Team for the excellent work they are doing in actually positioning FDB within its expected mandate, and we can only look to the future with optimism, given the type of work they are now doing.

MR. SPEAKER.- Honourable Members, we have two speakers, plus the reply from the Chairperson of the Standing Committee. I think it is the appropriate time to take our break for lunch and let me forewarn you, honourable Members, that we are in for a long haul, from the afternoon and well into the evening sitting. So, be prepared, honourable Members, for the sessions this afternoon and evening. Parliament is adjourned to 2.30 p.m.

The Parliament adjourned at 12.37 p.m.

The Parliament resumed at 2.35 pm.

MR. SPEAKER.- Honourable Members, we will continue with the Standing Committee on Foreign Affairs Defence's motion on the Annual Report of the Fiji Development Bank 2024, and I have two more speakers on my list.

HON. I.B. SERUIRATU.- Mr. Speaker, Sir, first, I wish to acknowledge the Committee for the excellent work that they undertook in the preparation of this Report. We also acknowledge the good work undertaken by the Board and also the Executive Management of the Fiji Development Bank.

We all know, Mr. Speaker, Sir, the history of the Bank and how it has come into being and the long record of its contribution to Fiji and most particularly to the economy.

Mr. Speaker, Sir, I do agree with the previous speakers who had spoken before me in acknowledging the good work, as we have seen from the Report. The FDB has made significant progress under the current Management and, particularly, the profit recorded of $5.6 million, representing a 46.1 percent increase from the previous financial year.

The honourable Deputy Prime Minister Kamikamica did raise a few questions, and I would like to respond to that as well, Mr. Speaker, Sir. It does take time to fully implement some of the changes that were necessary, particularly not only with FDB but with most of the public enterprises and entities. It does take time, and I also wish to assure this august House that the previous Government also took the necessary steps, although difficult and tough at times, to do the reforms that are necessary so that it can perform, particularly, given the role that it plays in terms of development in Fiji and particularly in financing the various sectors of the economy.

I know that there were also attempts to appoint CEOs so that it can improve the performance of the Bank and there were some comments from stakeholders, including politicians, on such appointments and why they were undertaken. However, these are necessary steps, Mr. Speaker, Sir, so that FDB can live up to the expectations of the stakeholders and most particularly as I have stated the role that it does play in our economy. I acknowledge the great work undertaken very recently and the reforms that are continued by the current government in the reforming of FDB, Mr. Speaker.

I noted a lot of positives out of the report that was tabled. Mr. Speaker Sir, if I may mention a few particularly the increased reach out into the rural areas. I know that in one of my previous roles as Commissioner Northern, I had the opportunity to see and hear from the banks about the opportunities that are there in terms of rural banking and the increased outreach by the bank to the rural areas is highly commendable Mr. Speaker.

I hope that continues, again the allocation in the agriculture sector we need more investments into the agriculture sector or the primary based industries and that is something that we need to encourage. Perhaps the only issue that I want to raise Mr. Speaker is the proactive position taken by the bank to train itsclients, rather than repossession or termination of the loan for non-performing loans.

I think that is a positive that needs to be acknowledged, because in the experience in the sugar sector, Mr. Speaker, most of the farmers come forward for loans, but they were not well prepared. Particularly when it comes to the entrepreneurial skills necessary of farmers, when they want to go to the next level of production.

Perhaps, it is something that I really want the bank to have more focus on and improve its services to the clients, because once the clients are able to finance or refinance their loans, then definitely it also helps the financial status of the bank. Once again, I join the others in commending FDB, and I wish FDB all the very best as it continues to grow and contribute more to our economy. Thank you, sir.

HON. PROF. B.C. PRASAD.- Thank you, Mr. Speaker, I thank the Committee for the Report. Just very quickly, Mr. Speaker, I want to make a number of points. The first, I think, is very important. FDB's important role in development of the economy of our country is very important.

Invariably, Mr. Speaker, the commercial banks are always very conservative in their lending and understandably so. They concentrate on bankable customers. They always look for lower-risk lending and therefore, the Fiji Development Bank, fills that very important gap in financing in agriculture, SMEs, rural development, women, youth entrepreneurship, and sometimes in new productive industries.

That is the most important role that the Fiji Development Bank plays, as opposed to what we see done by commercial banks. Commercial banks, Mr. Speaker said, invariably they say, what assets can give us security? Whereas FDB looks at whether the business is going to be viable, whether it is going to create a much bigger multiplier effect in small communities, in rural areas, outer islands. So, these are very, important considerations that the bank undertakes or is mindful, and therefore provides its lending. The $5.6 million profit is commendable, it is very encouraging, because the question we normally ask is not how much profit the bank makes, but how much business it creates, how much small, medium enterprises it helps to get off the ground.

We all know, Mr. Speaker, Sir, that MSMEs, the survival rates, the success rate, can be very small in the bigger scheme of things. And the risk that the Fiji Development Bank takes to provide loans to those small, medium, micro enterprises is very commendable. And it does create the kind of multiply effect that we normally want development banks to provide to our people.

The honourable Leader of the Opposition talked about the non-performing loans, a very important point. The good thing that we can see from the report, from the statistics, is that the Non-Performing Loans (NPL), have been on the decline. However, I would say that, that should not be the overwhelming consideration. And we cannot demand zero risk for lending by the development bank. In fact, they often are required to take a bigger risk than the commercial banks so that they can support these sectors.

Given that, I commend the Fiji Development Bank, the management, and the board for making sure that they are not only making profit. I know they are also undertaking certain other activities, because it is important for the bank to also remain sustainable. And therefore, Mr. Speaker, Sir, sometimes you would have one or two big loans, commercial loans, that people might see FDB as moving away from its original mandate. That is not so.

That is a balance that they create, Mr. Speaker, Sir, to be able to also make enough money, make enough profit, so that they are able to then take risk in other sectors, which the bank is able to help. So, FDB's funding model needs to change and there is nothing wrong with what I am saying, honourable Kumar. That is the fact about development banks, that the funding model needs to be flexible and the FDB has done that in the last three years and despite some of the criticisms from the Opposition that FDB is engaging in some real estate, et cetera, that is the balance that they have to create and I think they are on the right path. They are looking at the right structure and the right funding model to make the bank more sustainable.

With those words, Mr. Speaker, Sir, I once again thank the Committee and I want to thank the Board and the Management of FDB for taking FDB in the right direction and making it more sustainable as a lending institution.

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, I want to thank all the honourable Members who have contributed to this afternoon's debate. I just wanted to finish off some of my speaking points by just pointing out the site visits that we undertook also revealed persistent challenges, relating to agricultural lease renewals, delays in land-related approvals, and administrative bottlenecks involving partner agencies.

These issues continue to affect agricultural investment and business growth. One of the Committee's recommendations was stronger coordination between the bank, the iTaukei Land Trust Board, the Lands Department, and other agencies to streamline the processes. We also strongly recommend that the government review and extend agricultural lease tenures and create a more predictable and transparent lease renewal framework to provide confidence for long-term investment in agriculture.

Mr. Speaker, Sir, the honourable Premila Kumar, correctly pointed out some of the stats with the women and youth participation in lending programmes that have increased significantly. But nevertheless, many remain concentrated in micro and small-scale enterprises. Our Committee suggested that to help them transition to larger commercial operations, we recommended that tailored financing products, business incubation support, and growth-orientated lending pathways specifically targeted at women and youth entrepreneurs be developed and supported by the bank.

The Committee's review demonstrates that the Fiji Development Bank has made substantial progress in strengthening governance, improving profitability, reducing non-performing loans, expanding climate finance, and supporting inclusive economic development. At the same time, the recommendations outlined in this Report provide a clear pathway to address ongoing challenges and ensure that the bank remains financially sustainable while fulfilling its very important development mandate.

With those remarks, Mr. Speaker, Sir, I thank you for this time to cover my remaining points.

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

Question put.

Motion agreed to.

REVIEW REPORT - MINISTRY OF CIVIL SERVICE 2022-2023 ANNUAL REPORT

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, I move:

> That Parliament debates the Review Report on the Ministry of Civil Service 2022-2023 Annual Report, which was tabled in the House on 27th May, 2026.

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

HON. L.S. QEREQERETABUA.- Mr, Speaker, Sir, I wish to acknowledge that the Annual Report's that I will be presenting today, or the review reports, relate to earlier reporting periods, and that since the publication, some of the recommendations that the Committee has recommended will have already been implemented. I just beg the Ministers to please understand that bit because we
have already been implemented. I just beg the Ministers to please understand that bit because we

are having some issues of very, very late annual reports coming before the Committees.

Mr. Speaker, Sir, the Committee wishes to place on record its appreciation to the honourable Prime Minister in his capacity as Minister for Civil Service and to the Ministry of Civil Service for the comprehensive and constructive responses provided to the Committee's 13 recommendations arising from its review of the Ministry's 2022-2023 Annual Report.

The Committee welcomes the Ministry's acceptance of the recommendations including its acceptance in principle of the recommendation relating to salary step placement, performance management and remuneration subject to fiscal considerations and whole-of-government remuneration policy.

The Committee particularly acknowledges the Ministry's commitments to strengthening and institutionalised public service reforms, expand training and capacity building through the Fiji Learning Institute for Public Service, improve the utilisation and integration of digital human resource and customer service systems, strengthen the 157 Helpline, grievance handling, whistleblower protection and workplace safeguards, reinforce ethics and accountability, address recruitment and staffing challenges, improve performance management and forward planning, complete the civil service functional review, implement a Flexible Work Policy with appropriate guidance and clarify responsibilities for sector-specific pay and conditions of service.

The Committee further appreciates the Ministry's commitment to progressively implement the recommendations in collaboration with the Public Service Commission, the line ministries, development partners and other stakeholders subject to available resources, policy approvals and government priorities. The Committee looks forward to seeing those commitments translated into measurable improvements that contribute to a more capable responsive and accountable citizen centred civil service.

Sir, the Committee found that the Ministry made significant progress in public service reform during the reporting period particularly in workforce planning, performance management, human resource policy modernisation, digital transformation and leadership development.

The Committee also noted that 79 percent of the Ministry's budget was directed towards reform initiatives benefiting more than 1,800 civil servants and 296 senior officials through training, leadership programmes and such. In light of these achievements, the Committee recommends that the Ministry continue to strengthen and institutionalise these reforms to ensure lasting improvements in government efficiency and service delivery.

The Committee further found that training and capacity building efforts remain a key priority reaching nearly 2,000 civil servants through programmes focused on recruitment, disciplinary procedures, performance management, leadership development and anti-corruption measures.

The establishment of the Fiji Learning Institute for Public Service (FLIPS) has strengthened professional development opportunities, including access for officers serving in rural and maritime areas. Accordingly, the Committee recommends expanding the reach of FLIPS programmes to ensure that all civil servants, regardless of location, benefit from continuous learning and professional development.

Mr. Speaker, Sir, a major finding of the Committee relates to digital transformation. The Ministry successfully rolled out the Human Resource Management Information System, online recruitment processes, payroll and leave management systems, and the Customer Management System. These initiatives have improved service responsiveness, and customer complaints declined from 21 percent to 16 percent.

Building on this progress, the Committee recommends the full integration and utilisation of these digital platforms across all Ministries, while also strengthening public awareness of the 157-customer service platform and increasing transparency regarding customer service assessment outcomes.

Again, Mr. Speaker, Sir, time has caught up with me, but I will try and incorporate the rest of my remarks in my right of reply. In short, the Committee's findings demonstrate that meaningful reforms are underway, but important challenges remain. The recommendations provide a clear pathway towards a more professional, accountable, efficient, and a responsive Civil Service.

With those remarks, I support the motion before the House.

MR. SPEAKER.- Honourable Members, the floor is open. I have a list of speakers with me. Each speaker is given five minutes for their delivery. At the end of the debate, I will then call upon the mover of the motion for her right of reply.

HON. S.L. RABUKA.- Mr. Speaker, Sir, I rise to contribute to this debate to note the report of the appropriate Parliamentary Committee. I thank honourable Qereqeretabua for the notice to the honourable Members of Parliament, that they have received the response from the Ministry – the response to the various observations that they have made while dealing with the Report.

The Public Service continues to benefit from the Standing Committee on Foreign Affairs and Defence Report of the 2022-2023 period. They have made the following recommendations to:

(1) continue to strengthen and institutionalise Public Service Reform initiatives;
(2) expand scope and reach of training and capacity building programmes through the Fiji Learning Institute for Public Service (FLIPS);
(3) ensure full utilisation and integration of Human Resource Information Systems in Government;
(4) strengthen public awareness and advocacy initiatives for the 157 Helpline;
(5) review and strengthen Government-wide mechanism for whistleblower protection, grievance handling and reporting of harassment cases;
(6) continue reinforcement of ethics awareness;
(7) address staffing shortages and recruitment challenges;
(8) address salary step placement practices and the Performance Management Framework;
(9) improve forward planning and prioritisation of reform activities;
(10) ensure timely completion of the Civil Service Functional Review, its findings to inform right sizing and resource allocation;
(11) closely monitor and evaluate flexible work policy; and
(12) provide clear guideline to Ministries, outlining sector responsibilities and sector-specific pay and conditions.

Mr. Speaker, Sir, as I have said, the Government has progressively implemented the Committee's recommendations, with ongoing initiatives advancing through its broader Public Sector Reform Programme. The Government's objective is to build a Public Service that is fit for purpose, focused on results, and responsive to the needs of every Fijian.

In accordance with Standing Order 121(6)(b), the Ministry has considered the Committee's Report and findings and recommendations and has provided its substantive response. The Committee has recognised the Ministry's contribution to strengthening public administration while identifying areas requiring further improvements. The Government accepts that public sector reform is an ongoing process that we must continue to improve. Progress is ongoing,

Mr. Speaker, Sir, the Fiji Learning Institute for Public Service (FLIPS) continues to support leadership development, professional capability and values and standards of public offices. The functional review and related reforms are also helping government, assess how public institutions are structured, how our functions are delivered and where resources can be used more effectively. The objective is not only to simply reduce the numbers, but also to ensure that Government has the right functions, the right skills and the right people in the right places.

Concerns for the workforce retention and conditions of service is something that we will have to battle with as we look to the future and that is a universal trend right now. Gone are the days of the patriot who entered the service in the very junior stage and saved until retiring age or they die in office. The civil service size, efficiency and productivity also being discussed about the size of the civil service. The Government supports efficiency, productivity and responsible management of public expenditure.

Mr. Speaker, Sir, we note that Government's spend a lot of money in training our workforce and the nature of today's workforce is a very, very migratory and we cannot really hang on to the people that we have trained and we lose the value of our training to other areas and other countries and other services that do not poach, rather attract our civil servants.

HON. V. LAL.- Mr. Speaker, Sir, referring to Parliamentary Paper No. 32 of 2026, the Ministry of Civil Service's Annual Report that gives us a very clear look at where our public funds are actually going and why the current system is continuing to fail our people.

The numbers from the Ministry itself show massive blockages across government offices and departments. The report points out severe gaps in institutional capacity, empty desks in specialized technical units, and major delays in getting necessary workforce reforms sorted out. What we are seeing is a system completely out of balance.

On one side, you have heavy administrative layers and upper tier redundancies eating up critical funds. And on the other side, frontline service points are struggling with critical staff shortages and massive regional backlogs. When our public servants on the ground are stretched to the limit, we have to ask where the priorities of this Government really lie.

Mr. Speaker, Sir, talking about the size and the cost of public service was never about cutting pay, hurting conditions or getting rid of our hard-working teachers, nurses or frontline personnel. Trying to spin those arguments around just to score cheap political points, does a massive disservice to this House and to the people who depend on these essential services every single day.

We must confront the undeniable truth, that proper resource allocation requires absolute discipline and honest oversight rather than sweeping systemic problems under the carpet. When ministries operate without sufficient checks, public trust deteriorates rapidly across every sector of our society. The real problem highlighted by this report is long-term sustainability.

When you keep expanding the top with an oversized cabinet of ministers and assistant ministers backed by endless lines of support staff, official vehicles, drivers and personal assistants while services out in the divisions and rural areas lag behind, something is fundamentally wrong. Having such a bloated cabinet packed with numerous ministers and assistant ministers directly means that millions of dollars and valuable staff resources are diverted away from key essential civil servants and crucial frontline service delivery as clearly exposed in the pages of this official Ministry report.

We have a duty to check whether public funds are actually delivering real value to the taxpayer. We cannot preach about saving money while heavily loading up the executive branch and ignoring the people who actually deliver vital services across our communities every single day without fail. Furthermore, we must acknowledge that financial transparency remains the cornerstone of good public administration, effective resource management and enduring economic stability for our nation.

Mr. Speaker, Sir, we need a smarter Civil Service that actually gets things done instead of carrying dead weight at the top. It is time to deal with the real issues shown in this report, restore genuine accountability and manage public funds properly for the benefit of all citizens who expect better governance, honest administration and transparent leadership from this Parliament.

HON. A.D. SINGH.- Mr. Speaker, Sir, I wish to make a brief contribution to the House, and my contribution would be in the aspect of employment and employment conditions. The history of pain, insecurity and stress the Civil Service suffered under the previous administration ...

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. A.D. SINGH.- ... is a mammoth one.

Mr. Speaker, Sir, I represented a big, sizable chunk of the Civil Service for over two decades, and I know exactly what they went through during that period. The imposition of individual contracts, there was no job security, and there were short-term contracts between one and three years and there was this fear that was instilled in the Civil Service that they would turn 55 tomorrow if they spoke up. They were elected representatives of the trade unions who were civil servants, but they could not speak. Honourable Premila Kumar, thank you for your side jab. She was the Minister for Education, Mr. Speaker, Sir, and she had only one meeting with us in four years. She never came back.

Mr. Speaker, Sir, there was no collective bargaining because of the individual contracts, and unions were unwelcomed. On top of that, the Essential National Industries (ENI) Decree which also subsumed the entire Civil Service. The entire Civil Service was under essential services, so there was no collective bargaining anyway. Unions were reduced to social security providers because of the medical services and the rest of it.

We came in 2023 and immediately removed the ENI Decree. We made sure that the essential industries were corrected. The list was corrected, as per the ILO advice. We put all the civil servants on tenure, increased the retirement age to 60, Sir, and we also gave the civil servants freedom of expression. They are now free to express themselves, able to negotiate, meeting with their respective ministries, dialoguing and they are negotiating with the representatives of the ministries.

Mr. Speaker, Sir, the salaries were also increased between 10 percent and 23 percent in two years, and this is a record without a job evaluation exercise.

(Honourable Members interject)

HON. A.D. SINGH.- Just listen and I will complete it!

The honourable Prime Minister has announced in Cabinet that we are going to have a job evaluation exercise for the entire Civil Service in the coming months. The message that I have for the civil servants is that this government is here to look after you.

HON. GOVERNMENT MEMBERS.- Hear, hear!

HON. A.D. SINGH.- We are looking after you now and we will continue to look after you in the coming years. With those few words, I thank the Committee for all the work that they have done.

HON. H. CHAND.– Mr. Speaker, Sir, I rise to contribute to the debate on the Review Report of the Ministry of Civil Service. The Ministry of Civil Service sits at the center of government administration. It helps determine how people are recruited, how they are paid, how they progress, how they are trained, how their performance is assessed and how the wider civil service is structured. For that reason, the performance of this Ministry has consequences far beyond its own officers. When recruitment is slow, hospitals, schools and government departments feel the impact. When remuneration systems are unclear or unfair, staff morale and retention suffer.

When performance management is ineffective, the public eventually experiences the consequences through slower and poorer services. The Committee acknowledges a number of reforms undertaken by the Ministry, but it also identifies a considerable list of unresolved problems. Those problems include staffing shortages, recruitment and retention difficulties, weaknesses in performance-based remuneration and delays in implementing reforms. Those findings should not be treated as minor administrative matters; they go directly to the effectiveness of Government. The reform must be judged by results.

The Committee records improvements in workforce planning, performance management, modernisation of human resource policies, digitization of personnel systems, and leadership development. It also records that 79 percent of ministries' budget utilisation was directed towards reform activities, that more than 1,855 civil servants were trained or made aware of reform initiatives, and that 296 senior officials received leadership training. Those numbers demonstrate activity, but Parliament must look beyond activity. The relevant issue is whether those reforms have resulted in a civil service that works better.

If recruitment reform is successful, then vacancies should be filled faster. If leadership training is successful, then performance and accountability should improve. If digital transformation is successful, then processing time should fall. If performance management reform is successful, then high-performing officers should have a meaningful pathway for progression. The Government therefore needs to move beyond reporting how many people attended a workshop and begin reporting what changed after the workshop.

Mr. Speaker, Sir, 2,400 vacancies deserve serious attention. Perhaps one of the most significant findings is that the civil service has grown to more than 30,000 officers while still carrying approximately 2,400 vacancies, equivalent to around 10 percent vacancy rate. A vacancy rate of that size should concern the Government. The problem becomes even more serious if those vacancies are concentrated in critical areas. The Government cannot properly address workforce shortages without understanding where the shortages are concentrated and why qualified people are either not applying or leaving.

The Committee identifies limited availability of qualified applicants, labour market competition and staffing shortages as continuing challenges. That requires a targeted response rather than a general recruitment policy. Retention must become a priority. The Government often speaks about recruiting new people, but not enough attention is given to retaining the experienced people already working within the civil service. Every experienced officer who resigns takes institutional knowledge with him. If skilled workers leave because remuneration is uncompetitive, career progression is limited or workloads are excessive, the Government eventually spends more time and money recruiting and training replacements.

Mr. Speaker, Sir, another major issue is the Civil Service Functional Review. The Committee recommends that it be completed in a timely manner so that its findings can guide right-sizing, resource allocation, and service efficiency improvements. Government needs to explain when this review will be completed. The review is particularly important because the Civil Service is simultaneously growing and carrying thousands of vacancies.

In conclusion, Mr. Speaker, Sir, there is no question what the Ministry of Civil Service has undertaken with reforms. The Committee acknowledges progress in workforce planning, training, leadership development, digitisation, and governance. However, this Report also makes clear that important structural problems remain. The Civil Service has thousands of vacancies, performance-based remuneration remains unresolved, salary step progression has suspended, employee protection systems require strengthening, the Functional Review remains unfinished.

HON. F.W.R. VOSAROGO.- Mr. Speaker, Sir, we have in our hands a diagnosis of the engine of our country. The Review Report of the Civil Service Ministry is not just a bureaucratic exercise. It is, in fact, a health check on the institution that delivers the promises that we have made to our people.

The conclusion, Mr. Speaker, Sir, is very clear, that we are at a crossroad. The path that has been chosen by the honourable Prime Minister as Minister responsible for Civil Service is one that seeks to modernise, professionalise, and also to create a very agile public service. The previous government, Mr. Speaker, Sir, created a Civil Service that was demoralised, caused distrustfulness, and an inefficient bureaucracy. The choice that we are making here today in this House is critical for the trajectory that we are projecting forward.

I will focus on three critical areas, Mr. Speaker, Sir, that the Report highlighted in this House. The first is the test of merit and trust. The Committee's Report confirms what many Fijians have feared, the perception that jobs are awarded based on who you know and not on what you know. It is not just a public relations problem. It is a poison that corrodes the entire foundation of our public service. When a system operates behind closed doors, and candidates are not even told how they perform, how can we expect the public to trust it? We can expect the best. How can we expect the best and the brightest to even apply?

Transparency, Mr. Speaker, in hiring is not optional, it is fundamental. The practise of withholding performance feedback from applicants, as confirmed by the Permanent Secretary at the hearing, must end. We want a Civil Service that reflects the talents of our nation. We must ensure the process is transparent as the result is critical.

The Committee's recommendation to provide detailed feedback to all applicants is non-negotiable and a first step towards rebuilding that national trust.

Second, the test of fairness and morale. This is the most troubling finding in this report. Senior civil servants, the ones who with the institutional knowledge and experience remain stuck on salary step one, while newly recruited junior officers are placed on higher pay steps. And in what world is that acceptable, that a supervisor earns less than the subordinates? This is not just unfair; it is unsustainable in an active demoralisation of our most experienced civil servants. It sends a clear message that loyalty and dedications are not valued. It rewards inexperienced over expertise and drives talents away from the public sector. This situation must be treated with urgency and urgency that it deserves. The Government must address these inequalities, and it has addressed it head on. We cannot expect excellence from our public service and from a workforce that feels undervalued.

Third, Mr. Speaker, Sir, the test of safety and integrity. A service that cannot protect its own people cannot credibly serve the public. The report reveals a disturbing lack of government-wide whistleblower policy. Bullying and harassment, particularly of younger staff, is a known problem, yet we have no legal framework to protect those who speak up. This is a failure, and of course, this has now been addressed by the current Government. Mr. Speaker, Sir, there are positives. The pilot of a flexible work policy is a sensible and modern initiative. Investment in training nearly 2,000 civil servants and an ongoing functional review shows a commitment to reform, but a few good initiatives do not mask the system that is in distress.

Mr. Speaker, Sir, the path forward is clear, and the Coalition Government will act. We will -

(1) implement the Committee's recommendation to ensure transparency in recruitment and provide detailed feedback to all applicants.
(2) urgently address the pay inequalities, ensuring that our senior officers are valued and rewarded for their experience.
(3) establish a robust government-wide whistleblower policy with legal protections that will allow civil servants to speak up without fear.
(4) continue to invest in professional development to build a capable and responsive public service; and
(5) use the functional review to drive meaningful permanent improvements in efficiency and service delivery for all Fijians.

Mr. Speaker, Sir, a nation is only as strong as its public servants. We have a choice. We can allow these problems to fester that have been highlighted in the report or we can act to resolve it and it needs to build a Civil Service for Fiji that is fair, professional and worthy of the Fijian people.

HON. J. USAMATE.- Mr. Speaker, Sir, I would like to thank the Committee for the excellent work that it has done in the review of the Report. I would just like to talk to some of the recommendations that are there.

At the outset, I think as you have mentioned today, Mr. Speaker, Sir, legislature as part of the State, the Civil Service is a very fundamental part of making Fiji successful. So, for all of us, we want to make sure that the Civil Service works well. Everyone has been saying things have improved since this Government came in. We hear the exact opposite. Senior civil servants tell us that things have deteriorated. Discipline has gone downhill and performance has dropped. So that is something that is happening all the time.

The honourable Agni Deo Singh was talking about how things have improved. Here we hear the Fiji Teachers Association saying there are teachers who have not been paid for a few months enough to learn by *dinau*. They are able to survive by *dinau* from local shopkeepers.

I think one of fundamental things is important in this, Mr. Speaker, Sir, is the people. You can have good civil servants, well-skilled people, but if the framework or the process in which they work does not allow them to be successful, they will fail. I think that is one of the big problems that we have right now.

I have looked at these recommendations, the need to strengthen the reform, PMS, HR, et cetera, they are showing that there are problems with the process and the framework. I have said this a few times, Mr. Speaker, Sir, since my time is short. I believe that there are systems in place that we can use to address all of these things. I have talked, for instance, previously about the Service

Excellence Programme that used to be done by government. It looks at performance holistically. If you put a good worker in a good process, a good system, he will deliver well. If you put a bad worker in a good process, he will still deliver well because the process makes sure that he delivers well. This is the problem that we have.

Our Performance Management System in the Civil Service is not working. It needs to be completely reviewed. I talked about this as a person who has taught and consulted on this and seen it actually work. I walk around government ministries and there are people who do not seem to have to do anything and they sit there, doing nothing. I even see this in Parliament. That, Mr. Speaker, Sir, do not get me wrong, why does that happen? It is because the Performance Management System is not solid. It is not strong because it is weak, no matter how good the civil servants that you have. If your frameworks and systems do not allow you to work well, your output is dependent upon your process and framework; that is the problem we have.

Mr. Speaker, Sir, I asked my daughter not to work in the Civil Service until she is old. You know why, I had been a Minister, I had seen how slow it is to get things done. There is none of that full speed get work done that you learn in the private sector. I tell you this, this is what I had told her, "You go when you are ready to relax then you go and join the Civil Service." That is the flip side of the process that you brought in. When you give contracts for life, that is what you can get. You need a stronger performance management system that helps you move ahead.

I have spoken at length and are few times. Honourable Prime Minister, Sir, I believe that there is a programme called the Service Excellence Programme. This is based on the Malcolm Baldrige holistic framework for building excellent organisations in the world. It was used here in Fiji. I believe that the Civil Service can bring that programme back, together with all the other things that they are doing, such as the functional review.

When I was looking at this report, it said, functional review, right sizing. I remember the honourable Minister for Fisheries, she had a go at the honourable Leader of the Opposition when he talked about rightsizing, but then the honourable Prime Minister also said the same thing about rightsizing. This particular report is saying it is right sizing. We need to forget about all this populism, want to get in votes from civil servants, as leaders, we focus on what is needed. Our Civil Service is getting too big, we need to fix it, we need to make it digital. We need to make the right kind of process that can deliver. If you look at this report in the verbatim, it is showing that they are not being able to measure the outcomes. If you cannot measure the outcomes and the outputs, how can you manage it? You can only manage what you measure.

Obviously, the system is such that they are not even able to measure the outputs. If you cannot measure the outputs, how do you measure the outcomes? If you cannot measure the outputs and outcomes, how on earth are you going to manage it? It is impossible. Honourable Prime Minister, Sir, I recommend very strongly, please look at the Service Excellence Awards Programme. It was done when Mr. Anare Jale at that time was the PS for Civil Service. I was part of the overall managing committee, and I believe, you bring forth those principles. The principles on which this programme is built on, I look at some of the values that we have here – it is about customer focus, organisational learning and it is about agility, being able to evolve and look at the circumstances that you meet and coming up with a solution of it. It is about ethical governance.

The last thing that I want to say, Mr. Speaker, Sir, is, we talk about values. Values is seen in what we do. If someone says something about values and what they do is the exact opposite, what people believe will be the value, what you see. For instance, you are hiring people who were in your political party to take jobs where other civil servants have walked out, that is the value they are going to see. If you want to succeed, you join this political party or you join in that campaign. So, we need to see. If we are talking about values, it is inferred from behaviour. It is not pieces of work on a wall.

MR. SPEAKER.- Honourable Member, you have 20 seconds left.

HON. J. USAMATE.- Thank you, Mr. Speaker, Sir.

I think, overall, there is a lot of good work and good progress here. I believe we need a strong framework that can be used across the Civil Service so they can benchmark each other. You look at this Report, they are not even benchmarking against each other. When you assess performance, you do a number of things. You look at your performance against your targets, and if you are doing well, then you look at your performance relative to others. That is not even happening in the Civil Service.

With those words, I endorse the recommendations in the Report.

MR. SPEAKER.- I said that it is going to be a long evening so, please, observe your five minutes, honourable Members.

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, I want to say thank you very much to all the honourable Members, the honourable Prime Minister and honourable Ministers for speaking about the findings and the recommendations of the Report. Thank you very much for your contributions and your suggestions.

MR. SPEAKER.- The Parliament will now vote to note the content of the Report.

Question put.

Motion agreed to.

REVIEW REPORT - FIJI REVENUE AND CUSTOMS SERVICE 2023-2024 ANNUAL REPORT

HON. S. TUBUNA.- Mr. Speaker, Sir, I move:

> That Parliament debates the Review Report on the Fiji Revenue and Customs Service 2023-2024Annual Report, which was tabled on 27th May, 2026.

HON. P.D. KUMAR.- I second the motion, Sir.

HON. S. TUBUNA.- Mr. Speaker, Sir, I rise as the Chairperson of the Standing Committee on Economic Affairs to move that Parliament debates the Review Report of the Fiji Revenue and Customs Service 2023-2024 Annual Report, which was tabled in Parliament as Parliamentary Paper No. 51 of 2026.

At the outset, I wish to acknowledge the Members of the Committee for their dedication and contribution throughout the review process. I also extend our appreciation to the Fiji Revenue and Customs Service, the Chief Executive Officer and the staff for their cooperation and responsiveness during the Committee's inquiry.

Mr. Speaker, Sir, the Committee reviewed the FRCS Annual Report 2023-2024 pursuant to its mandate under Standing Order 109 where the report was referred to the Committee for scrutiny. The Committee undertook a detailed examination of the Report, received oral evidence and written submission from FRCS, and carefully deliberated on the organisation's performance, achievements, challenges, and future priorities.

The Committee acknowledged FRCS' and the critical role that they play in Fiji's economy. It is responsible not only for the collection of Government revenue, but also for facilitating trade and travel, providing policy advice on taxation and customs matters and safeguarding Fiji's borders against illicit activities.

One of the most significant achievements highlighted in the report is FRCS record revenue collection and performance during the 2023-2024 financial year. For the first time in its history, FRCS surpassed the $3 billion revenue mark, collecting approximately $3.104 billion, exceeding its internal target and representing a substantial increase from the previous year. This achievement reflects the commitment and dedication of FRCS staff and its leadership during a period that also includes organisational and leadership transition.

The Committee also recognises several other positive developments achieved during the reporting period, including the successful completion and implementation of the Taxpayer Online Services (TPOS) portal after seven years of development, with approximately 226,000 taxpayers registered on the platform and 93 services now available digitally.

The expansion of taxpayer education and outreach, particularly engagement with Micro, Small and Medium Enterprises, and communities in remote areas. Strong performance in border security operations, resulting in 18 illicit drug inception, Fiji's succession to the OECD Deeds Inclusive Framework and FRCS, a growing contribution to regional and international cooperation and tax administration.

Mr. Speaker, Sir, while recognising this achievement, the Committee's duty was also to identify challenges and areas that require improvement. The Committee found that the record achievement, although commendable, was influenced largely by policy changes, including increase in VAT and corporate tax rates.

The Committee identified several structural concerns that warrant urgent attention. The Committee noted that MSME had compliance gaps of approximately 116,800 are registered MSMEs, with only 20 percent actively paying taxes.

Secondly, the Committee expressed concern regarding a sharp increase in income tax refund. Liabilities grew from approximately $51.8 million to $426.3 million.

Thirdly, the Committee noted that FRC recorded an operating deficit during the financial year as expenditure growth outpaced revenue growth.

Fourthly, the Committee observed that the total governance arrears are approaching $1 billion.

The Committee also raised concerns regarding a waiver of approximately $109.5 million in penalties. In response to these fundings, the Committee has also made eight recommendations. The Committee believes that these recommendations are practical, achievable, and necessary to ensure that FRCS continues to deliver strong revenue performance while also strengthening public confidence, taxpayer compliance, and institutional accountability.

MR. SPEAKER. - Honourable Members, the floor is now open for debate on the motion, and I have a list with me. At the end of the debate, we will have the right of reply from the mover.

HON. P.D. KUMAR.- Mr. Speaker, Sir, I will go straight into the Report. During that year, as we have heard from the Chairman of the Committee, FRCS collected $3.1 billion in revenue. For the first time, they crossed the $3 billion mark which is significant. I also acknowledge the progress made by FRCS in digital transformation and the work they do in border protection, particularly dealing with drugs, organised crime, money laundering, and other forms of transnational criminal activity.

Mr. Speaker, Sir, our role is to go beyond the headline numbers. When we look beneath the $3.1 billion collection figure, some serious questions need answers. The first question is this – how much of this revenue growth represents genuine economic growth, and how much simply reflects higher tax rates imposed on Fijians and businesses?

In 2023, Government increased VAT from 9 percent to 15 percent, and a massive 67 percent increase. That was a 67 percent increase in the VAT rate. Now, VAT collection subsequently increased from approximately $1 billion to $1.369 billion, which is an increase of just 35.8 percent. The same concern arises with corporate income tax, which increased from 20 percent to 25 percent. That is a 25 percent increase, yet collection increased from approximately $486 million which is about 7.9 percent. A critical examination of this relationship between rate changes and collection growth reveals that neither tax performed proportionately to its rate increases, indicating demand suppression in household spending and business activity due to the increased tax burden.

Mr. Speaker, Sir, the second issue that I would like to bring to the House is to do with the amount of money that has been written off, which is $109.5 million in penalties. I do recognise that there can be legitimate reasons for waiving penalties. There can be genuine hardship, there can be administrative errors, there can be circumstances where enforcement would be unreasonable, but where the amount reaches $109.5 million, transparency becomes essential. The question is - who qualifies for a waiver? What are the criteria? How much was waived for hardship? How much was waived for administrative reasons? How much was waived for other reasons?

Mr. Speaker, Sir, the honest taxpayer who pays on time must not be left wondering whether compliance is being punished while others receive substantial relief behind a system that is not sufficiently transparent. That is why the Committee's recommendation for a clear and publicly disclosed penalty waiver policy is so important.

My other broader issue, Mr. Speaker, Sir, is after three and a half years in office, this Government has been collecting more revenue than ever before, which is very good and I congratulate them on that. Yet the people who are paying these taxes are receiving less in return. Older citizens below 65 have lost transport assistance because the age eligibility criterion has moved from 60 to 65. Pensioners have lost personal accident assistance. Why? Because the insurance cover has been taken off. Teachers are not paid for months, which we have just heard, and now students are paying the price.

The Fiji National University has reported that up to 5,000 private students have dropped out because they cannot afford their fees. Why are thousands of students being forced to become private students when the government promised to provide scholarships for all students in tertiary education? Sir, PSLS has also confirmed that funding for new scholarships has been exhausted and that no new applications will be accepted for semester two and quarter three. Where is the Government's promise and we are still in 2026.

Mr. Speaker, Sir, despite record revenue collection, Government debt continues to rise, with debt projected to reach $3 billion by the end of the Government's term. Taxpayers have watched, unfortunately, millions of dollars committed to the Commission of Inquiry, Truth and Reconciliation, expanded and bloated Cabinet, growing Civil Service, and further costs are going to incur through court settlements. I would say that FRCS is doing a good job, they are trying to collect each and every penny for the Government, but how is this money managed? Why are our people not being given what is due to them?

HON. E.Y. IMMANUEL.– Mr. Speaker, I wish to thank the Committee on its review of the Fiji Revenue and Customs Annual Report 2023-2024. I wish to say that many of the matters raised by the Committee are already being addressed through reforms underway with FRCS, and are consistent with efforts to strengthen transparency, accountability, taxpayer services, compliance, and institutional performance.

On performance transparency, Mr. Speaker, Sir, FRCS accepts that future annual reports should provide a clear comparison between revenue targets presented in the national budget and the actual collections achieved. While budget forecasts are prepared through government's budget process and published in the official budget supplements, future reports will include annual revenue targets, actual performance achieved, variances against targets, explanations of key drivers, and multi-year trend analysis. So that will further strengthen transparency and parliamentary oversight.

Mr. Speaker, FRCS supports greater transparency regarding penalty remissions and notes that the reported figure includes both penalty waivers and penalty withdrawals. The agency already operates under a formal remission framework with established eligibility criteria, approval process, governance control, tiered approval authorities, audit mechanism and comprehensive documentation requirements.

Mr. Speaker, in relation to expansion of MSME education programmes, FRCS has already scaled its outreach through workshops, market visits, provincial and rural outreach, digital campaigns, online tutorials and direct taxpayer engagement activities. Partnership with the Fiji Commerce and Employers Federation, the MSME Council, Chamber of Commerce, municipal councils and relevant government ministries are strengthening programmes reach, participation as well. Mr. Speaker, FRCS is also expanding multilingual and digital content to improve accessibility for rural, informal and first-time business operators.

Mr. Speaker, on presumptive tax regime for MSMEs, FRCS agrees that further work is required to improve compliance within the MSME sector and will continue to assess options that support greater participation in the tax system.

On refund processing, concerns regarding refund backlogs and remains committed to improving certainty and service delivery are noted. Sir, FRCS already operates on the customer services charter that includes refund processing standard, and significant reforms have already been implemented, including digital refund processing, risk-based verification models, automation of low-risk claims, improved taxpayer communication channels and stronger coordination with the Ministry of Finance.

Mr. Speaker, on employee cost and productivity assessment, FRCS accepts the importance of linking workforce investment to measurable outcome. The increase in employee expenditure during 2023-2024 reflected workforce expansion, specialist recruitment, digital transformation initiatives, enhanced compliance functions, OECD BEPS implementation requirements and strengthened border operations.

Mr. Speaker, Sir, FRCS recognises the importance of effective succession planning and leadership continuity. The proposal for a permanent Deputy CEO has been referred to the Board for consideration as part of its governance and leadership framework.

Mr. Speaker, Sir, it is important to clarify that FRCS is not dependent on donor for its core operation, staffing, compliance activities, taxpayer services, border operation and administration are funded through Government's appropriation and approved revenue mechanism.

To conclude, FRCS remains committed to continuous improvement and strengthening transparency taxpayer services, compliance outcome, digital transformation, workforce capability and institutional governance. Mr. Speaker, Sir, I commend the Report to Parliament.

HON. R.R. SHARMA.- Mr. Speaker, Sir, I rise to highlight some of the Committee's explicit findings. As other Members have spoken about the tax income refund backlogs, and alarming 80 percent of non-compliance rates among the registered MSMEs because there is a tax structure and additional compliance burdens that are crushing the backbones of the grassroots economy.

We have tax arrears that are almost to a billion dollars now and instead of broadening the tax base fairly, the State leaves massive arrears uncovered while leaning on compliant citizens. An operational deficit within the tax administration where the expenditure has outpaced revenue growth and demonstrating fiscal mismanagement at the institutional level. There are also critical gaps in the enforcement and systematic delays that threaten the long-term revenue sustainability.

Mr. Speaker, Sir, while compliant Fijians are taxed to the bone, what is happening to the illicit financial flows and national security? But before that, the Government likes to brag about their tax revenue collections – very good. The $3.1 billion during the reporting period and the last financial year of $3.51 billion.

However, Mr. Speaker, Sir, let us not confuse aggressive extraction of taxes with economic prosperity. Let us not mistake picking pockets of the hardworking citizens from our booming economy. When they came in, they hiked tax to 9 percent to 15 percent, corporate tax to 20 percent to 25 percent, introduced increased departure tax, various other import tariffs, excise duties, basic commodities and airport charges, squeezing families, MSMEs and businesses alike.

Mr. Speaker, Sir, despite massive tax collections over $3.1 billion and recently $3.5 billion, the RBF still had to revise the economic growth projections down to $1.5 million. That shows that it is not working for this Government, their poor, sound, weak economic and fiscal policies.

Mr. Speaker, Sir, also talking on financial scams, recently I looked at the Fiji Financial Intelligence Unit (FIU) Report, and the financial scams sit at 38 percent, tax crimes sit at 86 percent of total transactions value. The financial scams and transitional syndicates are robbing millions out of our domestic banking channels, targeting vulnerable pensioners and struggling families. The FRCS and FIU must actively unify their intelligence performance and forensic investigations to track down dirty money, halt illicit tax evasions and dismantle fraudulent syndicates.

Furthermore, robust border control and custom surveillance cannot be treated as afterthought. Our borders are under assault from exquisite narcotics, undeclared contraband and sophisticated under-invoicing schemes. True governance is not measured by how much a family is taxed that they pay on bread and butter or at the supermarket, but how effectively you secure national borders and shut down illicit cartels.

Another area FRCS needs to look into is what I heard from the people on the ground, especially the MSMEs, when Vodafone had introduced the $2 statement for their M-PAiSA, and this was shared to me from a lot of MSMEs that they have stopped accepting cash through money transactions through M-PAiSA and rather were receiving cash. I think this will sort of make it harder for FRCS to monitor how transactions will happen in our economy and obviously the whole task is to find all the black money in the economy.

Mr. Speaker, Sir, the government needs to stop bragging about their tax collections because it must reflect the lives of our people and how they do well. To Mr. Udit Singh and the Team, thank you for the job you are doing when you are assigned to do your task, but the responsibility sits on Government to formulate sound, compassionate and pro-growth economic policies. Stop celebrating the burden you have placed on our people, address the structural deficiencies laid bare by the Committee and steer the economy towards genuine productivity rather than relentless taxation.

HON. M.S.N. KAMIKAMICA.- Mr. Speaker, Sir, I rise to lend my support to the Report by the Standing Committee on Economic Affairs with regard to FRCS. And as alluded to by the previous speakers, the progress of FRCS has always been of keen interest to everyone, and it is fair to say that the leadership before the new CEO came along has been good. If anything, we are seeing the continued professional rise of FRCS together with its performance, Mr. Speaker, Sir.

I note in the Report several comments that I thought I would touch on, one specifically regarding tax collections, and some suggestions that the growth in collections is not related to economic growth. Let me just remind our learned Members on the other side, if you look in isolation at this year's results, perhaps you might have some credence in your argument. But over the last three years, we have seen successive increases in tax collections. What does that suggest to you? There is genuine economic growth happening in the country and Mr. Speaker, Sir, let us not forget in one year, there was actually a reduction in the VAT rate. So, if you take that into account, we are on the right progression.

Also, Mr. Speaker, Sir, this is a point that they totally avoid, when VAT was under their regime, there were actually three buckets of tax - 0 percent, 9 percent and 15 percent. So, when they always argue that there was an increase from 9 percent to 15 percent, it was never a real 6 percent rise because you had already a lot of items that were already hitting 15 percent anyway. Not luxury items, all the hotels and consumption were actually at 15 percent, like McDonald's, et cetera. So, selective memory on the other side of the House.

Mr. Speaker, Sir, the other thing that I thought I would just contribute to, there was some sort of pontificating around the $109 million penalty waiver. Let me remind the other side of the House, you introduced a tax CGT exemption in this House some years ago. How much was that exemption in total - $70 million. One single tax adjustment and the adjustment was made, clearly to sort of curry favour to some people that we would not mention in this House.

Mr. Speaker, Sir, I am certain that if the Committee had asked for the breakdown of this $109 million, I am sure that it would have been all waivers executed by the FRCS, based on very valid and prudent evaluations. So the cheap shot around waivers is probably uncalled for, given the performance of FRCS and the fact that they only have to look in the mirror and realise that they did an exemption in this House that cost the taxpayers of this country $70 million.

Mr. Speaker, Sir, I would also just like to commend the FRCS for, one, their continued commitment to MSMEs. They have a separate department that looks after MSMEs, they do lots of training for MSMEs. I do note that only 20 percent of MSMEs are active taxpayers, and that is probably an area where there will be some focus over the next few years. I can see that there are some moves are afoot to try and introduce simple accounting software to MSMEs, even market vendors, so that they can calculate their earnings on an app. If that happens, we can, perhaps, increase the envelope of tax.

Finally, Mr. Speaker, I am so glad to see that the TPOS system has now been completed after a seven-year implementation. That will, obviously, continue to create more efficient tax collections, as you are currently seeing with the sustained increase in collections every year.

With that said, I commend this Report to the House and commend the FRCS for another splendid report.

HON. PROF. B.C. PRASAD.- Mr. Speaker, Sir, let me begin by thanking the Committee for the Report, but also making this point very clear that in the last three years, we are looking at 2023-2024 Report, the Fiji Revenue and Customs Service and the idea of collecting appropriate revenue by a government and by a country, has been the most successful story in the last three years for this country. Most successful! We have to be honest in our debate and discussion with respect to what we have been able to achieve as part of Government's ability to raise appropriate revenue. Any government worth its salt will have to ensure that they collect appropriate revenue.

The Opposition, unfortunately, Mr. Speaker, Sir, is not engaging in an honest debate. They want to have their cake and eat it too. You cannot demand lower taxes and you cannot demand high expenditure on everything that you want to have, whether it is scholarship or whether it is social welfare allowances or whether it is grants, and at the same time, demand smaller deficits, simultaneously, without actually explaining where the money will come from.

(Hon. P.D. Kumar interjects)

HON. PROF. B.C. PRASAD.- Honourable Kumar understands this simple economics. There is always a choice that you have to make. There is always a trade-off.

What we have done in the last three years, starting with 2023-2024 and coming out of a situation whether it was due to COVID-19 or whether it was due to Government, or whether it is a mix of both COVID-19 as well as deliberate government policy, that we inherited a high level of debt, a tax system that was broken, and as honourable Deputy Prime Minister and Minister for Industries, Commerce, Business Development and Public Enterprises explained, with three rates of VAT, there was about close to $500 million to $600 million a year revenue leakage.

We fixed that by reforming the tax system. We, again, reduced VAT from 15 percent to 12.5 percent, yet we continue to raise more revenue. Yes, most governments and governments anywhere in the world struggle to balance the right amount of revenue and expenditure. Yes, we want to ensure that whatever is collected by the Government as revenue is used appropriately.

The honourable Deputy Prime Minister and Minister for Industries, Commerce, Business Development and Public Enterprises also made this point, that this increase in revenue collection is a direct result of the reform that FRCS has made. The compliance strategy has been one of the key elements of FRCS strategy over the last three years, Mr. Speaker, Sir.

However, not only compliance strategy, not only with respect to new taxes where appropriate, but we have had good economic growth - 9.4 percent in 2023, more than 3.5 percent in 2024 and more than 3.0 percent in 2025, and despite the forecast by the Reserve Bank of Fiji (RBF) earlier this year as a result of the fuel crisis of 1.5 percent growth, I am certain, given the investments that are taking place, given the consumer sentiments and given the revenue collection that FRCS is showing, that we will have more than 2.5 percent growth, or close to 3.0 percent growth by the end of this year.

In conclusion, Mr. Speaker, Sir, we must have a very honest debate. Yes, I agree, we need to look at our expenditure, but we need to have an honest discussion about what FRCS is doing, what are some of the reforms that we have undertaken in the last three years and how those are linked to what Government can do in terms of expenditure and looking after our people. That is to ensure that we put in all the structural changes that are needed to encourage economic growth and investment so that in the long run, the country's debt, deficit spending and revenue becomes sustainable. That is our long-term vision, and the fact that we have got a National Development Plan which says, there is a vision 2050 that we want to be a high-income country, it is doable, it is possible, and some of the reforms that we have done in the last three years, Mr. Speaker, Sir, points to that. That is where, I think, our debate should be, as to how we can get to 2050 and achieve the status of a high-income country.

Once again, I want to thank the FRCS Board, Chief Executive Officer (CEO) and all the FRCS staff for doing such a wonderful job over the last three years.

MR. SPEAKER.- I will now call on the Chairperson of the Standing Committee on Economic Affairs to exercise this Right of Reply.

HON. S. TUBUNA.- Mr. Speaker, Sir, I would like to thank the honourable Members for their contribution. I think it has been alluded by most of the Members that FRCS is showing strong growth. It has exceeded most of its targets through the various instruments that it uses to collect revenue. Of course, there are some challenges, but we have put in those critical issues for the FRCS Board to address.

As has been raised by some of honourable Members regarding MSMEs and digital transformation, we have made some recommendations, and I am sure that efforts are on board to try and address this issue effectively.

Financial scams have been alluded by honourable Sharma. Yes, that is an area that is increasing quite rapidly and we are also trying to see how FRCS does work with other agencies to address this, particularly, the Fiji Financial Intelligence Unit within the Reserve Bank of Fiji, on how they can capture some of the financial scams that are increasing in the financial circle.

I would like to thank the honourable Members for their contribution and also thank the frcs Board members, as well as the CEO, Mr. Udit Singh, for the excellent work that they have done and with another strong performance exemplified by FRCS.

MR. SPEAKER.- The Parliament will now vote to note the content of the Report.

Question put.

Motion agreed to.

MR. SPEAKER.- Honourable Members, this will be an appropriate time to take our afternoon break. However, before we do so, we will first deal with a suspension motion.

SUSPENSION OF STANDING ORDERS

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Mr. Speaker, Sir, I move under Standing Order 6:

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

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

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Mr. Speaker, Sir, we still have the motions for debate - the Committee Reports from No. 5 to No. 15 in the Order Paper.

Question put.

Motion agreed to.

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

The Parliament adjourned at 4.06 p.m.

The Parliament resumed at 4.42 p.m.

**CONSOLIDATED REVIEW REPORT –
WHOLE OF GOVERNMENT FINANCIAL AUDIT REPORTS FOR 2018-2022**

HON. J.R. VOCEA.- Mr. Speaker, Sir, I move:

That Parliament debates the Consolidated Review Report on the Whole of Government Audit Reports for financial years 2018-2019, 2019-2020, 2020-2021 and 2021-2022, which was tabled on 27th May, 2026.

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

HON. J.R. VOCEA.- Mr. Speaker, Sir, I rise today as Deputy Chairperson of the Standing Committee on Public Accounts to contribute to this debate on the Standing Committee on Public Accounts Consolidated Review Report on the Auditor-General's Whole of Government Audit Reports for 2018, 2019, 2020, 2021 and 2022. This Report provides Parliament with an important assessment of the Government's financial management, accountability and stewardship of public resources across all budget sectors.

Drawing on 16 audits conducted during the review period, the Report highlights significant improvements in the quality of financial reporting and compliance with the statutory requirements while also identifying persistent weaknesses that required additional attention.

The Auditor-General confirmed that the Government's financial statements were prepared in all material respects in accordance with the Constitution of the Republic of Fiji, the Financial Management Act 2004 and the Audit Act 2025, reinforcing the credibility of Government's financial reporting.

The Committee reviewed 16 Auditor-General's Reports across General Administration, Social Services, Economic Services and Infrastructure Sectors. The review focused on financial performance, budget utilisation, financial reporting, internal controls and recurring audit issues across Government.

The Report demonstrates steady progress in public sector financial management, as reflected in the increase of unmodified audit opinions from 52 percent in 2018-2019 to to 86 percent in 2021-2022. While these achievements are commendable, the findings also remind us that strong governance, effective internal controls and timely financial reporting remain essential for maintaining public confidence in the management of taxpayers' funds.

The Committee found encouraging improvements in audit outcomes with unmodified audit opinions increasing significantly from 2021 to 2022. However, recurring systematic weaknesses remain.

The Committee noted that significant unutilised budget allocations continued across Government Ministries and agencies due to project delays, procurement challenges, recruitment gaps, and weak implementation capacity.

The Committee also observed ongoing weaknesses in financial management, including delays in financial reporting, poor record keeping, incomplete asset registers, unresolved FMIS and bank reconciliation variances, and modified audit opinions - resulting from unsupported balances, reconciliation variances, and modified audit opinions - resulting from unsupported balances, unreconciled accounts and inadequate documentation.

Furthermore, the Committee highlighted weaknesses in internal controls, including monitoring, weak supervision, poor segregation of duties, and insufficient follow-up on audit recommendations, which increased operational and financial management risks.

The Committee also noted that weak interagency coordination and governance oversight contributed to delays, duplication of efforts and inconsistent compliance with financial management requirements across Government Ministries and agencies.

Mr. Speaker, I now commend this motion to the House.

MR. SPEAKER.- Honourable Members, the floor is now open for debate on the motion. I have a list of our would-be speakers with me. Five minutes is allocated to each of the speakers. At the end of the debate, we will have the right of reply from the mover.

HON. E.Y. IMMANUEL. - At the outset, I acknowledge the work of the Standing Committee on Public Accounts and the Office of the Auditor-General for their important role in strengthening transparency, accountability and good governance across the public sector.

The Committee's concerns are consistent with findings from the 2019 Public Expenditure and Financial Accountability Assessment, which led to the development of the Public Financial Management Improvement Plan 2020-2025. Under this Programme, Government has undertaken significant legislative and institutional reform, including the enactment of the Audit Act 2025 to strengthen the independence of the Office of the Auditor-General. Also, the review of the statistics legislation, the publication of the Economic and Fiscal Update, Medium-Term Fiscal Framework and Medium-Term Debt Management Strategy, as well as the Approval of the Internal Audit Charter and Reforms to the Finance Instructions and Procurement Regulations.

Government has also implemented a Revenue Recovery Plan to strengthen tax compliance measures and enhance revenue mobilisation efforts to support fiscal sustainability. A major reform was the implementation of the new Financial Management Information System (FMIS) on 1st August, 2024. The Ministry continues to strengthen financial controls through Finance Circulars, awareness programmes, FMIS training, year-end closing instructions and continuous engagements with Ministries and Departments. Daily FMIS monitoring, regular reconciliations, one-to-one support, Accounting Heads meetings and restrictions on system access where reconciliation requirements are outstanding have been introduced to reinforce compliance and financial discipline.

Mr. Speaker, Sir, strong systems alone do not guarantee sound financial management system. Effective supervision and leadership are equally important.

Monthly Accounting Heads meetings continue to be conducted to address accounting issues, clarify responsibilities and strengthen oversight of finance functions across Government.

The Ministry has also strengthened expenditure controls through the amendment to the Finance Instruction 2010. Approval for virement involving personal emoluments and capital expenditure now requires approval of the Permanent Secretary for Finance.

Mr. Speaker, Sir, the Committee rightly emphasises the implementation of the Auditor-General's recommendations. The Ministry is currently establishing an Audit Recommendation Register to improve monitoring accountability and the resolution of outstanding audit issue findings across Government.

The Committee has also recommended linking audit performance to Permanent Secretary performance assessments. While this falls under the responsibility of the Ministry of Civil Service, the Ministry of Finance acknowledges the value of the recommendation.

Mr. Speaker, Sir, the Committee has highlighted concerns regarding Budget underspending and expenditure variances. To improve budget implementation, Government has strengthened annual procurement planning, quarterly Budget performance reviews, monitoring of capital projects, revenue and expenditure forecasting, early identification of procurement delays and programme performance monitoring.

The Ministry has also introduced major budget reforms, including expenditure reclassification, removal of items under 'R', strengthened performance-based budgeting, revised virement controls, consolidation of cash grants under Head 50, VAT intensive budgeting, and streamlined personal emoluments and wages budgeting arrangement.

Mr. Speaker, Sir, the Committee has also identified weaknesses in the Asset Management System, the Government's Digital Transformation Agenda and the new FMIS support - a transition towards digital, integrated, real-time and auditable system.

Mr. Speaker, Sir, the Committee has also correctly emphasised the importance of qualified personnel and continuous professional development.

The Committee has rightfully observed that Government reporting must increasingly focus on results and not simply expenditures.

We acknowledge the challenges identified by the Committee. We understand that many are recurring and systematic. We are strengthening controls and accountability, modernising our system, investing in our people, improving budget implementation and moving towards reporting that demonstrates not only how public money is spent, but what it achieves.

HON. A.A. MAHARAJ.- Mr. Speaker, Sir, I rise to speak in support of the Consolidated Review Report of the whole of Government Audit Reports for the Financial Year 2018-2019 to 2021-2022. This Report provides a vital objective baseline for comparing the administrative practices of the past, with an open accountable governance framework in place today.

Mr. Speaker, Sir, I am thankful that we are debating this Report now because this Report is from a time when the previous administration was in Government and it was also at the height of COVID-19 pandemic, how fiscal discipline was maintained and we, as a nation, sailed our way out of COVID and became the fifth fastest growing economy in the world.

Mr. Speaker, Sir, audit reports are not merely to highlight past shortfalls but also as a blueprint for institutional strengthening. By addressing these structural issues through increased transparency, digital modernisation and strict compliance with the public financial management regulation, public funds are systematically protected and directed towards serving all Fijians effectively.

Mr. Speaker, Sir, I would like to thank the former Public Accounts Committee (PAC) Chairman and now the Minister for Finance for compiling this particular Report. I would like to also thank our outgoing PAC Chairman, honourable Kamikamica, for allowing the Committee to change the format of the Report so that it becomes very easy for anyone reading the Report to understand how the Government or Governments have been performing over the past decade. This marks the perfect start for the format to take place, as it has pre-COVID records, COVID-19 period, as well as post-COVID-19 report.

Mr. Speaker, Sir, it has been discussed a lot as to what has been inherited by this Government and what was given to this Government by the previous administration. Let me clarify this- in the 2018-2019 audit opinion, there were 53 percent unmodified opinion compared to 47 percent modified opinion, improving to 86 percent unmodified opinion in the 2021-2022 financial year compared to only 14 percent modified opinion.

In terms of timeliness of the financial statement, in the 2018-2019 financial year, the timely submission was at 58 percent, whereas late submissions were at 42 percent, improving to timely submission of 83 percent compared to late submissions of only 17 percent.

Mr. Speaker, Sir, in terms of quality of draft financials, in 2018-2019, it was 72 percent good compared to 28 percent poor, which improved to 94 percent good to only 6 percent poor. It will be an interesting record, since we are currently dealing with 2023-2024 and 2024-2025 financial years, to compare these records on whether the Ministries are improving, or if there is a decline.

Mr. Speaker, Sir, I am saying this very openly since PAC now stands at a very bipartisan approach whereby, we would like the whole nation to see how the governments have been performing and this kind of trend that now appears in the PAC Report makes it very easy for anyone who is reading this Report to understand how governments have been performing during their time in Government.

Mr. Speaker, Sir, the other misinterpretation that I would like to clarify that is part of this Report is debt-to-GDP ratio. In the 2018-2019 financial year, we stood at 48 percent. From 2019-2020, it was 69 percent. From 2020-2021, it went up to 85 percent. From 2021-2022, it was 91 percent. It was brought down to 80 percent, close to around a 10 percent to 11 percent decrease by the end of fiscal year 2022-2023.

If you recall, Mr. Speaker, Sir, the Budget was announced in June 2022, however, the policy remained there until July 2023. So, the claim that there was input of this particular Government to bring it down by 10 percent was misleading because none of the policies changed. The Budget was there and the debt-to-GDP ratio decreased as a result of the Budget that was presented in June 2022.

Mr. Speaker, Sir, when the Budget was presented in 2023, it just went down by one percent. In 2024-2025, it went up to 82 percent. In 2025-2026, it increased to 84 percent and 2026-2027, it is projected to go up to 86 percent.

Those are some of the comparisons that are actually given in this Report, Mr. Speaker, Sir. That is why I am saying it will make the work of a reader to very easily understand what this Report is all about. I believe I have ran out of time, Mr. Speaker, but I do commend this Report and I request people to go through this Report because massive work has been put in place by the Standing Committee on Public Accounts and it will give a very clear-cut picture of how Governments have been performing.

HON. N.T. TUINACEVA.- Mr. Speaker, Sir, I want to begin by acknowledging that these are old Reports. We are standing here today discussing matters that were identified five years to seven years ago. Some of these issues may have already been addressed by respective Ministries, but that does not mean we should ignore the lessons.

I know a lot has been covered by the previous speakers before me but for me, the message from these Audit Reports is simple - we must learn from the weaknesses of the past, strengthen accountability today, and manage public resources better for the future.

Mr. Speaker, Sir, the audits identified weaknesses across government, particularly in the financial management, supervision, monitoring and operational efficiency. In Committee Findings 10.3.1, it highlights weak supervision and monitoring across Ministries, including deficiencies in the monitoring of accounting functions and non-compliance with the requirements of the Finance Manual. That is important. When supervision is weak, small problems can become big problems. Poor practices can continue because no one is checking, and mistakes can go unnoticed. This leads to resource wastage, and accountability becomes difficult.

When we are dealing with public money, we cannot afford weak oversight. Permanent Secretaries and senior management must set the standard. Ministries that are performing well in supervision, financial management and accountability should provide lessons for those that are struggling.

Government's knowledge management system must be introduced and implemented to strengthen the sharing of best financial and accountability practices across its operations. We do not always need to reinvent the wheel. If something is working well in one Ministry, we should be prepared to learn from it and apply those lessons elsewhere.

Recommendation 11.3 calls for Permanent Secretaries to undergo governance and responsibility training before assuming office. I support this recommendation. I know that the Ministry of Civil Service right now is doing a great job on that. We appoint people to senior positions carrying enormous responsibility. They are responsible for people, public resources and the delivery of Government services. We, therefore, have to ensure that those taking up these positions clearly understand their governance responsibilities and what is expected of them. Proper induction and governance training should not be treated as a formality. It should be part of strengthening accountability across Government.

Mr. Speaker, Sir, Recommendation 11.4 also raises the need to recruit experienced accounting and finance staff to strengthen financial management capacity. Again, this comes down to getting the basics right. People responsible for Government accounts, payments, reconciliation, reporting and audit process must have the right skills and experience, so recruitment matters. We need the right people in the right position because the quality of our financial management depends greatly on the capability of the people managing those systems.

I also want to touch on two broader issues raised in the Committee's Report. First, the proposed creation of the Fiji Sovereign Wealth Fund, which deserves serious consideration. The Sovereign Wealth Fund is ultimately about building and preserving national wealth that we can leave behind for our children and grandchildren. Governments will come and go and economic conditions will change, but responsible leadership requires us to think beyond the immediate political and economic cycle.

The second issue is the need for Government Ministries and agencies to exercise greater diligence and accuracy when forecasting revenue and estimating expenditure. Good budgeting begins with realistic numbers. If our revenue forecasts are not accurate, or our expenditure estimates are poorly prepared, it affects the Government's ability to plan properly and deliver services effectively.

Mr. Speaker, Sir, these Audit Reports may be several years old, but the principle behind them remains relevant - good financial management requires good leadership, good leadership requires accountability, and accountability requires proper systems, capable people and strong supervision.

The review of these Reports is not simply in identifying what went wrong five or seven years ago, their values is that we learn from them. We must take those lessons; strengthen the way Government manages public resources today and ensure that we are planning responsibly for tomorrow.

HON. J. USAMATE.- Mr. Speaker, Sir, I would like to congratulate the Committee for an excellent Report and also the work of the former Chairman, who obviously brought his expertise into looking at all these Reports.

Some of the things that have struck me in the report, Mr. Speaker, Sir, in terms of general Committee Findings is where they reveal systemic weaknesses. This goes back to what I was saying before, that an approach to address these things has to be systemic. We have to look at the overall system, and they have also stated under that overall heading that these things have persisted over multiple audit cycles and, therefore, it is systemic.

The solution must be to look at the systems and the things that need to be changed overall. If you look at some of the recommendations, it is basically coming up with these kinds of things in terms of manual systems, unutilised budget, incomplete asset records, audit findings, et cetera. It is systemic and that is something that needs to be addressed.

Looking at some of the recommendations, Mr. Speaker, Sir, in terms of the audit outcomes, stating that Permanent Secretaries must learn from better performing ministers, I made the suggestion that we should look at the Service Excellence Programme. One of the key attributes of the Service Excellence Programme is that you will find the best Ministries in particular areas in Fiji. They present and others learn from them, which is very important. I think that will address this particular issue where Ministries need to benchmark with each other and if you have a framework where the best in accounting then presents and others learn from them, it helps to address that particular system.

The next one is a centralised ICT system. What we are talking about here is not one system for each Ministry, rather it is one system across the whole of Government and I think it would be helpful to have this done.

Another recommendation is in regard to induction training, which will require all Permanent Secretaries to undergo governance and responsibility training before assuming office. We have had Permanent Secretaries who are in that role who do not know too much about how the Government operates. I think we might also consider qualifying courses. I think in the Military, in order for you to rise to another level, you have to go through a training programme before you get there. So these training programmes, identify the kind of skills that they have, the Key Performance Indicators (KPIs) and building it in into what they do.

The capacity building, providing annual training in financial accounting and audit with specialised courses through institution. Obviously, as you have seen, one of the big problems that we have now, some of the people that have the best expertise and knowledge are moving across other shores and it is important.

At one time, Mr. Speaker, Sir, I used to audit Government's training functions and one of the things that I noticed is that after someone has been sent on a training programme, then they fill out training needs analysis, so the whole process has become wrong. The whole process of identifying who goes to training for what was reversed. Ideally, you have a training policy, you identify your training needs, then you identify the people who should go for the training. In some cases, the person is sent and then the training needs analysis is done. So, you need to have that systemic thing, even in training, it has to be systemically addressed so that the whole training system can meet the kinds of targets that you are looking at. As has been mentioned here, there is talk about the debt to GDP ratio, and I noticed that the debt to GDP ratio from 2016-2017 to 2021-2022 is fairly within the kind of limits that we want in Fiji.

Mr. Speaker, Sir, in terms of the need to establish a Fiji Sovereign Wealth Fund, I think this is very good, but I am just thinking where are we going to get the money for it? I noticed that the most successful one that I heard in the news recently was Norway, where they get all their oil funds and put it into there and all of a sudden, they become trillionaires overnight because they invested in AI. I think this is a great idea, but the question is, where will we get the fund to start the Fiji Sovereign Wealth Fund?

The last one is the Fiji National Digital Strategy. As I look at these Reports, Mr. Speaker, Sir, there are systemic issues here. It is the system itself that needs to be addressed. The good thing also from this is that we can see the trends across the years. I hope the Committees that come up earlier keep these figures so we can trend over the next few years, and not that after one Committee does it, the data disappears. Perhaps, that is something that our Parliament Research Team can keep, so we can track trends across decades, et cetera, into the future.

I endorse the recommendations of the Report, Sir.

HON. M.S.N. KAMIKAMICA.- Mr. Speaker, Sir, I rise to lend my voice to the Standing Committee on Public Accounts Report on the Whole of Government. I have to say that in this Report, certainly for myself as a Chartered Accountant, it gave me a real good insight into the workings of how financial accounts are prepared in the system of Government.

One of the glaring positive things that we could see, Mr. Speaker, Sir, was just in terms of unmodified audit opinions. In 2018–2019, it was around 52 percent. By the time we ended in 2022, it had risen to 86 percent. So, I guess from an overall standpoint and given the reliance that is placed on audit opinions as a litmus test for good financial systems, reporting and governance, we can certainly say that in terms of Ministries and Departments of Government, they have done well.

Having said that, Mr. Speaker, Sir, as alluded by honourable Usamate, there are recurring concerns about issues around timeliness of financial reporting, weaknesses in internal controls, segregation of duty issues and inadequate monitoring that could potentially, if not managed well, lead to misreporting, fraud, et cetera. As such, the Report very clearly articulates some of the critical recommendations around what should be done to actually ensure that we maintain high-quality financial reporting systems within Government.

Mr. Speaker, Sir, in the Report, we noted the recurring issue of budget utilisation and, perhaps, it is something that we will have to continue to work on in Government. The theory is, when we budget, we spend it so that the services that we promised our people actually reach our people. Over the course of the reporting period, there were repeated instances of underutilisation of budgets. Some call it savings, and some people say that it is an area of improvement.

Mr. Speaker, Sir, two points that I wish to, perhaps, make in terms of just trying to ensure that we address the systemic issues in Government are, first, the need to place more rigour on internal audit requirements or internal audit processes. I noticed that in the Ministry of Finance's budget this year, there were specific allocations made for the internal audit function. If managed well, Mr. Speaker, this can be a way that financial performance is regularly monitored and tracked.

The other, Mr. Speaker, Sir, is the importance of tying back the performance in terms of the Civil Service. There are some suggestions in terms of more granular tying back of some of the performances in terms of financial management, back into the KPIs of the Permanent Secretaries and

I guess we will leave that to the Civil Service to deal with, but I think in terms of trying to really continue to enhance and strengthen the overall internal controls and management of finances, perhaps, that is an area that we can go down.

Finally, Mr. Speaker, because of the lengthy nature of the Report, the Committee had decided to, perhaps, take somewhat of a sort of visionary view and include some items that we thought that this august House could contemplate. One that has been mentioned is the Sovereign Wealth Fund and it was also announced by the honourable Minister for Finance. We will be working on that over the course of this year in terms of how to progress that.

I note that Papua New Guinea is now starting a Sovereign Wealth Fund and even Canada has recently announced a Sovereign Wealth Fund. Tuvalu and Kiribati already have Sovereign Wealth Fund, Mr. Speaker. Of course, in looking forward, we also, sort of, recommended that in terms of Government, we look very closely at the National Digital Strategy as a leverage to actually try and create more efficiencies and accountabilities in the Government system.

With those few words, Mr. Speaker, I commend the Report to the House, and I thank the Public Accounts Committee, who I have been honoured to serve with for the last 10 months, for this Report.

HON. J.R. VOCEA.- Mr. Speaker, Sir, I would like to thank the honourable Members who have contributed to the debate. I need not repeat what they have said. I hope that improvement will continue to be achieved in future reports.

The Committee is also contemplating going down to the Divisions. We have earmarked a visit to the Northern Division. So, as part of the visit, we can have a session with Heads of Departments and also share with them some of the things that we found out in the Reports, so that they can also take on board. We have found that in most of the Reports that have been scrutinised, all the audit findings from previous years keep recurring, so we thought of the idea that, perhaps, those in the operational level at the Division level are not aware of what is supposed to be done and what is not supposed to be done. That is another angle that we are also contemplating - going down to meet with the Heads of Departments in the Divisions.

Mr. Speaker, before taking my seat, I as Deputy Chairman, on behalf of the Committee, extend our sincere gratitude to its former Members, namely, the current Minister for Finance; the honourable Assistant Minister in the Office of the Prime Minister; and lately, our former Chairman, the honourable Deputy Prime Minister and Minister for Industries, Commerce, Business Development and Public Enterprises, for their commitment and contributions throughout the scrutiny process. Their experience, guidance and expertise in this field will be a legacy that will remain with the Committee for a long time.

Mr. Speaker, I thank you for this opportunity and, therefore, commend this Report and its recommendations to this august House.

MR. SPEAKER. - I will now ask Parliament to vote to note the content of the Report.

Question put.

Motion agreed to.

REVIEW REPORT ON THE FIJIAN COMPETITION AND CONSUMER COMMISSION 2023-2024 ANNUAL REPORT

HON. S. TUBUNA.- Mr. Speaker, Sir, I move:

That Parliament debates the Review Report on the Fijian Competition and Consumer Commission 2023-2024 Annual Report, which was tabled on 28th May, 2026.

HON. P.D. KUMAR.- Mr. Speaker, Sir, I second the motion.

HON. S. TUBUNA.- Mr. Speaker, Sir, I rise as the Chairperson of the Standing Committee on Economic Affairs to move that Parliament takes note of the Committee's Review Report on the Fijian Competition and Consumer Commission Annual Report 2023-2024, as Parliamentary Paper No. 52 of 2026.

At the outset, I wish to acknowledge the members of the Committee for their diligence and commitment throughout this review process. I also extend the Committee's appreciation to the Fijian Competition and Consumer Commission and the Consumer Council of Fiji for their cooperation, submissions and engagement with the Committee during its deliberations.

Mr. Speaker, Sir, the FCCC plays a vital role in Fiji's economy. As the independent statutory authority responsible for promoting fair competition, ensuring compliance with market regulations, protecting consumers, regulating price of essential goods and services, and monitoring mergers and acquisitions, its work directly impacts the affordability of goods and services and the confidence of consumers and businesses alike.

The Committee acknowledged several achievements recorded by FCCC during the 2020 financial year. This includes:

(a) Conducting more than 10,000 trade inspections nationwide;
(b) Undertaking over 2,000 price reviews;
(c) Expanding public outreach activities to more than 9,000 participants;
(d) Assessing mergers and acquisitions valued at approximately $3.5 billion; and
(e) Strengthening its research and policy development functions.

The establishment of a new office in Sigatoka and the hosting of the Inaugural Pacific Island Network of Competition, Consumer, and Economic Regulators Conference further demonstrate FCCC's commitment to enhancing its services and regional leadership.

However, Mr. Speaker, Sir, the primary responsibility of this Committee is to assess whether these activities are translating into meaningful outcomes for consumers and whether the institution is operating effectively, transparently and efficiently.

The Committee has reviewed and identified several findings. First, the Committee notes the substantial increase in complaints received by FCCC. Complaints increased from 211 in the previous financial year to 888 during the year under review. While this increase may reflect improved awareness and confidence in FCCC, it may also point out increasing levels of non-compliance and persistent market misconduct. A particular concern is that 58 percent of all complaints related to price-controlled goods are just in continued challenges in achieving compliance with price regulations.

Secondly, the Committee has concerns regarding the effectiveness of FCCC's enforcement mechanisms. While FCCC carried out 10,659 inspections and managed hundreds of complaints and court files, only 34 charges were filed, and total fines imposed amounted to $86,000. The Committee considers that the enforcement outcomes reported appear immodest when measured against a scale of identified non-compliance. This raises important questions regarding deterrence and whether existing enforcement measures are sufficient to influence trade behaviour.

Thirdly, the Committee observed that alternative dispute resolution mechanisms remained significantly underutilised. Only three mediations were successfully conducted during the reporting period. As Online Dispute Resolution (ODR) is recognised internationally as a cost-effective and accessible revenue for resolving consumer disputes, the Committee believes further work is required to understand and address the cause of this slow update.

Mr. Speaker, Sir, another significant finding relates to transparency in merger and acquisition oversight. During the financial year, FCCC reviewed four high-value merger and acquisition transactions worth approximately $3.496 billion. However, the Annual Report provides very limited information regarding the outcomes of these assessments, including whether transactions were approved, conditionally approved or rejected.

The Committee also notes a concern regarding increase in operational costs. Although FCCC reported an increase in total income from $6.9 million to $7.5 million, its annual surplus declined by approximately 21 percent. Personal costs increased significantly during the year and continue to place pressure on operational expenditure. Furthermore, the Committee found gaps in reporting on repeat offenders' complaint outcomes, awareness, programme effectiveness, post-major monitoring, and rental related compliance issue.

Mr. Speaker, Sir, to raise this as a concern, the Committee has made 12 recommendations, and among the key recommendations, the Committee recommends that FCCC publish comprehensive complaints resolution data and can provide clear reporting on the status and outcomes of complaints received.

Mr. Speaker, Sir, the Committee recognises the important work undertaken by FCCC in safeguarding consumer interests, promoting fair competition, and maintaining market integrity. The Committee firmly believes that increased transparency, stronger enforcement, improved reporting, and enhanced consumer-focused outcomes are necessary if FCCC is to fully realise its mandate.

The findings and recommendations contained in this Report are intended to assist FCCC in strengthening its institutional effectiveness and ensuring that regulatory action results in tangible benefits for consumers, businesses, and the wider Fijian community. On behalf of the Standing Committee on Economic Affairs, I commend the Report to Parliament and respectfully request all honourable Members to take note of its findings and recommendations.

MR. SPEAKER.- Honourable Members, the floor is open for debate on the motion. Again, I have a list of speakers with me, I will first call on the honourable Minister for Works and Communication.

HON. RO F.Q. TUISAWAU.- Mr. Speaker, Sir, I rise to contribute to this Report on the FCCC. It is noted that for the 11 financial years from 2016-2017 to 2026-2027, Government has provided more than $50 million in grants. The level of allocation has also increased from $2.49 million in 2016-2017 to $6.27 million in 2026-2027. The level of funding shows the importance we, as a government, places on the work of FCCC. In terms of the findings and recommendations, we note that and also via FCCC and Government, the publication of complaints resolution data as already mentioned including charters warnings.

The Commission accepts the recommendation and recognises the importance of transparent reporting on complaint outcomes and will ensure to strengthen this reporting framework. This must be consistent with confidentiality, privacy, evidentiary and legal requirements, particularly for active investigations and proceedings. Next is that FCCC should work closely with the Consumer Council of Fiji through a formal MOU to better utilise limited human and financial resources.

The FCCC currently has an existing MOU with the Consumer Council of Fiji. The MOU is centred on collaborative monitoring, surveillance awareness and information sharing and the Commission respectfully submits that the Commission nor the Council can reallocate its fiduciary responsibilities as stipulated in the respective Government laws.

In terms of increasing transparency in mergers and acquisitions, the Commission will consider strengthening publication of appropriate decision summaries including relevant reasons, national enforcement visibility by reporting the number of repeat offenders.

The Commission understands the intent of the recommendation and agrees that monitoring repeat offenders is important for evaluating effectiveness and deterrence. It will work towards this recommendation consistent with legal requirements.

On the institutional collaboration between FCCC and key Ministries, the Commission agrees with this recommendation and is working towards this in the strategic plan 2026 to 2030. The Annual Reports of detailed submissions made to Government including status outcomes. While increasing scrutiny, FCCC understands the intent and supports the recommendation to a certain degree given that some recommendations are confidential, Cabinet related, commercially sensitive and legally privileged.

However, the FCCC can improve to disclose significant policy and regulatory submission where publication is legally and procedurally appropriate. In addition, the Commission will monitor whether tax changes are reflected appropriately in market prices while considering the totality of legitimate cost movements.

Accountability by reporting the average turnaround time. The Commission agrees that timeliness is an important indicator of performance and consumer service. As such, the Commission will strengthen this reporting requirement with the understanding that resolution periods vary significantly according to the complexity of a complaint.

Aid to publish detailed complaints, closer classifications, and cases resolved through settlement, et cetera, the Commission agrees to the recommendation and will narrate the same recommendation to improve for similar recommendations as stated previously.

In terms of the recommendation, we have strengthened deterrence by adopting a targeted 'Name and Shame' approach for habitual offenders. While the Commission agrees with the intention of the recommendation, however, the 'Name and Shame' approach is not an appropriate regulatory or consumer protection approach. In the Competition and Consumer Commission Bill 2026, the Commission is proposing four mechanisms to name habitual offenders without being limited to the definition of slander, civil claims.

Introduce qualitative impact assessments, such as postal service, the Commission has accepted the recommendation and will improve on this. Expand monitoring to not only ensure price compliance, but also physical availability for price control goods. The FCCC to accept the recommendation and to state that we will continue to strengthen market surveillance to identify these patterns.

In terms of enhancing consumer protection for vulnerable tenants through proactive intelligence-led inspections, the Commission understands the intent of the recommendation. However, for residential tenancy matters, the FCCC can only look at unconscionable conduct, failure to provide tenancy agreements and receipts. Other aspects of tenancy concerns are looked at by other relevant bodies, such as town councils, health units, and so forth. Mr. Speaker, Sir, I commend the Report to Parliament and thank the Committee for its work in the report.

HON. J. USAMATE.- Mr. Speaker, Sir, I would like to congratulate and thank the Committee for the work that it has done on reviewing the Report of the FCCC. Interesting findings that they have, noticing the significant increase in the number of complaints, which is quite a dramatic increase from 211 to 888, which may, of course, as has been noted here, might indicate deteriorating market practices, or more awareness of what the FCCC is actually doing.

I also notice that the recommendations in relation to this to publish the complete resolution data for all 888 complaints to provide a breakdown of outcomes. For example, charges filed, warnings issued, mediated, withdrawn, or still under investigation. I think this is something that comes through in the Report itself, that while the complaints are addressed, what has happened to the complaints is not actually specified to much level.

One of the things that interested me was looking at Committee finding 4.3, where there were only three mediations that were successfully conducted. I notice also in finding 4.9, where they talk about significant gap between the number of complaints lodged and the level of final redress achieved.

The low utilisation of Alternative Dispute Resolution (ADR). I assume that ADR here refers to mediation. Mediation has been used quite well in Fiji. I know in the Ministry of Labour, they have mediators who have been working hard to address labour issues in that particular area. So the recommendation that we have in terms of why the ADR has not been very successful, they suggested limited public awareness or lack of confidence in the process or structural barriers. I am hoping that the parties that are engaged in this, which is FCCC and the Consumer Council of Fiji will be able to address those particular issues.

There is a recommendation that FCCC should now work very closely with the Consumer Council of Fiji, and that they separate the roles that they play so that the Consumer Council of Fiji can have a much more stronger role in terms of ADR. I assume that that will mean, undertaking mediation where parties have differences of opinion or between the person that is making the complaint and the party that is at fault, can come to a resolution so both parties can win. Obviously, the idea behind this alternate dispute resolution is so at the end of the day both parties win, they get something out of it, which is to their advantage.

The other thing that is very interesting for me in terms of the Committee findings in the work that is done on the four mergers and acquisitions with a combined value of $3.496 billion. However, the Report provides little detail on the outcomes of these assessments, including whether they were approved, conditionally approved or rejected. So, it is interesting that the work is undertaken, however in order to complete the process, you get full information about what happened, what is working well, what is not working well, and that has not been implemented to the extent that it should be.

Also, in the recommendations under 5.3 of the report, there should be an increased transparency in mergers and acquisitions by publishing summaries of all decisions, including the reasons for approvals, objections as well as any conditions for proofs especially for the small market like Fiji, we need to make sure that everything is working in a manner that is transparent and that meets the needs of all the parties that are involved in these mergers and acquisitions.

These are also the recommendations that I make of which the Assistant Minister for Works has also raised, in an effort to strengthen deterrence by adopting a targeted name and shape approach for habitual offenders alongside enhanced oversight of digital commerce and social media trading. If there is going to be a habitual offender, there needs to be something done about them. I am sure that the authorities can come away where it is not involved in slander or libel, however, if you are able to actually portray the facts as they are in terms of somebody being a repeat offender, they should be named so that people are aware, to help people to make the right choices of who they go to for services in the future.

Mr. Speaker, Sir, the last two recommendations that I would talk about is firstly, under recommendation 5.11, to expand monitoring in order to ensure not only price compliance but also the physical availability of price-controlled goods with reporting on actions taken to address artificial shortages, hoarding and selective stopping practices. This takes the level of looking after consumer interest to another level, by not just looking at prices, but looking also at those who have tried to manufacture artificial strategies.

Mr. Speaker, Sir, the last recommendation is in regard to enhanced consumer protection for vulnerable tenants. This is something wherever you go, tenants are always complaining about how they are treated, and it is something that I hope the Fiji Competition and Consumer Commission (FCCC) and the Consumer Council of Fiji can work actively on to protect the tenants of this country. With that, Sir, I support the motion before the House.

HON. N.T. TUINACEVA.- Mr. Speaker, Sir, I focus on one thing that sits at the heart of any functioning marketplace, trust. Trust between the customer and the vendor. Trust that when people spend their hard-earned money, they will receive what they paid for. Trust that businesses will operate fairly and trust that if something goes wrong, there is an institution that will listen, investigate and act.

A strong economy is not only built on transactions, but also on relationships and those relationships depend on trust. That is why the work of the Fijian Competition and Consumer Commission is important. The committee, under finding item 4.1 noted that registered complaints increased significantly from 211 in the 2022-2023 financial year to 888 in the 2023-2024 financial year. There are two ways we can look at this:

(1) It may mean that consumers are becoming more aware of their rights and have a greater confidence to come forward, which is a good thing; or
(2) It may also point to the lack on market practices and poor compliance.

This should concern us. Mr. Speaker, Sir. The number of complaints at home does not tell us enough. We need to know what happened to those complaints:

- Were they resolved?
- Were warnings issued?
- Were charges filed?
- Were cases taken to court?
- Are many still being investigated; and importantly,

- How long did people have to wait?

If 888 people came forward with complaints, they deserve to know that the system will respond this is basic accountability.

Mr. Speaker, Sir, the Committee also noted the absence of information on repeated offenders. The same business continues to breach consumer protection requirements. The public should have confidence that there are consequences. Enforcement must happen and people need to see that it happens. This is important for vulnerable customers.

The Committee highlighted rental-related complaints as a continuing concern. We know that the relationship between a landlord and tenant is not always an equal one. Some may not report unfair practices because they fear losing the roof over their heads. So, when we talk about consumer protection, we must also think about those who may never make it into the complaints register.

Mr. Speaker, Sir, I also acknowledge the research work FCCC is undertaking into inflation, affordability and market conditions, but research must lead somewhere. If we are collecting information about what is happening in our market, then that information must help Government make better decisions. There needs to be a clear pathway between research, regulation and policy.

Creating that pathway requires a stronger collaboration between FCCC and the relevant Ministries, as mentioned on Committee's recommendation Item 5.5 because ultimately, the value of this work is not in the number of reports produced. The value is in what changes for the ordinary Fijians. Do families get better protection? Are prices fair? Are businesses competing fairly? Are complaints dealt with quickly? Are repeated offenders held accountable? Do consumers have confidence in the marketplace?

At the same time, we must recognise that trust works both ways. Businesses always need a regulatory system that is fair, consistent and clear. We want business in Fiji to succeed, but we also want value-driven enterprises, businesses that understand that long-term success comes from treating customers fairly and delivering value and building trust. Good businesses have nothing to fear from stronger consumer protection. In fact, they benefit from it because a marketplace built on trust is a stronger marketplace.

Mr. Speaker, Sir, the Committee's recommendations are practical:

(1) Public clear complaints resolution data;
(2) Show what happens to repeated offenders;
(3) Report how long complaints take to resolve; and
(4) Strengthen the link between the FCCC's research and Government policy.

These are not unreasonable expectations. They strengthen accountability and confidence, and ultimately, they strengthen trust. Because when people trust the marketplace, they participate in it. When they trust businesses, they support them. When they trust institutions, they have confidence that the system is working for them. Trust has value to the customer and the businesses, and it has value to our economy.

Mr. Speaker, Sir, I support the motion before the House.

HON. S.T. KOROILAVESAU.- Mr. Speaker, Sir, and I thank the Chairman and the Committee for the production of this Report before the House.

Mr. Speaker, Sir, the Fijian Competition and Consumer Commission with the Consumer Council of Fiji plays a pivotal role for Fijians as our people navigate ways to live within their means. Our people look to FCCC to provide guidelines and allow businesses to trade and also provide our people with a fair ground to live and prosper.

There are a few findings that I would like to highlight, and also the recommendations provided by the Committee. I understand that the Chairman and the previous speakers have covered most of the recommendations and findings. I just wanted to highlight a few that have not been covered.

The Committee found a gap between the number of complaints lodged and the level of redress that was achieved. I think this is a continuous issue with the Commerce Commission and also the Consumer Council of Fiji. The relationship between the Consumer Council of Fiji and FCCC needs to be strengthened. In the absence of the strengthened communication, the consumers of Fiji normally get the end result for purchasing consumable items in the supermarkets and hardware stores.

The Committee also noted the awareness and outreach activities that have been carried out are largely output-based, which basically means it reports on what has been done but not the result of the various issues that have been raised with FCCC.

The findings that I wanted to highlight deals with the relationship between FCCC and the Consumer Council of Fiji. This has been highlighted in our discussions, and the subject of price fixing has been raised. Also, there are some FCCC legislations that have been instituted, but have not been followed up by the Consumer Council of Fiji because of the lack of the ability to do it. For example, Mr. Speaker, I again refer to the Maritime Islands when the passengers on inter-island shipping, they board a ship, the relevant freight charges that are being charged to the passengers differ and basically depends on the attitude of the people that are controlling the freight that is being loaded and what they would like to charge.

When the Consumer Council and FCCC were asked, they said they do not have the capacity to be able to ascertain the volume or the weight of articles that has been loaded for freight. This Mr. Speaker is a deliberate conniving business being practiced towards our island and our maritime travelers. If there is a freight charge that has been instituted, then these agencies must make sure that these are measured and charged accordingly. For example, if you take a carton of goods that you have bought from the supermarket that is worth about $20, you will be charged a freight of about $15. I witnessed it and I am aware of it and I'm pretty sure that all our people from the maritime islands have witnessed this.

This is an issue that needs to be dealt with but the strengthening between FCCC and the Consumer Council of Fiji to actually take and make sure that they measure the volume and the weight of this freight and goods needs to be strengthened.

Mr. Speaker, I support the findings and recommendations before Parliament.

HON. M.S.N. KAMIKAMICA.- Mr. Speaker, Sir, I rise to contribute to the Report prepared by the Standing Committee on Economic Affairs with regard to FCCC and I rise actually in support of the Report. Much has been said about the functions of the FCCC and the findings of the report, so I will try not to be too repetitive.

Mr. Speaker, I thank the Committee for their recommendations and of course the Report provides an important assessment of FCCC's work in protecting consumers, promoting competition and ensuring fair practices in our marketplace.

Mr. Speaker, consumer protection is ultimately about protecting ordinary Fijians. During the year under review, FCCC conducted over 10,000 trader inspections and more than 2,000 price reviews covering important areas such as fuel, electricity, transport and essential goods. I do take on board the comments by honourable Koroilavesau regarding freight. I have escalated reports on freight and intend to follow-up, given honourable Koroilavesau's comments.

Mr. Speaker, Sir, these activities demonstrate strong regulatory presence, but the real test, simply is not how many reports inspections are conducted, but the real test is whether consumers do experience fair prices, better service, and greater protection.

One issue that deserves particular attention, Mr. Speaker, Sir, is the significant increase in customer complaints from around 211 in 2023 to be exact to about 888 in 2024. Of these, 517 complaints, Mr. Speaker, Sir, related to price-controlled goods. In some ways, the consumers are telling us that there may be issues to address with price-controlled items, or perhaps in the new environment, the willingness to report things more freely is now something that the people of Fiji value.

Mr. Speaker, Sir, during the year, FCCC filed 34 charges, had 1,800 court appearances, and secured fines of up to $86,000, in terms of court-ordered fines alongside compensation and settlements.

Mr. Speaker, Sir, ultimately, enforcement must change behaviour. It is therefore important that we continue to support FCCC in its endeavours to have penalise repeat offenders and ensure effective enforcement.

I do note, Mr. Speaker, Sir, that there is a suggestion by the Committee to strengthen deterrence through a Name-and-Shame approach. That is something that has been talked about, and I am sure we will look at this closely in terms of just ensuring that the right outcomes are received in terms of behaviour by our retailers and wholesalers.

Mr. Speaker, Sir, the Committee also noted that there were not many mediations, in the year of report, three to be exact, and this perhaps points to an opportunity to strengthen the alternative dispute resolution mechanism and also cooperation between FCCC and the Consumer Council.

Mr. Speaker, Sir, in terms of other areas that were highlighted in the Report, I do note that the Committee specifically recommended more collaboration in terms of the research that is conducted by FCCC, and that is again something that the Ministry has noted and will certainly take on board moving forward.

Finally, Mr. Speaker, Sir, again, there was a lot of awareness about programmes done over the course of the year. That is, of course, positive and as part of that, we do welcome the recommendations of the Committee relating to greater transparency in terms of reporting, perhaps more detail in terms of some of the activities that have been carried out by FCCC and also stronger enforcement.

With those few words, Mr. Speaker, Sir, I support the Report before the House.

HON. S. TUBUNA.- Mr. Speaker, Sir, I would like to thank all the honourable Members for their valuable contribution. Mr. Speaker, Sir, you must have heard that contributions have covered a wide range of areas that is already being covered in the Report, including alternative dispute resolution, registered complaints from consumers, mergers and acquisitions and in terms of analysing the outcomes for those mergers and acquisitions.

There was an issue that was raised by honourable Usamate on repeat offenders and the need to penalise them. Of course, also it has been noted for more effort to be on a partnership between the Consumer Council and the FCCC that needs to be strengthened.

There was an issue raised by honourable Tuinaceva on the marketplace pathways, which is quite important when you are trying to address the supply chain of all the information that is being gathered. It is not a matter of just getting the information, but to see how effectively the information is being implemented to ensure that the outcomes are being achieved by the organisation and to help the country as a whole.

I would like to thank honourable Members for their valuable contribution, and I do support the motion before the House.

MR. SPEAKER.- The Parliament will now vote to note the content of the Report.

Question put.

Motion agreed to.

REVIEW REPORT - RESERVE BANK OF FIJI INSURANCE 2024 ANNUAL REPORT

HON. L.S. QEREQERETABUA.- I move:

That Parliament debates the Review Report on the Reserve Bank of Fiji Insurance 2024 Annual Report, which I tabled here on 17th July, 2026.

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

HON. L.S. QEREQERETABUA.- The Committee's review highlights a resilient and stable insurance sector that continues to play a critical role in protecting households, businesses, and the broader economy of Fiji. The Report demonstrates that despite global economic uncertainties, the insurance industry recorded strong growth, maintained sound solvency levels, and expanded access to insurance products for vulnerable and underserved communities. The Committee found that Fiji's insurance industry remained financially strong in 2024, with total assets increasing to $3 billion and profitability improving significantly.

Insurers maintained a combined solvency surplus of $688.5 million, far exceeding the regulatory minimum, demonstrating the sector's capacity to meet policy obligations or policyholder obligations and withstand future shocks. The Committee supports the Reserve Bank of Fiji's ongoing regulatory reforms, including the implementation of IFRS 17 and the review of the Insurance Act 1998 to ensure the sector remains resilient, modern, and aligned with international best practices.

Mr. Speaker, Sir, the Committee was encouraged by the remarkable growth of parametric insurance, which now covers over 8,500 policyholders, including farmers, persons with disabilities, and fisher groups. Importantly, women account for 53 percent of policyholders, while payouts have been delivered efficiently through mobile wallet technology.

The Committee supports the RBF's target of expanding coverage to 25,000 beneficiaries by 2028 and recommends the timely release of the Scientific Impact Study and continued investment in weather monitoring infrastructure, including automatic weather stations, to improve the accuracy and reliability of insurance payouts.

In regard to financial inclusion and accessibility, Sir, the Committee found that the Reserve Bank had actively promoted insurance accessibility through partnerships with community organisations, Government Ministries, and subsidy programmes. These efforts have reached more than 20,000 individuals, particularly in rural and vulnerable communities. The Committee encourages the continuation and expansion of these collaborative approaches to ensure affordable and accessible insurance products remain available to low-income households and underserved populations throughout Fiji.

Mr. Speaker, Sir, while notable progress has been achieved in increasing female participation in insurance, the Committee identified limitations in gender-desegregated data collection, particularly in general insurance. The Committee, therefore, recommends that insurance progressively strengthen gender-desegregated data systems and publish annual participation statistics to support more inclusive and evidence-based policy development across this industry.

On cybersecurity readiness, the Committee observed that cybersecurity oversight has improved significantly, supported by RBF supervisory standards requiring reporting of incidents within 24 hours. However, smaller institutions continue to face governance and capacity challenges. The committee recommends intensified supervisory engagement with these institutions and the introduction of minimum cybersecurity competency requirements to strengthen resilience across the financial sector.

Mr. Speaker, Sir, in regard to low household insurance coverage and consumer protection The Committee notes that many Fijian households remain uninsured and vulnerable to financial hardship caused by natural disasters, fires and accidents, or medical emergencies. It also found that life insurance policy terminations have continued to rise due to affordability challenges and sales practices.

The Committee recommends a comprehensive national study on household assets, risks, housing, health, and vehicle ownership to inform a national insurance policy framework that promotes affordable and accessible insurance products. Furthermore, the RBF should work with life insurance to improve disclosure requirements, strengthen consumer protection measures, and enhance financial literacy programmes.

Mr. Speaker, Sir, in conclusion, the Committee acknowledges the Reserve Bank of Fiji's commitment to maintaining a stable and inclusive insurance sector while responding proactively to emerging economic, climatic, and technological challenges. These recommendations contained in this Report will help strengthen financial resilience, improve customer protection, and support climate adaptation, and also expand insurance coverage for vulnerable Fijians. With those remarks, Sir, I commend the motion to the House.

MR. SPEAKER.- Honourable Members, the floor is now open for debate on the motion. I have a list of speakers with me at the end of the debate, the right of reply will be given to the mover.

Before I do so, there is only one speaker from the Opposition, and they have all agreed to making a submission for the Speaker to be given 10 minutes instead of five minutes. My ruling is that I will not allow it. Each one of you is given five minutes. If necessary, from the Opposition, you can ask another Member to speak for five minutes. However, I will not allow any one person to speak more than the time that is allocated to the person. That is my ruling. I will still leave the side open for another speaker from the Opposition if it so wishes.

HON. E.Y. IMMANUEL.- Mr. Speaker, Sir, at the outset thank the Chairperson of the Standing Committee for their work in reviewing the 2024 Insurance Annual Report. I also wish to acknowledge the Reserve Bank of Fiji (RBF) and the insurance industry for their ongoing efforts in ensuring that the Fijian insurance industry remains safe and sound.

The Standing Committee's review report rightfully recognises the strides made in expanding the parametric and micro-insurance coverage for low-income households, farmers, persons with disabilities, social welfare recipients and maritime communities. As the honourable House will be aware, there are only two main insurance covers offered by the insurance industry - life insurance and non-life insurance, more probably known as the general insurance.

There are two life insurers in Fiji which are BSP Life and Life Insurance Corporation of India and there are eight general insurance companies operating in Fiji at this time. The insurance industry also consists of insurance brokers who conduct the business of buying insurance products on behalf of policyholders wishing to be insured and in turn for brokerage or commission fee. Collectively, the brokers handled $263.1 million worth of insurance premium in 2024, the majority of which were for the fire and property class at 54 percent. There are six insurance brokers.

Mr. Speaker, Sir, the review report by the Standing Committee has made a number of key findings and recommendations and these are generally supported but kindly allow me to respond to some specific ones. A targeted and inclusive approach is adopted to ensure that paramedic insurance products are accessible to low-income and rural populations throughout Fiji, and this includes the continuation of aggregator distribution model by the Reserve Bank of Fiji, working with relevant Government ministries, premium subsidies, and awareness in outreach.

On 28th July,206, Fiji's parametric insurance product geared towards the MSME sector was launched, which will be offered by Tower Insurance and supported by the United Nations Capital Development Fund and RBF. Secondly, the importance of correct and timely data for parametric insurance is an integral part, and in this regard, the installation of automatic weather stations is acknowledged.

Indeed, gender disaggregated data is critical for Fiji to identify vulnerable population and communities and to align development policies and strategies accordingly. The Reserve Bank of Fiji has issued the requirements for the provision of disaggregated data with the aim of addressing the need for granular data on the provision of financial services.

The transition to digital services by Fiji's insurance companies must be commended as innovating ways to meet customer needs are driving the digitalisation initiative. Life insurance policies generally provide a financial safety net in terms of mitigating sudden loss of income in the event of an untimely demise of payoffs, debts like home loans, or secure long-term obligations such as children's education. While the number of life policies terminated in 2024 increased slightly to 13,353 policies, this is within the past year's trend.

Mr. Speaker, Sir, the Standing Committee rightfully mentioned that the absence of insurance coverage amongst many Fijian families exposes them to significant financial hardship and risk. The third financial services demand site survey results of 2025 which was commissioned by the ADB and the RBF will be launched soon and noting some notable progress in several fronts. The findings of the review report are therefore acknowledged.

Mr. Speaker, Sir, the outlook for the Fijian insurance industry is positive. The local insurance industry is anticipated to maintain a sound sovereignty position in 2026, underpinned by strong results achieved in 2025. Nevertheless, the industry remains exposed to a range of downside risks.

HON. P.D. KUMAR.- Mr. Speaker, Sir, we want insurance companies to be to be solvent, stable, and financially sound. That is for sure. The insurance companies are in a much stronger financial position, as we have heard from the Chairman of the Committee. But the question before this House is whether Fijians who pay the premiums are in an equally strong position. The insurance industry may be financially healthy, but that does not mean that the insurance consumer is receiving fair value, timely service, and adequate protection.

For every $100 collected in gross premium in 2024, only about $53 was paid out in net claims and policy payment, resulting in a profit of $70.8 million. I am not saying that the difference between premiums and claims represent profits. Insurers have operating expenses, reinsurance costs, reserves, and other obligations.

However, these figures, Mr. Speaker, Sir, do raise a legitimate question. How much of the financial strength of the insurance industry is being translated into better value and better insurance products and better service to the policyholders? Why do insurance premiums keep increasing? That is the question that we are looking for. We are looking for answers to that question. We know that the motor vehicle premiums have gone up. We know that the health insurance has gone up, and it keeps increasing.

Mr. Speaker, Sir, insurance cannot become a contest between the technical language which is known by the insurance company against the limited knowledge of a policy holder. This is where the Committee did not mention anything about insurance literacy.

Insurance literacy is very important because you have how many pages of document and you have to go through all those fine prints. There has to be a better system which is adopted in many other countries, a simple one-pager that tells you what is covered what is not covered so at least you know what you are buying.

Mr. Speaker, another area which is not really well covered in the Report is the terminations. The Report shows that the total life insurance policy termination increased from 11,888 in 2023 to 13,353 in 2024. This is an increase of 12.3 percent. This increase was not caused by forfeiture and surrenders we must understand that. In fact, both surrenders and forfeiture declined but there is another figure that demands explanation.

The category called others increased from just 349 policies in 2023 to 4,306 in 2024. That is an 11-fold increase, Mr. Speaker, and this is where the Report leaves Parliament with a serious information gap, without a detailed breakdown of those 4,306 terminations. Then there is another important point. Although the number of four features fell, forfeiture remained largest category by value representing 280.2 million in 2024. Mr. Speaker, that means families lost a substantial amount of life insurance protection when they stopped paying premiums.

We should ask, why are people losing their life insurance policies? Are premiums becoming unaffordable? Do policyholders fully understand the consequences of missing payment? Are consumers adequately warned before a policy is forfeited, are they told that they can surrender the policy and get some money, rather than losing everything through forfeiture.

This is the point that I want to hammer, Mr. Speaker, because the public do not know that if you have been paying premium for three years, it is better to go to the insurance company and ask for a surrender value. But they do not know, they continue paying and suddenly they stop and they lose everything and that is where that money becomes a net profit for the insurance companies.

Mr. Speaker, Sir, let us talk about medical insurance. We all know how the insurance companies are behaving these days. The problem is how consumers can access the payment. We all have experienced that as policy holders; we are often required to pay medical expenses upfront and then seek reimbursement. What is the point of insurance if you must pay first? What happens if the family does not have the money? Insurance should protect people when they need protection, not after they have found the money themselves.

Mr. Speaker, the last one is the regulatory framework. It now needs attention. Insurance Act dates 30 years to 1998, which is 30 years old. Technology has changed, insurance products have changed, climate risk have changed, consumer expectations have changed, and yet we are relying on a very old legislation. Reserve Bank has already recognized the need to modernize the legislation, to strengthen consumer protection and disclosure requirements, but the question is where is the bill?

Mr. Speaker, if we really genuinely want to improve insurance in our country and increase the number of people opting for insurance policies, then we need to make a system which is fair for consumers. The Reserve Bank is doing a good job in making sure that the insurance companies are solvent. That is fine, but are the consumers getting benefits? That is the big question that we should be asking.

HON. S. KIRAN. - Mr. Speaker, while financial regulation typically falls under the ambit of our fiscal authorities, the findings within this Rreport cut straight to the core of our Ministry's mandate, protecting the most vulnerable citizens of our nation - our women, our children, and our persons living with disabilities.

Climate change and economic shocks do not discriminate. Their impacts are heaviest on those with the least cushion. This Report outlines a roadmap to build that cushion through inclusive, structured risk protection through parametric insurance.

Mr. Speaker, Sir, the Report highlights that 2,000 persons living with disabilities are now covered under the Parametric Insurance Scheme. When climate-induced disasters strike, persons with disabilities, face compounded mobility, health and economic hurdles. The fact that 90.7 percent of parametric payouts were delivered directly into mobile wallets, means that rapid, dignified recovery funds of up to $400 reached individuals immediately without requiring strenuous physical travel.

In line with recommendation 4.1, our ministry fully backs the scale-up of parametric insurance to 25,000 beneficiaries by the end of 2028. The pilot project was introduced in 2021, supporting 274 beneficiaries, social protection beneficiaries, for agreed triggers for tropical cyclones and floods. It scaled up to 2,000 in the years between 2023 and 2025 and now stands at 5,136 recipients supported with premium paid by Reserve Bank and InsuResilience Solution Fund (ISF).

The beneficiaries are selected based on climate-affected areas, such as those living in flood-prone areas. Tower insurance product supports $1,000 rainfall cover at $80. Sun insurance product covers both cyclone and rainfall with $500 at $50 premium. The premium of 50 percent is paid by the Reserve Bank and 50 percent by the ISF project for both covers. Total premium subsidised is around $350,880.

The Ministry of Women, Children and Social Protection welcomes the recent parametric insurance payout by Sun Insurance and Tower Insurance to eligible social welfare recipients following the recent flooding that met the predetermined thresholds under the parametric insurance policy. Access to timely financial support through parametric insurance provides an additional layer of protection by helping vulnerable families.

The Ministry commends the Reserve Bank of Fiji, Sun Insurance, Tower Insurance, Weather

Risk Management Services, and all partners involved in InsuResilience Solutions Fund. We also thank UNDP and the United Nations Capital Development Fund for their support.

Mr. Speaker, Sir, the RBF parametric micro-insurance pilot has proven that when you design financial systems with inclusion in mind, women thrive. Women now account for 53 percent of all policyholders under the Parametric Micro-Insurance Programme, exceeding the initial 50 percent target. Furthermore, women represent 61 percent of our national insurance workforce, and female life insurance policyholders have risen steadily from 39 percent in 2018 to 44 percent in 2024.

We endorse the recommendation 4.2. We must require insurers to progressively improve gender-desegregated data collection. We cannot build focused social safety nets in the dark. We also strongly support the call for a comprehensive national study on household assets, housing, health, and disaster-related risks that could help design tiered, affordable, and accessible insurance products tailored for low-income families.

Mr. Speaker, social protection is not a standalone handout. It is an active, shock-responsive strategy aligned with our national development plan. By strengthening parametric frameworks, modernising where the station triggers, enforcing strict cybersecurity protocols for financial repositories, and demanding clean, desegregated data, we move closer to a resilient Fiji.

I would like to thank the Committee for their work and the recommendations.

HON. PROF. B.C. PRASAD.- Mr. Speaker, I just wanted to make one very important point to begin with. And that is it is time for insurance companies in the country to move from stability to inclusion. I think that is one of the most important observations we can make out of the recommendations from the Report and the issues that have been raised quite regularly by the consumers, policy holders and those who want to get into the insurance sector. I would like to particularly emphasise four issues:

(1) affordability and insurance penetration;
(2) rising climate and reinsurance risks;
(3) faster and fairer claims settlement and consumer protection;
(4) an expansion of parametric insurance for farmers, fishermen and vulnerable communities.

We have done very well in terms of parametric insurance in Fiji. In fact, there are five parametric products that are already operating, I think it was by the end of 2024. I know, the Chair pointed out some of the reviews that have been done. The adoption of IFRS 17 by the end of 2026. That is an important consideration. We have heard very clearly that the insurance sector is doing very well. Assets have reached about $3 billion and are very profitable. They receive significant amounts close to $300 million in net claims and premiums.

It is also important for us to measure the strength of Fiji's insurance industry, not only in terms of the profitability of the insurance companies, which as I said, but the insurance industry has achieved stability and sustainability. Now it is a question of inclusion, and the honourable Kumar pointed out a number of areas where insurance companies need to look into. I am happy that the Reserve Bank is undertaking the review of the Insurance Act 1998.

This is very important and we, as Members of Parliament and the Government side, will also ensure that the review of the Insurance Act 1998, takes into account and provides legislative framework, where inclusion becomes important and extensive, which will ensure that those who are now complaining about the lack of accessibility and penetration of insurance products to the broader population, will allow the insurance companies and their clients to work together and provide a more stable and inclusive insurance industry in the country. I endorse the recommendations of the Committee in the report. They are very useful recommendations and one that we must ensure are implemented and forms part of the review of the 1998 Insurance Act, which I am told is underway at the moment. With those words, I support the Report.

MR. SPEAKER.- Before I call on the Chairperson to exercise the right of reply, let me just explain a bit more on why I did not allow a single speaker from the Opposition to use 10 minutes. I can foresee future abuse of the option from both sides of the House, and my view is a bad precedent for the future and for other reasons. That is why I had ruled the way I did.

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, I honestly do not have anything else to contribute especially to the honourable Professor Prasad and also the suggestion about literacy from the honourable Premila Kumar and I thank you for this time.

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

Question put.

Motion agreed to.

CONSOLIDATED REVIEW REPORT – OFFICE OF THE PRIME MINISTER AND FIJIAN IMMIGRATION DEPARTMENT 2019-2023 ANNUAL REPORTS

HON. LS. QEREQERETABUA.- Mr. Speaker, Sir, I move:

> That Parliament debates the Consolidated Review Report on the Office of the Prime Minister and the Fijian Immigration Department 2019-2020, 2020-2021, 2021-2022 and 2022-2023 Annual Reports, which was tabled in this august House on 17th July, 2026.

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

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, as I mentioned before, the passage of time limits the extent to which the Committee can make recommendations on matters that my have been addressed or may be currently in progress. The periods covered by this Report was particularly significant. It covered the COVID-19 pandemic, the increase in demand for public services and major institutional changes particularly the transition of Immigration from a department to a standalone ministry. The Committee, therefore, examined not only the achievements of these institutions but also the challenges affecting governance, service delivery, financial accountability and institutional capacity.

Mr. Speaker, Sir with respect to the Office of the Prime Minister, the Committee acknowledges the important role it played during the pandemic and the progress made in strengthening cabinet coordination, digital transformation and the assistance to communities, however, there are several matters that require attention. One key finding relates to the distribution and management of small grants.

The Committee observed significant disparities in the distribution of projects across Divisions and Provinces. One Province received 78 projects valued at more than $1.2 million, while some Provinces received only one project. The Committee, therefore, recommends that the allocation of small grants be based on clear, equitable, and transparent criteria, supported by stronger verification processes, and greater community awareness of how the scheme can be accessed.

The Committee also found that there is currently limited formal measurement of the impact and return on investment of these grants. We therefore recommend the development of a proper monitoring and evaluation framework, so that Government can determine whether these investments are achieving their intended social and economic outcomes. Of concern is the approximately $10 million worth of projects that remain pending as of 2026 due to insufficient capital budget allocations. The Committee recommends that consideration be given to increasing capital allocations to progressively address this backlog.

We also recommend that lessons from COVID-19 be institutionalised through proper, through stronger staff capacity, improved digital infrastructure, decentralised decision-making, and the development of a consolidated National Social Registry. The Committee further recommends systemic analysis of unresolved complaints to identify recurring issues and inform policy reform.

Mr. Speaker, Sir, the Committee also recommends that the Office of the Prime Minister (OPM), progressively increase women's representation in senior management, which currently stands at approximately 25 percent in line with national gender equality commitments.

Mr. Speaker, Sir, turning to the Ministry of Immigration, the committee welcomes its transition into a standalone ministry, recognising the increasing importance and complexity of its responsibilities. The ministry performs a critical role in -

(1) protecting Fiji's borders;
(2) administering immigration laws;
(3) managing the entry;
(4) stay of foreign nationals;
(5) processing visas and permits;
(6) providing passport and citizenship services;
(7) monitoring immigration compliance;
(8) managing overstayers and removal orders; and
(9) investigating immigration-related breaches.

It also facilitates the movement of foreign workers, investors, students and visitors, while working with domestic, regional and international partners to address irregular migration, trafficking in persons, document fraud and transnational crime. These responsibilities, directly contribute to Fiji's national security, economic development, labour mobility, and integrity of our border management system.

The Committee acknowledges important progress through the introduction of e-passports, online visa and permit systems, advanced passenger information and passenger name record systems, and strengthened document verification. These reforms have improved efficiency and strengthened Fiji's capacity to manage its borders. However, the Committee emphasises that these technological and administrative improvements must be supported by effective compliance monitoring and enforcement.

The Committee is particularly concerned about the weakness in overstay management. Removal orders have been issued but are not consistently executed. Investigations also remain largely complaint-driven, while fraudulent documentation, permit breaches, worker exploitation and trafficking continue to present significant risks.

We, therefore, recommend stronger enforcement of removal orders, greater investment in intelligence systems, and a shift from complaint-driven enforcement towards proactive and intelligence-led detection, supported by appropriate technology and training. The Committee also recommends stronger accountability for employers who exploit foreign workers and the expedited review of regulations relating to the Immigration, Passports and Citizenship Amendment legislation of 2026.

Another major concern is institutional capacity. Despite becoming a standalone Ministry, immigration continues to operate largely with departmental-level staffing and resources, while the recruitment freeze has further or had further constrained frontline operations. The Committee therefore recommends that the Ministry work with the Ministry of Civil Service to review its staffing requirements and secure adequate funding to operate effectively as a standalone ministry.

Finally, Mr. Speaker, Sir, Fiji's leadership within the Pacific Immigration Development Community provides an important opportunity to strengthen regional cooperation. At the same time, the Committee notes concerns regarding Fiji's Tier 2 watchlist status under the U.S. Trafficking in Persons Report and stresses the need for strong enforcement to avoid any further downgrade.

Mr. Speaker, the Committee review demonstrates that both institutions have made significant progress. The Office of the Prime Minister has strengthened coordination and modernised aspects of government service delivery while Immigration has advanced border management through institutional legislative and technological reforms.

The challenge is now to consolidate these gains through equitable and accountable public expenditure, stronger institutional capacity, effective enforcement, improved digital systems and better service delivery to the public, stronger interagency and regional cooperation.

I take this opportunity, Sir, to thank the representative of the Office of the Prime Minister and the Ministry of Immigration for their cooperation during the review and I acknowledge my fellow Committee Members for their contribution towards the completion of this bipartisan report.

With those remarks, Sir, I commend the motion to the House.

MR. SPEAKER.- Honourable Members, the floor is now open for debate on the motion. I have a list of speakers with me. I first invite the honourable Prime Minister for his contribution.

HON. S.L. RABUKA.- Mr. Speaker, Sir, I thank the Chairperson of the Committee and also the findings, recommendations that they had submitted. This motion is to present to Parliament a discussion on the Consolidated Review Report of the Office of the Prime Minister and the Ministry of Immigration.

They were put together only for the time when the substantive Minister for Immigration had voluntarily and temporarily stepped out of office for a while to allow for an internal matter to be resolved. Mr. Speaker, observations that have emerged from the scrutinising of annual report, have generated a lot of activities within the Office of the Prime Minister, and I believe, in the Ministry of Immigration. As we understand it and we all know and we accept, the Office of the Prime Minister should be providing sound, coherent policy advice to me and should be maintaining vigilant oversight over national policies.

The Office of the Prime Minister provides high-quality services and support to the Head of Government and the support rendered is aimed at ensuring that all activities, engagements and policies of the Prime Minister contribute to or is involved in, in line with the Constitution, the laws of Fiji, and the betterment of all Fijians.

The Department of Immigration, and I will allow the honourable Minister to speak for himself and his department. But most of the recommendations put forward, Mr. Speaker, have been implemented, and the Office has reported back to the Committee on the implementation of the recommendations.

We command the committee for their comprehensive review and acknowledge the contributions of all stakeholders that contributed to the compilation of the report. The office has progressively implemented the committee's recommendations with ongoing initiatives advancing through its broader public sector reform programme.

Progress since the Report was received, the Committee’s recommendations have been received and the Report have led to improvements in the OPM systems and processes and institutional arrangements. A number of longstanding issues have been addressed through stronger internal coordination, improved monitoring and reporting, clear accountability, and greater focus on implementation.

The OPM is also strengthening its capacity to monitor government priorities and cabinet decisions. This includes a mechanism for tracking decisions, monitoring implementation, identifying delays, and escalating matters requiring intervention. The objective of that is simple.

Cabinet decisions must translate into action, and action must translate into results. Strengthening institutional capacity, Mr. Speaker, the Government recognises that strong delivery requires strong institutions.

Honourable Usamate had mentioned the processes, the importance of those. They are accepted. The OPM is therefore strengthening its organizational capability, internal systems, and performance arrangements to support more effective strategic leadership and coordination.

The development of the OPM strategic plan provides a clear framework for this work, with emphasis on strategic leadership, whole-of-government coordination, oversight, and performance assurance, and executive support, and institutional capability.

We are working diligently at improving government deliveries to the communities and addressing outstanding matters. Mr. Speaker, Sir, good governance requires clear responsibility and accountability, and the office is working very hard at improving that area of our services.

For the Fijian Immigration Department, I will allow the honourable Minister to speak on that.

MR. SPEAKER.- Thank you, honourable Prime Minister. Honourable Members, at this juncture, we will suspend our proceedings for dinner. We will continue with the remaining four speakers on this motion after dinner in an hour's time.

Honourable Members, our proceedings is suspended.

The Parliament adjourned at 6.39 p.m.

The Parliament resumed at 7.45 p.m.

MR. SPEAKER.- Honourable Members, we have four more speakers on the present item, on the Consolidated Review Report of the Office of the Prime Minister and the Fijian Immigration Department.

HON. V. LAL.- Mr. Speaker, Sir. I rise today to address this House on the state of our nation, focussing closely on the findings within the Consolidated Review Report of the Office of the Prime Minister and the Fijian Immigration Department. When we examine the economic trajectory and social stability of our country, we must confront the uncomfortable realities playing out on our streets and within our communities.

Mr. Speaker, the Report before us details a significant rise in work permit approvals across recent reporting cycles, moving from thousands of applications to growing numbers as industries seek external labour. We are told that these permits are necessary to fill genuine skills gaps in various sectors.

However, Mr. Speaker, we must ask whether this system is saving the long-term strategic interest of our people or merely acting as a convenient shortcut for employers seeking lower labour costs at the expense of domestic opportunity? We see this happening across multiple industries, where the easy path of foreign recruitment is repeatedly chosen over investing in our own domestic workforce development and local talent pool.

Across our urban centres and rural settlements, we see a heartbreaking and dangerous paradox unfolding every single day. On one hand, industries are bringing in external workers for semi-skilled and operational roles, including public transport drivers and construction personnel.

On the other hand, we witness an escalating crisis of unemployed youths who find themselves locked out of the formal economy. When young citizens cannot secure entry-level employment, they face severe economic desperation. And that desperation is a direct and undeniable pipeline to social instability, rising crime rates, and the drug epidemics plaguing our neighbourhoods.

Mr. Speaker, Sir, let us not hide behind the technical defence that employers comply with local advertising rules on paper. The reality on the ground is that these requirements often function as mere administrative checkboxes rather than genuine protections for local workers. Employers advertise positions locally under restrictive terms, claim a lack of suitable candidates, and quickly pivot to importing foreign labour.

Where is the active and robust coordination between the Ministry of Immigration and the Ministry of Employment to stop this? Why are we not leveraging national training resources and targeted educational pathways to upskill our own young people so that they can fill these exact jobs? It is a fundamental failure of domestic workforce planning when a nation with abundant human potential relies on external recruitment while its own youth resort to crime simply to make ends meet.

We must demand strict accountability from the administration. The Government must ensure that work permit policies do not undermine the economic future of our citizens. We need rigorous oversight to prove that every avenue for training and employing local youths has been exhausted before a single foreign work permit is approved for importation.

Our people deserve leadership that prioritises local livelihoods and builds a secure, self-reliant economy. Furthermore, we must ask why this Parliament continues to tolerate systemic oversight failures that allow foreign recruitment agencies to operate with zero transparency. It is time for this

House to demand immediate policy reviews, comprehensive audits of issued permits, and binding legislative safeguards that put our own citizens first, while securing our collective future.

HON. V. NAUPOTO.- Mr. Speaker, Sir, I will confine myself to the findings on the immigration side of the report. At the outset, I would like to say that we concur with the findings of the Report and certainly agree with the recommendations. The recommendations in the Report are a reflection of the work plan that we have at immigration. I note that the review report covers four reporting periods from 2019 to 2023. As we all know, this includes the difficult COVID-19 pandemic period when the borders were closed and then opened, and the immigration staff were at the front line managing the inflow and the quarantine with the other stakeholders.

Mr. Speaker, Sir, 2019 was also the year that marked some major changes in immigration. It was when we introduced e-passports and the current Immigration Border Management System, Informatics. The new e-passports that started in 2019, is currently being upgraded – the whole passport system. We also found out that the numbering system for our passport is the same as the numbering system for a few countries in Asia, the Vietnam. The next batch which will be 100,000 passports that is coming in, will have two letters in front and then seven numbers at the end. This was picked up by ICAO so that we are in line with their standards.

The upgrade that we are doing with the new passport system that was introduced in 2019, will allow a lot more to be pushed in through online applications for passports renewal. You only appear at an immigration office if there is a requirement for biometrics, especially for those who are applying for their passports for the first time.

The Report also noted that during this period, the immigration was moved around from the Ministry of Home Affairs to the Office of the Prime Minister, and then to the Ministry of Defence and then back to the Office of the Prime Minister. Eventually, it is a standalone Ministry. That is a hallmark of this small department. At one time it was under the Ministry of Labour also a few years back.

This Department carries and executes some of the most impacting sovereign decisions of the country. They decide as to who enters, who comes in and study, who comes in to reside, who comes in to work, as alluded to by the honourable Virendra Lal, or who gets exempted from holding a permit to come into the country, and eventually who gets issued with a permanent residence, which is a new thing that has been introduced in the citizenship line and the big decision as to who becomes a citizen. That is what this department executes.

I mentioned this in Parliament, the Ministry of Immigration in this Report earns the second most revenue for Government. It is only second to LTA, if you look at the budget book for this year. When it was decided by the honourable Prime Minister to make it a standalone Ministry, it was absolutely the right decision.

As I have said, Mr. Speaker, I would just like to mention one of the findings on public complaints. I totally agree about delayed responses and poor communication. This is work in progress. I myself would e-mail those group emails on our portal and then see how fast they respond. I will call our number myself and let them know how long it took for them to respond, so it is a work in progress, and we will continue to ensure that we strike to be efficient in the work that we do.

HON. S.T. KOROILAVESAU.- Mr. Speaker, Sir, I thank the Chair and the Committee for producing this review report of the Office of the Prime Minister and Fiji Immigration from 2019 to 2023.

Mr. Speaker, Sir, I will have a short contribution on the report, and I will restrict myself to the Report of the Office of the Prime Minister, as honourable Lal had been designated to cover Immigration, and I should cover the Office of the Prime Minister.

Fortunately, Mr. Speaker, the honourable Prime Minister has outlined the various issues that his office has addressed. I think in fairness to time, I will basically highlight the recommendations that I thought was not covered by the honourable Prime Minister, and I have ticked off the recommendations that he has addressed which include 4.13, on the equitable distribution of small grants, and 4.15 which is the continuous monitoring of procurement.

I would like to ask the honourable Prime Minister if he has covered that to please excuse me that I did not get when he was delivering his presentation on the Rreport itself.

Sir, 4.17 in regard to the recommendation for Cabinet to increase capital budget to cover, I think the amount that has been given before was 10 million and they had recommended that this be increased; the Committee recommended that the Office of the Prime Minister set a progressive target for future development that will be initiated by the Office of the Prime Minister.

Mr. Speaker, these are the recommendations that I consider has not been addressed by the honourable Prime Minister in his own delivery this evening, I just wish to highlight that, and I support the motion before Parliament.

MR. SPEAKER.- The last speaker is the Minister for Works. I have been informed that he is not well and he has since left. So, I will now call on the Chairperson of the Standing Committee on Foreign Affairs and Defence to speak in reply.

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, I do not have anything else to add except to say thank you very much to the honourable Members who stood up to contribute to the motion before the House.

MR. SPEAKER.- The Parliament will now vote to note the content of the Report.

Question put.

Motion agreed to.

REVIEW REPORT ON THE FIJI POLICE FORCE 2021-2022 ANNUAL REPORT

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, I move:

> That Parliament debates the Review Report on the Fiji Police Force 2021-2022 Annual Report, which was tabled in this august House on 17th July, 2026.

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

HON. L.S. QEREQERETABUA.- Mr. Speaker, the Fiji Police Force performs a critical responsibility in maintaining law and order, protecting lives and property, and safeguarding our national security. The period under review was particularly challenging, with the Force continuing to manage the impacts of COVID-19 while responding to increasingly complex forms of crime and growing demands on policing services.

Mr. Speaker, the Committee acknowledges several positive achievements. Overall, registered crime decreased by 12 percent from 20,239 cases in 2020-2021 to 17,842 cases in 2021-2022. However, the Committee cautions that this reduction must be viewed in the context of COVID-19 restrictions and does not necessarily present an improvement across all categories of crime. Of great concern is that serious crime increased by 22 percent from 2,727 cases to 3,320 cases. Sexual offences also increased by 28 percent. Together with the reported rise in crimes against children, these figures highlight the continuing vulnerability of women and children and the need for stronger protection, investigation, and victim support mechanisms.

The Committee nevertheless acknowledges positive results in drug and traffic enforcement. The Force conducted 170 drug raids and destroyed more than 224,000 marijuana plants, more than 107,000 random breath tests were conducted, and almost 290,000 vehicles were intercepted, contributing to an 11percent reduction in road fatalities.

The Committee also recognises the importance of community policing through the *Duavata Framework*. Community awareness, youth engagement, and Crime Prevention Committees continue to strengthen cooperation between Police and our communities. We recommend that these initiatives be further expanded, particularly into rural and maritime communities.

Mr. Speaker, one of the most significant issues identified by the Committee is the resourcing of the Fiji Police Force. During the 2021-2022 reporting year, the Force requested a budget of $349.3 million but received $184.3 million, a funding gap of approximately $165 million. The Committee found that these resource constraints affected infrastructure, fleet replacement, maritime surveillance, ICT, forensic and cybercrime capabilities, and frontline operations. There were also 219 unfilled vacancies, staffing shortages in frontline policing, traffic, criminal investigations, water pole, canine, and specialist units contribute to increased workloads, officer fatigue, longer response times, and delays in investigations.

The Committee further noted that 266 officers left the organisation during the reporting period. For these reasons, the Committee strongly recommends that Government give appropriate consideration to the Force's annual budget submissions, particularly for infrastructure, technology modernisation, fleet replacement, maritime surveillance, and community policing.

Mr. Speaker, another major concern is the changing nature of crime. The Police identified cybercrime, misinformation, digital fraud, narcotics trafficking, and transnational crime as threats that are developing faster than existing capabilities. The Committee therefore recommends priority investment in the Digital Forensics Unit, including specialised equipment, software, personnel, and training to address cybercrime, online fraud, cyber harassment, artificial intelligence-enabled offences, and digital evidence.

The Committee also identified a significant vulnerability in our maritime borders. The Interpol 124 or I-247 database, which enables authorities to screen persons against international notices, was being used by the Fiji Police Force Interpol Unit only at Nadi International Airport, and this means persons arriving through Fiji's maritime ports are not subject to the same level of Interpol screening, creating potential vulnerabilities to drug trafficking, people smuggling, and the movement of internationally wanted persons.

The Committee, therefore, recommends a phased deployment of the Interpol I-247 screening system to maritime ports and designated wharfs, supported by the necessary infrastructure, training, and operation protocols. We also recommend Police posts and canine screening capabilities at key maritime entry points.

Accountability must remain central to effective policing. While existing police associations provide channels for officers to raise concerns, the Force does not have a standalone whistleblower policy. The Committee recommends the establishment of a formal whistleblower policy, providing confidentiality, protection from retaliation, clear reporting procedures, and independent oversight.

The Committee further recommends strengthening internal integrity mechanisms, improving public awareness of the 1681 complaints hotline, and publishing information on complaints received, resolved, and actions taken. We also support the introduction of body-worn cameras, subject to an appropriate legislative framework, secure data storage, and clear operational policies. Properly implemented body-worn cameras can strengthen evidence gathering, officer accountability, and public confidence.

Sir, the Committee's message is clear. The security environment confronting the Fiji Police Force is changing, and our policing capability must change with it. The Force requires sustained investment in its people, infrastructure, technology, digital forensics, maritime security and policing, and community policing. At the same time, that investment must be accompanied by strong accountability, transparency, and public trust.

The Committee acknowledges the commitment of our police officers, particularly those serving on the frontline under difficult conditions. Our recommendations are therefore intended not only to strengthen the institution, but also to ensure that our officers have the resources and capabilities necessary to protect the people of Fiji and respond effectively to emerging security threats.

I thank the Fiji Police Force for its cooperation during the review and acknowledge my fellow Committee members for their bipartisan contribution to this Report. Mr. Speaker, with those remarks, I support this motion and bring this motion to the House.

MR. SPEAKER.- Honourable Members, the floor is now open for debate on the motion. I have a list of speakers with me. At the end of the debate, the mover is given her right of reply.

HON. J.N. NAND.- Mr. Speaker, I rise to contribute to the debate before the House. When we carefully examine the Annual Report, we note that the Police Force recorded a 12 percent increase in the overall registered crimes across the country during this period.

At this juncture, I must certainly acknowledge and commend the hardworking men and women in uniform who conducted thousands of breath tests, improved our road safety measures on our highways, and carried out numerous drug raids to uproot and destroy illegal *marijuana* plants to keep our streets safe.

However, Mr. Speaker, we cannot simply rely on the rosy numbers and percentage printed on a piece of paper when the daily reality on the ground tells a very different and worrying story for our families, especially in rural agricultural areas like Sigatoka, where the Report highlights a possible repeat in general crime categories. Serious offences like robberies and burglaries actually surge by 22 percent, leaving every citizen feeling deeply vulnerable and unsafe in their own homes, farms and within their local communities.

Mr. Speaker, we must address the stark contrast between what is written in the parliamentary report and the actual frightening experience of ordinary citizens, especially when a farmer loses his valuable livestock, such as cows, bullocks, or when villagers discover that their horses have been stolen from their farms. When a report is lodged, Mr. Speaker, people expect the police to act quickly to their aid, but weeks go by and the local police officers are yet to show up to take a statement, let alone investigate the crime in some cases. Certainly, in Naduri, Sigatoka, Mr. Speaker, Mrs. Sharmila Devi lost her cattle through theft, and the matter was reported to Cuvu Police Post in Sigatoka. It has been three weeks now, and the police have failed to show up, even though the culprit is well known in the public, and I hope Cuvu Police are looking into this.

Mr. Speaker, people across our towns, villages, and rural settlements are constantly asking why it takes so long for police to investigate complaints or to finally lay charges against offenders. Similarly, Mr. Speaker, Mr. Jitendra Lal of Laqio Road, Davuilevu had his taxi stolen on 6th July, 2026, and the matter was reported to Nasinu Police Station. Concrete information was given to the police on the whereabouts of the stolen taxi, but police failed to act on time. The feedback the family gets from the police is that they are doing their job, and hopefully they can retrieve it.

Similarly, in Maro, Sigatoka, Mr. Speaker, Sir, Mr. Narend and Mr. Kumar's lemon plantation was set on fire as it has dried vegetation. The perpetrator set the farm on fire and challenged Mr. Narend and Mr. Kumar to report the matter to police. Mr. Kumar reported the matter to Vatudradra Police Post in Sigatoka, which is only five kilometres from their residence. Until today, the police have yet to attend to this case, and I request if the police can attend to it.

Mr. Speaker, Sir, when it takes police two weeks to respond to thefts of cars or completely ignore ongoing property thefts, it creates a general enforcement vacuum where citizens feel completely unprotected by the State. We have seen first- hand how a small, unresolved dispute of a missing livestock can spiral out of control and tend to exploit tragedy, where people feel like no one is listening to their grievances. Just like the heartbreaking situation in Kulukulu, Sigatoka where a young man, Mr. Vimal Vikash Nand lost his life.

If our police stations had the necessary resources to respond quickly, and if officers actually showed up when people first reported missing animals or property, these volatile tensions would never be allowed to boil over into fatal violence. We cannot afford to just sit in Parliament talking about statistics in a Government report, while our rural communities are left waiting indefinitely for an officer to arrive.

We must ensure that our police force receive the proper budgetary support, vehicles and operational resources so that they can protect our farmers, thoroughly investigate every single theft, whether it is a cow or a horse, and keep our people safe before another tragedy occurs. Having said that, I whole-heartedly support the Minister for Policing, honourable Naivalurua for his persistent hard work in ensuring that our police force serve the public better. The honourable Minister has my support. I fully support this Report before the House.

HON. S. KIRAN.- Mr. Speaker, Sir, Fiji Police Force Annual Report for the 2021-2022 fiscal year outlines critical baseline trends that directly impact the safety, security and well-being of Fiji's most vulnerable populations, our women and children. The Report documented 28 percent escalation in sexual offences and the rising vulnerabilities affecting children. These figures demand rigorous multi-agency response necessitating the expansion of protective frameworks, enhanced victim support and strict enforcement of institutional safeguards such as the no-drop policy on gender-based violence.

Crime against children recorded a sharp and unacceptable 12 percent increase, rising from 1,372 cases to 1,531 cases nationwide. Crime against women saw a marginal 2 percent decrease. However, specific areas like the Central Division recorded a 57 percent spike in crimes targeting women.

Mr. Speaker, Sir, the Report revealed deeply concerning institutional gaps. It highlights for the reported period a rather reactive rather than preventive child protection. As a Ministry, we have established the Department of Children to focus on child protection and are developing a National Action Plan for Prevention of Violence Against Children and operationalising the Child Justice and Child Protection Act of 2024.

Mr. Speaker, Sir, the Report noted that the state left a proper safe house framework for vulnerable or displaced individuals under investigation. Keeping displaced persons or victims in standard operational offices like the Tourist Police Unit compromises safety, privacy and trauma-informed care. I am pleased to update the House that in addition to safe houses provided by our partners like House of Sarah, Homes of Hope and FWCC, we have only in the last month completed and retrofitted and opened a new home with our partner Empower Pacific. In addition to safe houses in the Northern and Central Divisions, the Salvation Army now has an additional safe house in the Western Division. These safe houses become a sanctuary for survivors and the children.

Mr. Speaker, Sir, the Report also highlighted inadequate domestic violence. Out of thousands of community engagements in the Western Division, only a fraction targeted domestic violence relative to the scale of the issue. Through the revised Service Delivery Protocol, our National Action Plan on Elimination of Violence Against Women and Girls, we are now ensuring that the issue remains at the centre of response. The systematic barriers and attitudes must shift if we are to reduce the incidents.

Mr. Speaker, Sir, we also support the recommendation on capacity building of Cyber-Crime in Forensic Unit to strengthen the investigations into technology facilitated crime against women and children. The Report provides strong data that we, as a Ministry, can take forward for a safer community that respects and protects our women, nurtures our children and have our men partner with us on every initiative. Everyone must work together consistently to keep our homes, our communities and our Fiji safe. While acknowledging that women comprise 26 percent of the current police workforce, we firmly support the recommendation to accelerate female representation within the senior command and institutional decision-making structure.

The Ministry welcomes the comprehensive structural modernisation and legislative reforms that have commenced to address the systematic challenges, close maritime border security gaps and institutionalise higher organisational accountability. The recommendation in the Report for the deployment of preliminary body-worn camera evaluations, targeted anti-narcotics maritime operations and the proactive recruitment drive to resolve critical frontline vacancies are vital steps forward. By fortifying grassroot community policing via the *Duavata Framework* and prioritising psychological wellbeing of frontline officers, we can ensure a resilient, transparent and equitable justice system capable of safeguarding all citizens, families and vulnerable cohorts across Fiji. Mr. Speaker, Sir, I would like to thank the Committee for this Report.

HON. J. USAMATE.- Mr. Speaker, Sir, I would like to thank the Committee for the work that it has done on the Report. I would also like to thank the police for the work they do, especially this particular Report, which comes at a very important time during COVID.

I was just looking at some of the Committee findings, we note the concern that the Committee has raised about the serious crime increase, which increased by around 22 percent, and that is particularly significant that that has increased during this particular time, and increases in things like robbery, aggravated robbery, burglary, rape and murder offences.

In the next particular finding, the Committee talks about the very big concern that they had about 28 percent increase in sexual offences, and the reported rise in crimes against children. This particular is disconcerting, given this 22 percent is not a small percentage, it is a very large percentage.

Recently, as we were looking also at the Police Bill 2026 which is currently before the Standing Committee on Justice, Law and Human Rights, we also noticed that some concerns with some of the issues that are happening within the Police Force itself. Some of the data that was given to me, over May 2015 to April 2020, we saw that police officers themselves were also charged with serious violent offences – 16 for rape, two for murder, and nine for manslaughter. It is not just happening in the society, but it is also happening in the police. So that is something, and I am sure the Commissioner and the honourable Minister are at work on that particular issue.

We also appreciate the Fiji Police Force's proactive approach to drug enforcement. We have seen that reflected in the 27 percent increase in detected drug offences. We are seeing a 22 percent increase in violent crimes and 27 percent increase in drugs; that is very concerning for all of us.

Having been around the country, there were some concerns on the uprooting of *marijuana* plants, but the question that was asked, are we really getting to the people who are the buyers and the people behind the people that we see being arrested? That is very concerning, Mr. Speaker, Sir.

The other one that I am very grateful to see, is the good work that is being done by the police in terms of traffic – 11 percent reduction in road fatalities, a great result. I know that we had a 10-year period where we had the road safety decade, we were not able to achieve those sorts of results, so this is a very good result in terms of decreasing the road fatalities on our roads.

We notice the findings of the importance of community policing remains one of the Police Force's most effective crime prevention strategies, and I see that there are recommendations to further strengthen that. In terms of Finding 3.2.7, the Committee notes a progress in advancing gender inclusion. Currently, the Police Force, at the time of writing this Report, about one quarter of the workforce in the police were women. There is a definite need to increase that percentage, especially if you are finding a lot of crimes of violence against young women and girls. There needs to be more female officers available in police stations where people can feel at home – young girls who have suffered that sort of thing feel at home with police officers like that.

One of the other concerns that I have is Finding 3.2.13, the crime detection rates declining. Not a very big decline in the rates of detection from 71 percent in 2021 to 69, and it is below the threshold that they have, a target of 70 percent. The Report identifies all the things that are contributing to the decline of crime detection rate - manpower shortages, technological limitations and cybercrime.

The Report identified the importance of cyber-crime, misinformation, digital fraud, narcotics trafficking and transnational crime. These are areas that I think we will need a lot of assistance from the police in terms of the equipment that they need, the training and upskilling of their staff that they can handle these issues which are impacting on us greatly. So, I think we all appreciate the work that is done by the police.

This Report, I have not gone to the recommendations yet, but it highlights particular trends that are disconcerting. Serious crime up by 22 percent, drugs up by 27 percent and you know the relationship between drugs, HIV/AIDS and all of these things that are impacting us. We wish the honourable Minister and the Commissioner of Police all the very best in trying to implement to keep Fiji as safe as possible for us who live today and those that follow us.

HON. I. NAIVALURUA.- Mr. Speaker, I rise to contribute to the debate before the House.

Let me first thank the Chairman and the Committee for an excellent Report that has been produced. For me, the Report is very clear, concise, easy to understand the way it has been structured and I thank the Committee for their wonderful work.

Mr. Speaker, Sir, the Report with 21 Findings and 10 Recommendations clearly articulates key important or critical areas for the Fiji Police Force to work on. I would like to start by saying that the Coalition Government is committed to maintaining law and order while progressively modernising policing capabilities to respond to current security challenges. This particular Report for 2021-2022, that is years back and since then, the crime and the security landscape have changed significantly. The Coalition Government is committed to address all these issues here within the Fiji Police Force and likewise, funding support to make that happen.

To demonstrate this, Mr. Speaker, Sir, the budget for this fiscal year is $221.5 million. Of this, $6.7 million is directed towards its capital projects and some of these issues here have been highlighted by the Report infrastructures, et cetera. Also included in this budget year are the forensic equipment to enhance police functions. In particular, you would have noticed along the roads are new CCTV cameras.

I note there is an Oral Question for me tomorrow as to why we have these CCTVs and its purpose. The cameras are installed at designated locations aimed at strengthening general crime prevention and monitoring of vehicles that will ease and help the police enforce law and order. Also, Mr. Speaker, Sir, in this year's budget, there is a special allocation too, increased allocation of $1.5 million to fight drugs. This is equally important for the Fiji Police Force.

Mr. Speaker, Sir, let me turn briefly to the ten recommendations. I welcome the call to strengthen accountability within the Fiji Police Force and I fully support that. In regard to a whistleblower policy, the police are working on it and this is something that the Commissioner and I are trying very hard to address within the Force. We have some good officers, very good officers, great officers, bad ones and very bad ones too, for that matter.

The whistleblower policy is an important one, Mr. Speaker, Sir, that we would like to address. We have within the organisation built-in various structures and systems to address these issues too. But the whistleblower, I believe, is an important one.

On community policing, Mr. Speaker, Sir, note that in one of the recommendations, this is the heartbeat of any Police Force, the ability to engage and work closely with the Police. The core issue here is the ability to win the trust and the confidence of the people. The Commissioner and I are working, determined to improve that particular issue.

Mr. Speaker, Sir, the other recommendations in the Report, I fully support, and I look forward to its implementation. Some of it has progressed, some are completed, but the Commissioner and I are working towards the implementation of these recommendations by the Committee.

With those few comments, I support the motion on the floor.

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, I say thank you very much to the honourable Minister for his support of the recommendations that came from the Committee. I thank all the other honourable Members for speaking in favour of the motion. I also thank the Fiji Police Force, and I wish it a very good financial year this year and thank the honourable Members of the Committee too.

MR. SPEAKER.- The Parliament will now vote to note the content of the Report.

Question put.

Motion agreed to.

MR. SPEAKER.- Honourable Members, before we proceed to the next item, I wish to inform you that since the honourable Minister for iTaukei Affairs will be absent tomorrow, his Oral Question No. 139 of 2026, as listed in tomorrow's Order Paper, will now be moved to Wednesday's Order Paper. I hereby instruct the Secretary-General to action it accordingly.

CONSOLIDATED REVIEW REPORT – ELECTORAL COMMISSION 2023 AND 2024 ANNUAL REPORTS

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, I move:

> That Parliament debates the Consolidated Review Report on the Electoral Commission 2023 and 2024 Annual Reports, which was tabled on 17th July, 2026.

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

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, the Electoral Commission occupies a fundamental position in Fiji's democratic framework. As an independent constitutional body established under Section 75 of the Constitution, it is responsible for overseeing electoral processes and ensuring that elections are conducted freely and fairly in accordance with our electoral laws.

One of the Committee's most significant finding concerns the institutional continuity of the Electoral Commission. In 2023, Sir, the expiry of the terms of four Commissioners, followed by the resignation of the Chairperson reduced the Commission to a single member, and without the required quorum, the Commission was unable to conduct formal business for several months. While routine electoral administration continued under the Supervisor of Elections, important matters requiring Commission approval could not progress. The Committee considers this a structural weakness that should be addressed.

An independent constitutional body responsible for safeguarding elections should not be vulnerable to operational paralysis because several appointments expire at the same time. We, therefore, recommend a review of the legislative and constitutional framework to consider aligning Commissioners' terms with the electoral cycle, staggering appointments to preserve quorum and institutional memory, strengthening succession and handover arrangements, and establishing a permanent secretariat.

A second major finding relates to institutional records and governance, Sir. The seizure and prolonged unavailability of Commission records and equipment significantly affected reporting, decision-making, institutional memory, and oversight. Subsequent Commissioners who were unable to fully verify historical activities because official records were unavailable. The Committee recommends a comprehensive records management and business continuity framework, including secure digital repositories, confidential protocols, document classification, audit trails, and standard operating procedures.

Institutions must retain their institutional memory regardless of changes in leadership or personnel. The Committee also found that the relationship between the Electoral Commission and the Fijian Elections Office experienced significant strain arising from communication and governance challenges and uncertainty over institutional roles. Our recommendation is that this relationship be formalized through clear regulations, policies, and procedures defining responsibilities, reporting arrangements, information sharing, and dispute resolution mechanisms.

Electoral administration must be built around strong institutions and systems rather than individual office holders. The Committee welcomes the ongoing comprehensive review of the Electoral Act 2014, Electoral Registration of Voters Act 2012, and Political Parties Act 2013. However, with preparations for the 2026-2027 General Elections underway, the Committee recommends that clear milestones and timelines be established for this electoral review so that necessary reforms can be progressed in a timely and transparent manner.

Of particular importance is the National Register of Voters. An independent audit recommended following both the 2018 and 2022 general elections remains outstanding. While the Committee acknowledges existing safeguards, including biometric registration and data verification, we recommend that Government prioritize funding and implementation of an independent audit of the National Register of Voters before the next general elections. Such an audit would strengthen confidence in the accuracy and integrity of voter registration.

Election participation must also be inclusive, Sir. Women currently occupy only five of the 55 seats in this august House, or 9 percent. The Committee supports consideration of Temporary Special Measures and other strategies to improve women's participation and representation in political leadership. We also commend the work being undertaken to improve accessibility for persons with disabilities, including braille material, audio resources, accessible voting arrangements, and specialized training for election officials. At the same time, increasing outward migration requires greater attention to overseas voting, Sir.

The Committee found that postal voting represents significant challenges involving administrative requirements, delivery timelines, and accessibility, and we therefore recommend reviewing overseas voting arrangements to enable eligible Fijians living abroad to participate more effectively while maintaining electoral integrity.

I only have a few seconds left, so let me just talk about the elections results App on our phone. Sir, the Committee does not support its discontinuation. The evidence before the Committee was that the difficulties experienced in 2022 arose from human error in the manual transfer of data, rather than a defect in the application itself. The application provides voters with real-time access to results and contributed to transparency, and the Committee therefore recommends retaining and strengthening it through independent testing, debugging, live condition simulation, and automated validation and reconciliation controls.

In an age where misinformation can spread rapidly, timely and reliable official information is essential to public confidence. Mr. Speaker, I will leave it there for now, and I will make further comments during my right of reply. I commend this motion to the House.

MR. SPEAKER.- Honourable Members, the floor is open for debate. I have a list of speakers, and at the end of the debate, the right of reply goes to the mover.

HON. F.S. KOYA.– Mr. Speaker, first of all, let me just thank the Committee for a very comprehensive Report on the Electoral Commission and this is for the years 2023 and 2024.

Mr. Speaker, Sir, this is a very critical component when it comes to our electoral process in the electoral landscape, and it is important that we actually read these reports very carefully because there are some fairly succinct and clear recommendations that have come out of this particular Report and they are quite comprehensive so I would not go through all of them. But this actual Report, Mr. Speaker, Sir, is really for the preparatory years for the Electoral Commission. We are now maybe six to seven months of an elections possibly, so this would have been a 2023-2024 Report, in terms of getting themselves prepared. But there are a couple of things that I would like to mention that have come out in the actual findings of the Report.

First of all, Mr. Speaker, Sir, with respect to those particular findings, I think it is a very important what the Committee has mentioned that the Electoral Commission has actually commenced a comprehensive review of Fiji's electoral framework, and this concerns all of us and those that want to stand in the next elections, et cetera, including the Electoral Act, the Electoral Registration and Voters Act 2012 and the Political Parties Act. And the proposed reforms seek to address some critical issues that were raised, as I said, this concerns everyone and it is a good thing because as we go along year to year, the landscape changes and all of these things need to be regularly looked at.

I think it is important that the Electoral Commission has the necessary funding, et cetera and the work that needs to be done to put us on a firmer footing at every election. This is not a political point-scoring exercise, this is for everyone. It is for every political party and, obviously, there was a welcome collaboration with the Fiji Law Reform Commission that they spoke about.

Secondly, Mr. Speaker, Sir, I think one other thing that actually came out also in the conversations that we have had as Committees with the Electoral Commission is, despite the heavy registration in terms of voters overseas, the actual turnout or the actual number that voted in the election that were registered was very minuscule. So, I am sure the Foreign Affairs Committee would have asked the same questions that we did, why is that so?

They have come up with evidence presented to the Committee, they have come up with ideas with respect to the barriers that were associated with postal voting, administrative requirements, delivery timelines, accessibility challenges, and low voter participation was what they actually came up with. So, these are important things, and if I remember correctly, Mr. Speaker, Sir, there were some 12,000-odd voters who were registered overseas, and only 2,000-odd voters voted. So that is a significant gap in terms of registration and actual people voting. It may have meant some other government might have been sitting there at the end of the day. That is a considerable number of voters that have actually missed out because of one reason or the other. These things are critical in terms of it, and I congratulate the Committee on actually making sure that, that is put into the Report and it is significantly looked at.

Also, Mr. Speaker, Sir, this is actually quite an important one, the issue that was raised regarding the discontinuation of the election results happening. Despite all the hullabaloo and the hoo-ha that went on with all of that, Mr. Speaker, Sir, it turned out that the 2022 General Elections, the concerns regarding the reliability and public confidence was eroding, et cetera because of this App, it really was not anything except for a simple matter, and I think the Committee recognised the challenges associated with the digital electoral systems, considers that the electoral modernisation remains necessary, and it encourages the continued investment in secure and tested accessible technology solutions.

The funding limitations that the Electoral Commission has, it is important that we pay attention to that because that actually stops them from doing its work, the proper work that it should do, forming the basis of the next elections. Obviously, this is a very important recommendation that they establish and communicate clear milestones and timelines for the electoral review process, especially because the elections are forthcoming and coming in a short period of time.

Mr. Speaker, Sir, I will wrap up. One of the most important things also was about female participation in the elections, and that is another issue that we had a chat with the Commission, and they did mention the issues that have actually come up. I know they are trying to deal with it.

All the recommendations are welcomed, I think, from everyone’s perspective that the Committee has come up with, most importantly, the electronic results application should be retained. I think the Committee suggested that it should be retained and strengthened and noted that the difficulties arose from human error. It was just a little glitch. It was human error, nothing major and nothing sinister all about it – a big hoo-ha that was made about it.

Again, the Committee has recognised that and said that it should continue. It was important also that it was dealt with in-house because of security. It was secure whilst in. When these things get found out, it gets a little dangerous. All in all, the recommendations are welcomed, and I support the Committee's Report on this particular issue. As I have said, this Report was actually stemming from the preparatory years, but a very welcomed Report.

HON. S.D. TURAGA.- Mr. Speaker, Sir, I share the comments raised by honourable Koya and also by the Chairman of the Committee. The Electoral Commission faced some challenges. There were some issues - organisational and systems, but those issues have been addressed adequately. Now they are more committed into ensuring that the next election is conducted with high integrity. In the coming days, some of the recommendations noted here will be discussed, and in terms of my questions to the answers for tomorrow or on Thursday.

I fully support the Committee, and I thank the members of the Commission and the Supervisor of Elections. Hard work and collaboration, let me say this, Mr. Speaker, Sir, we are ready to conduct an election either at the end of this year or early next year. That will be recognised by the whole world as one that is fair and respects fundamental principles of transparency and good governance. I fully support the recommendations in this Report.

HON. R.R. SHARMA.- Mr. Speaker, Sir, I will get straight into it. Turning to Finding 3.2.3, the review highlights the importance of maintaining a robust, independent constitutional mechanisms and technological systems within the electoral machinery. My support was for the modern digital viewing in real- time, dissemination of election progress and the results.

In fact, the submittees had other viewpoints, but we live in a digital era, and systems must be forfeited by rigorous fail-safe architecture. We must remember that the famous glitch during the 2022 General Elections, where the results App on the elections night forced the system offline for several hours causing widespread anxiety, speculation and mistrust across the nation.

As emphasised under Recommendation 4.8, the Electoral Commission and the Fijian Elections Office must conduct rigorous independent stress testing, audits and real-time planning so that digital results portals operate without disruption and technical failure.

On the other note, Mr. Speaker, Sir, examining Finding 3.2.6, the institutional expenditure and operational efficiency, I must address the unsustainable cycle of constantly placing or replacing voter identity cards. Billions of taxpayers' dollars are spent, I guess every four years, redesigning, printing, distributing new voter ID cards, moving from green cards to blue cards and requiring mass nationwide re-registration exercises. In times of economic recovery, fiscal prudence is paramount, and the Electoral Commission should focus on resources on co-operational readiness, civic awareness and upgrading polling infrastructure rather than repeating costly recurring voter card replacements that drive national coffers without adding substantive security.

Mr. Speaker, Sir, I wish to talk on political landscape and core values of national leadership. As we move towards the national elections, stated by even the honourable Acting Attorney-General, I think it is a mammoth of a task to conduct an election and currently, we have, I guess, 11 registered parties competing for the privilege to serve the nation. However, Mr. Speaker, Sir, having a registered platform is the first step. Governing a nation demands more than political ambition, requires proven leadership, integrity, fiscal discipline, institutional integrity and unshakable commitment to cohesion and public service.

Mr. Speaker, Sir, what we see in the social media, it is very easy to pick up a phone and criticise whoever is in Parliament, however, what are the practical solutions you offer? To the youth of this country, yes, start dreaming of a future in politics and as a legislator.

To conclude, to lead a government successfully, one must have the competence to navigate through economic headwinds, safeguard national security, and execute policy with consistency. As citizens, we must evaluate our choices. Our people must look beyond political rhetoric and support leaders and parties with a demonstrable track record of performance, accountability, and capability to lead Fiji towards a long-term stability and sustainable prosperity.

On that note, I thank the Committee and the Chairperson for her hard work, and I support the motion before the House.

HON. RATU J.B. NIUDAMU.- Mr. Speaker, Sir, I rise to contribute to, welcome and endorse the Parliamentary Standing Committee on Foreign Affairs and Defense Consolidated Review Report on the Electoral Commission's 2023 and 2024 Annual Reports. I commend the Committee for its diligent oversight and its commitment to ensuring accountability, transparency and good governance across our public institutions. This comprehensive review comes at a critical juncture as Fiji prepares for the 2026-2027 General Elections, offering an invaluable roadmap to strengthen our democratic process.

The Findings in the Report clearly highlight the legal and operational vulnerabilities that previously caused disruptions within the Electoral Commission, particularly regarding prolonged vacancies and the loss of quorum. A fair and resilient democracy cannot rely on individual office holders. It must be built upon strong, stable institutional frameworks.

In line with our constitutional duties, Mr. Speaker, Sir, the Ministry of Justice is fully prepared to execute the necessary legislative reforms to safeguard institutional memory and ensure operational capacity at all times. By reviewing the legislative and constitutional frameworks, we will work towards:

(1) Term Alignment - aligning Commissioner's term with the standard four-year electoral cycle.
(2) Staggered Appointments - introducing staggered tenures to prevent simultaneous expiration and maintain a perpetual working quorum.
(3) Institutional protections - codifying formal succession planning, digital records, governance and standard operating procedures to protect official records from operational paralysis.

Mr. Speaker Sir, fair elections require absolute voter confidence. The Ministry supports the Committee's emphasis on transparency and technical accountability. We take special note of the Committee's recommendation regarding the electronic result application, acknowledging that past difficulties stem from manual data entry error rather than systematic software defects. We agree that retaining, independently testing and strengthening this application is vital to maintaining real-time public access and preventing the vacuum of misinformation.

Furthermore, we agree that prioritising an independent audit of the National Register of Voters is paramount to reinforcing public trust in electoral outcomes. The Ministry of Justice will be led by and work closely with the Electoral Commission, the Fijian Elections Office and the Ministry of Finance to progress these critical mechanisms ahead of our next general election.

True justice and democratic fairness mean leaving no citizen behind. The Committee's Report correctly aligns the work of the Commission with our global commitments to the United Nations Sustainable Development Goals (SDG 5) on gender equality. The Ministry shares the deep concern regarding the underrepresentation of women in political leadership.

We actively welcome the consideration of Temporary Special Measures (TSM) and targeted strategies to accelerate substantive equality and uplift women's participation in elected office. Sir, SDG 10, Reduce Inequalities, we endorse expanding targeted strategies to capture youths, marginalised communities, and overseas Fijians. Modernising alternative voting arrangements and establishing accessible disability-inclusive services, such as braille and easy read guides, remain crucial to removing systematic barriers to democratic participation.

Mr. Speaker, Sir, SDGs 16 and 17, Peace, Justice, Strong Institution, and Partnership, a stable democratic framework relies on institutional resilience and robust stakeholder collaboration. Formalising the working relationship between the Fijian Elections Office and the Electoral Commission through clear operational policies reduces conflicts and strengthens accountability.

The Ministry of Justice, through the honourable Minister, and I remain firmly dedicated to ensuring that Fiji's electoral administration is transparent, compassionate, and robustly structured, and we promise that no glitch will happen again like the 2022 General Elections. Mr. Speaker, Sir, I commend this Report and the recommendations before this august House.

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, my comments are just to say that as Fiji prepares for the next general election, the Committee's central message is clear. Public confidence in elections depends not only on what happens on polling day, but on the strength, independence, transparency, and preparedness of the institutions responsible for the entire electoral process.

The Committee's recommendations are intended to ensure that the Electoral Commission is adequately equipped to fulfil its constitutional mandate, and that Fiji continues to conduct free, fair, and credible elections that command the confidence of our citizens. So, I again thank the Electoral Commission for its cooperation during the review and also thank my fellow Committee Members for their diligence and bipartisan contribution to this Report. I commend this motion to the House.

MR. SPEAKER.- The Parliament will now vote to note the content of the Report.

Question put.

Motion agreed to.

CONSOLIDATED REVIEW REPORT - FIJI SUGAR CORPORATION 2024 AND 2025 ANNUAL REPORTS

HON. S. TUBUNA.- Mr. Speaker, Sir, I move:

That Parliament debates the Consolidated Review Report of the Fiji Sugar Corporation

2024 and 2025 Annual Reports, which was tabled on 17th July, 2026.

HON. P.D. KUMAR.- Mr. Speaker, Sir, I second the motion.

HON. S. TUBUNA.- Mr. Speaker, Sir, I rise as the Chairperson of the Standing Committee on Economic Affairs to move that Parliament takes note of the Consolidated Review Report of the Fiji Sugar Corporation 2024-2025, tabled as Parliamentary Paper No. 74 of 2026.

At the outset, I acknowledge Members of the Committee for their diligence and commitment throughout this review process. I also extend the Committee's appreciation to the board, management and staff of the Fiji Sugar Corporation for their cooperation, submissions and engagement with the Committee during its review.

Mr. Speaker, Sir, the sugar industry has historically been one of the pillars of Fiji's economy. Beyond its contribution to exports, it remains a critical source of employment and income to thousands of households, particularly in our rural communities. The Fiji Sugar Corporation (FSC) directly employs 1,700 workers and supports more than 10,000 growers in stakeholders and sugar belt.

The Committee conducted a comprehensive review of the FSC Annual Report for 2024-2025. In doing so, Members examined the reports, received oral and written submissions, and undertook site visits to sugar mills and farming communities in the Northern and Western Divisions. Those engagements provided valuable insights into both the opportunities and challenges facing the industry.

The Committee acknowledges several positive developments during the reporting period. Sir, FSC has continued to invest in mechanisation, introduced new agricultural initiatives, expanded digital services for growers and improved harvesting efficiency. The Corporation has also continued efforts in workshop development, sustainable programmes and renewable energy generation through bagassse-based energy production. However, despite these efforts, the committee found that overall state of the industry remains deeply concerned.

The findings outlined in the Report reveal a sector facing a structural decline, operational inefficiencies, and continuing financial vulnerability. Mr. Speaker, Sir, the committee's first and most significant finding is that the operational crisis within the sugar industry is deepening.

Sugar production declined by approximately 15 percent, reaching the lowest level recorded in the past 15 years. Production has fallen consistently from 155,800 to 9,000 tonnes in 2022 to 139,628 tonnes in 2023. These figures demonstrate that despite substantial public investment and repeated support measures, FSC has not achieved meaningful operational recovery.

The committee was particularly concerned by evidence that sugarcane yields remain slow, and production costs continue to rise, reducing the industry's competitiveness. A particular concern raised during the review was the structure of the cane farming itself.

The committee notes that many farm sizes remain too small to achieve economic efficiency, while a significant proportion of growers contribute only a small share of total cane production. This raises important questions regarding the long-term sustainability of the current farming model.

Secondly, the committee found that FSC's financial position remains precarious despite the reported profits in 2025. While the corporation reported a profit of approximately $105.7 million, the committee found that this result was largely driven by a Government debt write-off and accounting adjustments. FSC continues to carry significant debt that remains dependent on Government support and lacks the financial capacity to fund major investment programs.

Thirdly, the committee found that infrastructure deterioration has become a structural problem. Asset empowerment losses exceeded $72 million. The committee also remains concerned about persistently high levels of burnt cane. National burnt cane accounted for approximately 54 percent of harvested cane. Another major concern is the growing physical exposure faced by taxpayers.

Successful government interventions including debt restructuring, guarantees, direct lending, export support, and capital injections have resulted in substantial public investment into the industry. While the committee recognizes the importance of supporting the sugar sector, it knows that Parliament has not yet received a comprehensive assessment of the long-term costs and benefits of this level of support. The committee has identified a number of weaknesses in the investigation planning.

While proposals related to ethanol, sustainable aviation fuel, refined sugar production, and new mill development has been discussed, many of these initiatives remain conceptual and are not supported by detailed business cases, funding strategies, or implementation plan. Finally, Honourable Speaker, the committee is deeply concerned about the continued decline in sugarcane growing land at the grower base. Land under cane cultivation has reduced substantially compared with historical levels.

Mr. Speaker, in response to this finding, the committee has made nine recommendations. The committee's foremost recommendation is for a comprehensive reform and modernisation of the sugar industry. This includes reviewing the Sugar Industry Act and related institutional arrangements to eliminate duplication, improve efficiency, and align the sector with modern commercial principles.

The committee further recommends that the FSC undertake a comprehensive assessment of feasibility of closing the Lautoka Mill given the higher operational costs associated with this mill. To strengthen governance, the committee recommends the establishment of a consolidated governance structure through a single board responsible for overseeing FSC, the Sugar Research Institute, and the South Pacific Fertilizers. Mr. Speaker, Sir, the committee review released one clear conclusion.

The sugar industry stands at a critical crossroads. Incremental adjustments will not be sufficient to address the challenges facing FSC. What is required is a comprehensive and coordinated programme of reform, supported by clear accountability, prudent governance, and realistic long-term strategy for sustainability.

MR. SPEAKER.- Honourable Members, the floor is now open for debate. I have a list of speakers.

HON. T.N. TUNABUNA.- Mr. Speaker, Sir, I rise to support the motion on the Consolidated Review Report on the Fiji Sugar Corporation Annual Report 2024-2025.

Mr. Speaker, Sir, this Report comes at an important time for the sugar industry. It gives us an opportunity not only to examine the performance of the Fiji Sugar Corporation, but also to confront the structural issues that have affected our industry for many years.

I want to acknowledge the work done by the Standing Committee in reviewing the Fiji Sugar Corporation Annual Report in bringing these matters before Parliament.

Mr. Speaker, Sir, the industry remains an important part of our economy. However, we must also acknowledge that the industry has undergone significant changes over the years. Rising production costs, challenging farm economics, labour shortage, land issues, climate crisis and the challenges of maintaining productivity have made it increasingly difficult for some growers to remain economically viable.

Mr. Speaker, Sir, we must be realistic. Supporting our farmers does not necessarily mean keeping every farmer in sugar cane production indefinitely, particularly when economics clearly demonstrates that cane farming alone is no longer sustainable.

Mr. Speaker, Sir, I have consistently maintained that if Fiji is serious about having the modern and competitive sugar industry, then we must be prepared to make necessary changes. We cannot continue doing things the same way and expect a different result. The recommendation on reform and modernisation is therefore one that I strongly support. We must be realistic. Supporting our farmers does not necessarily mean keeping all our farmers.

We cannot simply tell our farmers to leave the industry without providing practical alternatives. This means identifying opportunities for farmers to diversify into other crops and agriculture activities that are sustainable to their land, location and market opportunities. The Ministry of Agriculture and Waterways is committed to working with farmers, FSC, the ministry responsible for sugar, research institutions and other stakeholders to identify these opportunities.

The Government is also working with our development partners on this way on important issues. And a study is being undertaken with our European Union partners to examine opportunities for agricultural diversification. We expect the findings of this work to provide useful guidance for the future.

Once the study is completed, we need to use the findings to develop practical programmes that can assist farmers who wish to transition into alternative crops and other productive land uses. The objective must be to ensure that farmers are not simply moved from one form of dependency to another. We should instead help them develop sustainable and commercially viable land.

Mr. Speaker, Sir, this is also closely connected to the recommendations on the farm sizes. Larger and more effective management of farms can provide opportunities for mechanisation, improved farm management and better utilisation of land and resources. At the same time, farmers cannot achieve an economic revival in sugar. We should support them to create alternative land use. This is why I believe the recommendation on farm size diversification and management transition should be conceded. And they are separate issues that form part of a broader strategy to make our agricultural sector more productive and resilient.

Mr. Speaker, Sir, I also support the recommendation calling for broader reform to modernise the sugar industry. This industry cannot continue to operate on the structure that was designed for a different time. We need a fit for purpose. Reform must also recognise that human dimension for the industry. Farm statistics is a farmer, a family and a community. Therefore, as we modernise the industry, we must ensure that the people affected by this change are properly supported.

Mr. Speaker, Sir, our objective must be to build a stronger and more sustainable agriculture sector, while ensuring that sugar remains viable for those farmers and communities for whom it continues to provide a sustainable livelihood. I, therefore, commend the Standing Committee for its work and support the recommendations contained in the consolidated review report.

HON. R.R. SHARMA.- Mr. Speaker, Sir, I rise to speak on the Sugar Report before the House. In fact, the Standing Committee on Foreign Affairs and Defence had the Ministry for Sugar Industry before it, and the Committee had a thorough public consultation. I would like to share some of the findings here that we saw.

We went to the West and the North, we sat with the farmers, we walked through the mills, and we met the stakeholders of the industry. When I look at the Sugar, I would always only speak on what we found with the Sugar and the mill workers. What I see in general, is the stakeholders are working in silos. FSC has a different point of view, the Fund, the Council, the Research and the South Pacific Fertilisers have a different point of view. It is like everyone is doing their own thing and all they care about is their own balance sheet.

Mr. Speaker, Sir, when you look at the production under the report, from 2022 to 2024, a 15 percent decline, and as stated in the report, the worst sugar production in 15 years. That is not a bad season, that is a trajectory. Despite millions upon millions of taxpayers' funds have been put into bailout, what we need is a sugar price that is determined by facts and figures, land guarantee, and finally, the landowners need premium prices on which sugarcane is grown.

I would like to talk about diversification. We speak about ethanol, aviation fuel, refined sugar and new mill, but it is all aspirational – no business case, no financing strategy and no strategic crop plan as well. I reached out to Investment Fiji to take out statistics of the commodities that we grow, value add and we export, and I will talk about one. Turmeric, $25 million was exported in 2023, $25.4 million in 2024, and $32.3 million was exported in 2025. When anyone talks about diversification of sugar, why cannot we trial with 500 farmers to grow turmeric, kava, *dalo* and there is a value supplying, a value adding process and export it and see if it is feasible. Our sugar still has the potential of contributing to our GDP. There are various chains of diversification, it should not just be wrapped in fancy speeches.

Mr. Speaker, Sir, I will come to the mill workers, and this is what was shared with us when we took a tour at the FSC mills. The structure runs from M1 to M20, the bulk of our tradesmen sit between M3 and M10, and most of them are below the M11 mark. This is basically the hierarchy and the pay structure. The correspondent adjustment was made for the skilled workers when the national minimum wage was set. Outside the gate, a tradesman, fresh out of school would probably start at $8 an hour and an experienced, fitter machinist earns $12 to $18 an hour. Our foremen, men with 20 years, 30 years of experience are sitting on the salary of fresh graduate rates.

What was also raised, these are not generic jobs. During crushing, they rely on boiler operators, boiler foremen and a powerhouse control system in place. They have riggers, mill fitters, turbine fitters, motor winding, electricians, radio technicians and harvester mechanics. No one walks in and off the street to do this work,

Mr. Speaker, Sir, what was also stated that when this person tried to look for a job elsewhere, he said Tropic and Nabou Energy operates steam turbines, but they usually fly in experts from overseas when we have the expertise here in Fiji. The Report itself proves that in 2024 we lost 74 tradesperson and three IT staff. In 2025, 45 tradesperson and seven IT staff. We are exporting our own tradesmen and importing their replacements and then telling this House we have skill shortage. The FSC says that it advertises vacancies and no one applies, probably, since the pay is not worth applying for.

Mr. Speaker, Sir, machines do not fail on their own. They fail when the men who knew how to use them are gone. What I would call for is an independent job evaluation exercise and a review of the M1 to M20 structure retention framework for specialists and diversification with real business cases, financing and measurable targets.

To begin with, we need to privatise and diversify the industry. We let the cane price be determined by facts and figures, not false hope and promises.

On that note, Mr. Speaker, Sir, I support the Report before the House.

HON. PROF. B.C. PRASAD. - Mr. Speaker, Sir, I was not supposed to speak on this, however, I will just say a few things in response to what has already been said.

I want to thank the Committee for the Report and as the Chairman quite rightly pointed out, that the Fiji Sugar Corporation (FSC) has been an entity which has played a significant role in the entire history of the sugar industry from the Colonial Sugar Refinery (CSR) to South Pacific Sugar Mills (SPSM) to now Fiji Sugar Corporation.

I was listening to honourable Rinesh Sharma, you can pick on micro-level issues within the Fiji Sugar Corporation over so many years, however, what is important, Mr. Speaker, Sir, and I think the Report comes out with those recommendations, is for us to look at the entire sugar industry. It is no point going back into history of what happened in the last 16, 17 or 18 years.

We had an activity in 2006 with the European Union funding of about $315 million. There were three components of that programme which included:

(1) The mills - which meant how to fix the Fiji Sugar Corporation and its management of mills and bring about efficiency;
(2) The farm level efficiency; and
(3) The alternative livelihood - since it was recognised that the sugar industry was going to end in a different structure and small, mean, efficient industry.

Of course, Mr. Speaker, Sir, things have moved on. There are things that have happened naturally through attrition. The size of the industry and the number of growers have obviously shrunk. The number of acres under sugar cane plantation has shrunk so everything has happened naturally.

We lost the Rakiraki Penang Mill and we now have three mills left. As the Minister quite rightly pointed out that the future of the industry will depend on a real restructuring of not only the FSC itself, but also the entire sugar industry which includes the entire set of stakeholders involved in the industry who will have to come together and do that.

It is an appropriate time and as the minister and the committee has alluded to, perhaps in the next one or two years, as a Government and a Parliament since we now have for the first time after so many years, we have a Select Committee on the Sugar Industry, which is chaired by the honourable Prime Minister and includes the Leader of the Opposition, as we are now at a stage to look at the industry beyond politics, beyond what has happened in the past, as to how we can restructure the industry for the future, which is going to be a small, mean, efficient structure, including the structure of the Fiji Sugar Corporation.

There are obviously a number of alternatives that people have put out. Some are talking about privatisation. Some are saying that we should look at just two mills, one in Viti Levu, one in Vanua

Levu. There are a number of alternatives, and all of them make sense, but we need a thorough analysis and a political will on all sides of politics to come together and move the industry forward, which will include restructuring of the Fiji Sugar Corporation in a much more definitive and efficient and effective manner.

Mr. Speaker, Sir, with those few words, I want to thank the Committee for the Report, and the recommendations make a lot of sense. But as I said, all this would need to come with the political will and the ability of all of us getting together to move the industry forward.

HON. F.S. KOYA.- Mr. Speaker, Sir, first of all, let me thank the Committee for this particular report. I know it would have not been easy to come up with the findings and the conclusions that they have. I think what I am about to say also echoes with the other speakers that we all know what the problems are. We all know that it needs to be fixed. This conversation has been band-aid about for many, many years, but have we actually fixed it? No.

Mr. Speaker, Sir, this particular industry requires a categoric seismic shift in the thinking of every single person that is associated with it in order to make it either profitable or even viable. And, case in point, the actual report has eight different areas within which they made findings.

Mr. Speaker, Sir, this is good reading for the Special Committee on Sugar Industry, if you just read the headings alone, it will send a shudder down your spine:

4.1 Operational crisis deepening.
4.2 The comparison of the cost in Lautoka and Rarawai and Labasa Mills and the note that came afterwards said that the cost of increase in Lautoka itself by some $17.98 million in the financial year 2025.
4.3 The financial position remains precarious.
4.4 Infrastructure deterioration is structural.
4.5 Burn cane is a persistent failure.
4.6 Taxpayer exposure continues to increase.
4.7 Weakness in diversification planning.
4.8 Grower decline threatens the industry's viability.

These are eight headings, Mr. Speaker, Sir, and you do not even read the read the paragraph that it tells you from an independent Committee that have gone out and done their homework that this is a huge problem. We all know that. I think it has been said there is no use us hiding behind language to say you know it is fixable, it is not and we can do this.

It requires a categoric shift with respect to how the industry needs to be dealt with from here on. We all know that the small scale farming that existed for many, many moons ago it does not work anymore. These are farmers that have actually gotten old. They cannot produce a thousand tonnes anymore. They can only produce 200 because their sons and daughters are all now doctors or migrated or nurses or they are just not interested in it.

Mr. Speaker, Sir, this is an industry that cannot afford to do any more band-aid solutions. This is an industry that lives in an industry around the world that does not exist much more anymore. Sugar is not in demand anymore. But we have to start thinking outside the box. We have to start listening to those people that say, “We will buy all your sugar because we have got a sweet tooth at the end of the day.” We are currently in a situation where we cannot even supply our own sugar. Mr. Speaker, Sir, we have to bring it in from offshore.

Now I think the forefathers of the industry and those that were in this in the heyday in the 70s - and I am referring to my own family background, Sir - would be looking at this and saying, “Where the hell did we go wrong?” There are a lot of problems, and this cannot be politicised. It cannot be a political tool like it was before many, many moons ago.

It requires critical thinking. Again, there is a way around it. There are things that we can do, and one of the most important things that has been mentioned is diversification. You have to look at it like that. You have to look at making some hard and fast decisions.

This report tells us; go take a huge look, do not put any lenses on, take a naked look at this particular industry and say, this is what needs to be done. Some hard decisions need to be made about closing some mills, about finding how we can restructure and diversify, finding out whether we can actually do ethanol and sustainable aviation fuels will fetch a whole lot of money. It is huge. This is an industry that can survive. Honourable Gavoka will agree with me. This is something that can be pushed and done.

Maybe, it will help this particular industry get back on its feet. I am not sure of the numbers, but I know in terms of literature and how much you can actually get for sustainable aviation fuels, it is actually massive. Instead of the fighting about whether it is $100 a tonne or $105 a tonne or $85 a tonne, it is peanuts. It is actually peanuts. We cannot even find people to cut the cane anymore. We have to get, well, maybe the prisoners have got some work. The prisoners actually come and do it. We may even start looking at bringing in people from overseas, and it is already happening. To actually cut the cane? This is our industry that puts this country on the map.

We need to all wake up and start thinking what this report actually says, Mr. Speaker. This report and the findings in it are true and correct. This report and the findings, and I think I take my hat off to the committee for being so frank and so brutally honest about an industry that does not need a band-aid measure anymore.

I think the Committee and the task force, the Sugar Committee, has actually got a tremendous task ahead of it. I wish them well, and I just hope that they read this Report and maybe sit down with our own Committee to have a chat, because they have done a phenomenal job in putting together this Report. I agree with the recommendations in the Report, and God help the sugar industry, Sir.

HON. M.S.N. KAMIKAMICA.- I rise to lend my support to the Report by the Standing Committee on Economic Affairs, and I congratulate them on a very timely and honest assessment of the sugar industry, Mr. Speaker. I thought I would just start my comments by reading perhaps the concluding paragraph in the report, Mr. Speaker. The Fiji Sugar Corporation stands at a critical juncture.

The 2025 annual report obscures a deteriorating operational reality. The lowest sugar production in 15 years, a revenue collapse of nearly 25 percent, a debt burden that remains unsustainable despite the largest Government bailout in the corporation's history, a continued decline in the sugar production, persistent inefficiencies in cane supply and harvesting practices, and mill infrastructure that requires extensive restoration when it is 140 years of age, Mr. Speaker. I think it is fair to say in this House, this is no longer a political issue, this is now a national issue and every single parliamentarian in this room needs to take heed of this report and let's knuckle down and do something about it.

Mr. Speaker, I would like to credit the honourable Prime Minister for coming up with the Select Committee on Sugar. I, of course, to be honest, when the idea was mooted by honourable

Professor Prasad, I was a bit skeptical, perhaps with my political lens on. But as the conversations progressed, Mr. Speaker, what became apparent was this is a national crisis on our hands. We have ignored the problems for too long and it's now staring us in the face.

Having said all of that depressing information, Mr. Speaker, I have to say that I am optimistic that we can fix the sugar industry. Our movements around Fiji in the West, in Labasa, give us confidence that we can find solutions to the sugar industry.

Mr. Speaker, the recommendations that are highlighted here and those mentioned by honourable Rinesh Sharma, an industry that perhaps does not talk to each other, an industry that requires major reform, an industry that needs to look at how we mill currently, whether we need just one mill in Viti Levu and one in Vanua Levu, et cetera.

Mr. Speaker, Sir, right now there is already one report that is from the FAO, and we hope to use that report quite extensively in the Sugar Select Committee. That will be followed up by a diversification report co-ordinated by the honourable Minister for Agriculture.

I think between what we have seen on the ground, the recommendations in the Standing Committee on Economic Affairs Report, and the European Union Report, I think, Mr. Speaker, Sir, I am hoping and praying that by the end of this Parliamentary Session, we would have mapped out, at the very least, a strategic direction on where to take the sugar industry. And that there be a legacy of not only this side of the house, but every single Member of this Parliament. That we can proudly say that we actually did our best to find a way forward for the sugar industry.

I support the recommendations made in this Report. I congratulate the Committee for its honesty and forthrightness, and I support the Report, Mr. Speaker, Sir.

HON. S. TUBUNA.- Mr Speaker, Sir. I think all the honourable Members have mentioned what needs to be done with the sugar industry, and I am quite confident with whatever that we need to do. We already knew what to do, but I think it is a matter of having the political will to put all the actions and all the recommendations from the Committee.

And, of course, we look forward to the Select Committee for all the work that we are intending to do has to be in cohesion so that we can have a sustainable plan for the industry into the future. I have no other comments, but I would like to thank every honourable Member for their contribution, and I do support the motion before the house.

MR. SPEAKER.- The Parliament will now vote to note the content of the Report.

Question put.

Motion agreed to.

REVIEW REPORT - SUGAR CANE GROWERS COUNCIL 2022 ANNUAL REPORT

HON. S. TUBUNA.- Mr Speaker, Sir, I move:

> That Parliament debates the Review Report on the Sugar Cane Growers Council 2022 Annual Report, which was tabled on 17th July, 2026.

HON. P.D. KUMAR.- Mr. Speaker, Sir, I second the motion.

HON. S. TUBUNA.- Mr Speaker, Sir, I rise as the Chairperson of the Standing Committee on Economic Affairs to move that Parliament takes note of the Committee's Review Report on the Sugar Cane Growers Council Annual Report 2022, tabled as Parliament Paper No. 75 of 2026.

At the outset, I wish to acknowledge the members of the Committee for their dedication and commitment throughout this review. The Sugar Cane Growers Council plays a critical role within Fiji's sugar industry. As I said, as the statutory board established to represent and safeguard the interests of sugarcane growers, the Council carries significant responsibility in advocating for farmers, facilitating engagement with stakeholders and supporting the long-term sustainability of the industry.

The Committee acknowledges a number of positive achievements highlighted in the Annual Report. Growers received a final cane price of $91.3 per tonne, significantly exceeding the forecast price and providing a much-needed financial relief at the time. The Council also continued supporting mechanisation within the industry, facilitated legal and advisory services to growers, assisted with weedicide distribution and supported insurance programmes and continued advocating on lease renewal and land tenure issues.

Mr. Speaker, Sir, the Committee has reviewed and identified several arears of concerns which requires attention of Parliament. The finding was a significant delay in the tabling of the annual report. The financial year under review ended on 31st July, 2022 and the audit was completed on 27th June, 2023. However, the report was not tabled until September 2024 – 26 months after the closure of the financial year and 15 months after the completion of the audit. The Committee considers this unacceptable and inconsistent with the requirements of the Sugar Industry Act. Such delays undermine Parliament's oversight role and diminish accountability for the use of public resources.

Secondly, the Committee found that the annual report provides key limited information on Sugar Cane Growers Council's actual achievement against its own key performance indicators. While the report outlines activities undertaken across the sugar sector, it provides inefficient evidence on how the Council itself is measured and achieved on its stated objectives. The effective performance reporting requires clear indicators, measurable outcomes, and transparent reporting on results achieved.

Thirdly, the Committee noted deficiencies in reporting on lease renewal outcomes. The Council highlighted advocacy efforts undertaken with the iTaukei Land Trust Board and other stakeholders. However, the report does not provide information on the number of leases renewed, lease lost, premium rates applied, and the overall impact of these engagements on growers. Given that the land tenure remains one of the most important issues affecting the future of the sugar industry, the absence of this information limits meaningful assessment of the Council's effectiveness.

Another key concern raised by the Committee is the lack of demographic data and succession planning information. The report acknowledges that many farmers are ageing and that fewer young people are entering the industry. However, it does not provide the data on the grower age profiles, youth participation, farm attrition, gender participation or succession planning outcomes. Without such information, it becomes increasingly difficult for policymakers and stakeholders to plan for the future sustainability of the industry.

Mr. Speaker, Sir, the Committee was also concerned by the absence of transparency regarding the Trust. The Council is the principal beneficiary of the Trust, with all assets originating from the former Sugar Commission. However, the Committee found that there is limited public information regarding the Trust's governance arrangements, financial performance and income distribution. No income distribution had been reported since 2019.

The Committee also received feedback from growers, particularly during consultation in the Northern Division, expressing concerns regarding service delivery, consultation frequency and responsiveness to grower issues. While the Council continues to engage the growers, the Committee believes that there is room for significant improvement in communication and stakeholder engagement. The Committee has put forward several recommendations aimed at strengthening governance, accountability, transparency and service delivery within the Council.

Mr. Speaker, Sir, the Committee's review makes it clear that while the Sugar Cane Growers Council continues to perform an important role in supporting the growers, improvements are needed in governance, reporting standards, transparency and accountability. Recommendations contained in this report are intended to strengthen the Council's ability to serve growers effectively, and to ensure that public resources entrusted to it are managed in a transparent and accountable manner.

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

MR. SPEAKER.- Honourable Members, the floor is now open for debate. I have a list of speakers and at the end of the debate we will have a right of reply from the mover.

HON. J.N. NAND.- Mr. Speaker, Sir, I rise to contribute to the debate before the House. Because when you examine this document, we are looking at a period that tested the absolute limits of our sugar industry and the resilience of our cane growers. The reality on the ground during 2021 and 2022 seasons was incredibly harsh. We saw the total crop harvested drop significantly to $1.4 million tonnes. This decline was a direct result of severe weather events, especially severe tropical cyclones, Yasa, Ana and later, Cody. Our farmers in the Northern Division bore the brunt of this devastation. The Labasa mill area alone suffered a staggering 46 percent crop loss, leaving families scrambling to recover from extensive property damage and lost income.

Mr. Speaker, Sir, these figures in this report do not just represent terms of kind. They represent the daily struggles and livelihoods of registered growers and active harvesting gang across Lautoka, Rarawai and Labasa Mill areas. When a cyclone causes massive water logging and corrupt logging, it is an individual grower who suffers immediate financial ruin. The subsequent reduction in cane yield and sheer difficulty in managing flooded fields create a relentless cycle of debt that spends multi-processions, making nearly impossible performance to plan for the future.

Mr. Speaker, Sir, we also have to acknowledge the broader systemic issues highlighted in this review. Our farmers are grappling with sky, higher production and transport costs. We are seeking an opportunity, affection ageing meals, infrastructure, critical labor shortages and the migration of our young people from farming towards urban centers or overseas opportunities.

This report makes its opportunity clear that without structured Government subsidies and robust support programs, a vast majority of our growers will continue to face severe financial stress and ongoing inability to maintain their leases or invest in modern farming equipment. Furthermore, the efficiency of our logistics supply chains, including train line operation and transport networks, require agent modernisation to reduce the heavy burden currently placed on individual farmers who are forced to rely on expensive alternative transport methods.

Mr. Speaker, Sir, the growth in Sigatoka is concerned and the current leadership overseeing our institution. We get endless excuses and constant finger pointing instead of concrete actionable solution.

Mr. Speaker, Sir, the leadership running the industry today acts more like a spectator than a driver of progress. When solutions hit supermarket shelves, our crushing season faces repeated delays. The response from the top is merely to pass the buck, deflect responsibility, point fingers and everything, expect their own knowledgeable incompetence.

Mr. Speaker, Sir, we must find a solution in this report to drive genuine change rather than letting it sit on the shelf gathering dust. The Sugar Cane Growers Council has a vital mandate to protect effective representation and secure long-term viability to our farmers. This means we need policies that look beyond short-term disaster relief. We need sustainable solution for climate adaptation, proactive rain management maintenance programmes, and fair pricing mechanism that genuinely reflect the rising cost of agricultural logistics, fertilisers, and fuel.

Mr. Speaker, Sir, our canegrowers has also been the proud backbone of our national economy. They do not just need our sympathy after our nature deductive strikes. They need robust productive support. They need us to ensure that the council and the broad administration are inadequately equipped, properly funded and generally driven to protect the interest role funds so that the next generation sees a viable future in agriculture.

With that, Mr. Speaker, Sir, I support the motion before the House.

HON. M.S.N. KAMIKAMICA.- Mr. Speaker, Sir, the interest of time and due to the lateness of the night, I do not intend to be too long. My interest in contributing to this debate, particularly with this report, is basically, firstly, to thank the Standing Committee on Economic Affairs for the production of the report on the Sugar Cane Growers Council.

Of course, as mentioned by the Chair, the Sugar Cane Growers Council performs a very important role in the sugarcane growing industry. It is essentially the body that looks after farmers' welfare in principle.

Mr. Speaker, Sir, one of the things that certainly the Select Committee has discovered in our moving around is the representation of the Sugar Cane Growers Council. Perhaps as an add-on to the findings that have been produced by the Committee, Mr. Speaker, Sir, I would like to add on the fact that urgent attention needs to be paid to ensuring adequate representation of the farmers on the Council. That was very apparent that it was something that was lacking, when we were moving around.

I am hopeful that it is something I know that the honourable Prime Minister is very interested to see whether that can be dealt with even before the end of this financial year. Perhaps there will either be elections of the Sugar Cane Growers Council of farmers to represent or even nominees to represent the farmers.

Mr. Speaker, Sir, beyond that, I support the recommendations that are tabled here. The importance of timely financial reporting is mentioned here. The need for better data in terms of demographics of the farmers, which I thought was a very important recommendation. There is an interesting recommendation around improved financial transparency.

In other words, clearly breaking down the financial information at the Sugar Cane Growers Council so that the grant money of the Fiji Government can be better understood. Also, the need for KPIs for the Sugar Cane Growers Council. Mr. Speaker, Sir, I support the recommendations of the Committee and would like to add on the fact that at the earliest time possible, certainly the Select

Committee should look at getting proper representation into the Sugar Cane Growers Council.

HON. I.B. SERUIRATU.- Mr. Speaker, Sir, I wish to thank the Chairman of the Economic Affairs Committee for the two reports that we are discussing this evening, although it is late into the night, but very important reports. I wish to acknowledge the Economic Affairs Committee, but at the same time, I wish to raise my concern and disappointment, while we are here seriously discussing these very important reports, the honourable Minister for Sugar is not in the House.

(Inaudible interjection)

Well, he was addressed this morning by Mr. Speaker, as Minister for Sugar and Multi-Ethnic Affairs, and in his contribution to the debate, he was addressed as Minister for Waterways and Agriculture. So, I am disappointed that he is not in the House. He was only served a yellow card for one and a half hours – his not in the House.

Not only that, all the meetings for the Special Committee on the Sugar Industry, he has not attended one - the consultations. We are talking about a serious business. We respect the decision of the honourable Prime Minister because Cabinet is his prerogative, but we need someone who is serious about this industry. I wish to raise that concern, Mr. Speaker, Sir, and forgive me for that, honourable Prime Minister.

The sugar industry, we all know the problems that are there. I thank honourable Kamikamica for bringing up the issue about the elections of the Sugar Cane Growers Council. I know that there are 38 representatives, supposedly, and eight from Government appointed. This was something that Government promised to hold these elections, and I hope that we can keep to this promise.

We have done with the Municipal Council elections. It is not going to be held. I hope that at least this one will because the farmers, during the consultations, kept bringing this up. I will not talk about, as alluded to by the honourable Chairman, the positive outcomes, but perhaps I will just focus on two issues. One is the land tenure, which is very important for the farmers. I acknowledge the CEO for iTLTB, Mr. Nata, for his attendance in the meetings and the assurance that he has given to the farmers. I hope that we will look at the lease renewals seriously, because it is very important for the farmers.

The other issue that I wanted to highlight, Mr. Speaker, Sir, is on the growers' consultation. This is very important because in the functions and the role of the growers' council, there are three main ones – one is farmer advocacy, two is industry consultations, and three is the operational support. For us on this side of the House, we are fortunate that we are part of the Select Committee, and we have been listening as well. We are thankful for the positive spirit in the Committee, given the seriousness of the issue and the need for us to take this industry forward, as alluded to by the honourable Koya in his contribution in the previous motion.

In conclusion, I think for us, the question remains, where is the industry heading? The honourable Kamikamica has alluded to two of the key reports that we have now, the diversification plan and, of course, the FAO report. That is very critical for us. I just wish to say, Mr. Speaker, Sir, let us support our farmers. Without the farmers, there will be no FSC, there will be no SRIF, there will be no South Pacific Fertilizers, et cetera. Let us provide all the support that is needed to keep the industry going. We hope that we will see light at the end of the tunnel after we have gone through this. But I hope that the Government will take the lead, particularly from the Office of the Minister, because it is serious and we really need all the efforts from both sides of the House.

MR. SPEAKER.- Before I ask the last speaker, with all due respect to the honourable Leader of the Opposition, I would not like to cast any aspersions on the reasons the honourable Minister for Sugar is not with us this evening. I will leave it to his good judgement to explain to the House of his absence.

HON. PROF. B.C. PRASAD.- Mr. Speaker, I thank the Committee for a very good Report, a good set of recommendations as alluded to by other colleagues. The Sugar Cane Growers Council remains a very important institution within the overall sugar industry framework. Historically, and even now, until the Sugar Cane Growers Council was kind of, the elected council was abolished in 2007, we had appointed the Sugar Cane Growers Council, which has been operating as an institution and working in the interest of the farmers in a way that the farmers have always felt that they have been short-changed because they were used to the elected representatives from different cane-growing districts and cane-growing areas. It operated like, sort of a co-operative, and there was a lot of advantage of that co-operative, in the sense that farmers were able to interact, able to share, and they had a very structured representation in all the other sugar industry institutions. I think those were taken away when the Sugar Cane Growers Council was de-established after elections were not being held.

One of the issues that farmers and growers representatives have raised with us during the Committee's consultation with growers, at least in the West, and I am sure similar issues were raised in the Northern Division, is the lack of representation of the growers' views in other sugar industry institutions like the Fiji Sugar Corporation, Sugar Research Institute of Fiji and maybe, the South Pacific Fertilizers and the Sugar Cane Growers Fund. These are important institutions where direct decisions or decisions made by these institutions directly affect the farmers and their interest in terms of their own wellbeing within the industry.

I know the honourable Minister for Agriculture and Sugar Industry agreed that we need to look at Sugar Cane Growers Council representation in those institutions. As honourable Deputy Prime Minister Kamikamica mentioned, I think that is something that can be done immediately, through appointments by the Minister responsible of growers' representatives from the current growers' council to these institutions.

I think that will give some confidence to the farmers as to what these other institutions are doing and whether they are working in their interest, because Mr. Speaker, Sir, we had some very vicious attack on some of those institutions by the growers themselves. I think it is partly because they felt that they were not represented and some of these people who are running these institutions like FSC, Growers Fund, Sugar Research Institute, et cetera, were not working in the interest of the farmers. I think it would be very helpful if their representatives are there and they will have much more confidence in the sense that their views, their interest is looked after.

I would really urge the honourable Ministers to consider this and perhaps, that is something we can start immediately by having the growers' representatives on these institutions. And some of the recommendations that the Committee has made, Mr. Speaker, Sir, could be dealt with as part of that representation and bringing the growers together with other institutions in a much more cooperative manner than what it is now, and that is what we heard from the farmers when we were travelling around Viti Levu and I am sure the honourable Prime Minister and Members of the Committee had the same from Vanua Levu. With those words, Mr. Speaker, Sir, I support the Report and the recommendations.

HON. S. TUBUNA.- Mr. Speaker, Sir, I would like to thank the honourable Members for all their contribution to the discussion that we had on the Report. There were some issues that needed to be addressed, such as adequate representation of farmers. I am sure that this will be addressed at the soonest and the Cane Growers Council election will be one of the priorities that has to be undertaken by the honourable Minister.

The lease renewals is what we had raised with the Sugar Cane Growers Council because they have a legal officer who is also working with iTLTB on the outcome of the initiative that they are undertaking, in terms of how many leases are renewed and how many leases have expired. When the Committee was going around the Northern and Western Divisions, those were the issues raised by farmers in terms of lease renewals and leases that were expiring. When we have the structure being formalised, one of the issues that we now face, the size of the farms are still small, and we need to amalgamate a number of farms together so that we can have a bigger unit.

In terms of economics, the future of the industry has to be based on the bigger farms. That was also the issue raised in the Northern Division. I am sure that we can address the tenancy once we have farms amalgamated. The grower representatives in other sugar institutions, I am sure that the honourable Minister will take that on board. I would like to thank the honourable Members for their contribution, and I do support the motion before the House.

MR. SPEAKER.- The Parliament will now vote to note the content of the Report.

Question put.

Motion agreed to.

CONSOLIDATED REVIEW REPORT – ENERGY FIJI LIMITED 2023 AND 2024 ANNUAL REPORTS

HON. S. TUBUNA.- Mr. Speaker, Sir, I move:

> That Parliament debates the Consolidated Review Report on the Energy Fiji Limited Annual Reports 2023 and 2024, which was tabled on 17th July, 2026.

HON. P.D. KUMAR.- I second the motion.

HON. S. TUBUNA.- Mr. Speaker, Sir, I am pleased to present the Standing Committee on Economic Affairs Consolidated Review Report on the Energy Fiji Limited Annual Reports for the financial year 2023 and 2024. This Report is the outcome of the Committee's examination of Energy Fiji Limited's (EFL) performance, financial management, governance, accountability and service delivery as Fiji's national electricity provider.

At the outset, I wish to acknowledge the Chief Executive Officer, the staff of Energy Fiji Limited, the Consumer Council of Fiji, Fijian Competition and Consumer Commission and all stakeholders who contributed to this review through written submissions and oral evidence. Their cooperation has greatly assisted the Committee in carrying out its parliamentary oversight responsibilities.

Mr. Speaker, Sir, the EFL plays a critical role in Fiji's development. It provides electricity services for more than 200,000 customers and remains central to the national economic growth, business development, public services and the quality of life of our people. The Committee acknowledges EFL's efforts to maintain reliable electricity supply despite significant operational challenges, including rising fuel costs, increased demand for electricity, changing weather patterns and the need to balance affordability with long-term infrastructure investment.

The Committee notes several achievements during the review period. In 2023, EFL maintained electricity supply despite low rainfall, rising fuel price and increasing consumer demand. The organisation expanded rural electrification initiatives, increased customer connections and advanced renewable energy and transmission infrastructure projects. In 2024, EFL recorded a financial recovery, reporting a profit after tax of approximately $7.17 million compared to a loss of $24 million in the previous year. Electricity production increased significantly, customer numbers exceeded 223,000 and progress continued on renewable energy initiatives and infrastructure investments.

However, while recognising these achievements, the Committee identified several critical issues that require urgent attention. The first and most significant issue relates to EFL's continued dependence on imported diesel fuel. Fuel remains EFL's largest operating cost and the single greatest financial risk to the organisation. Fuel costs increased from approximately $193 million in 2023 to $211 million in 2024.

Secondly, the Committee found that rising debt presents a growing financial challenge. The EFL's total loans increased from $169.5 million in 2023 to $225 million in 2024, representing an increase of more than $55 million within a single year. While the Committee acknowledged that borrowing may be necessary to finance critical infrastructure, the combination of rising debt, higher fuel costs, and delayed capital investment raises concern regarding long-term sustainability.

The Committee also identified significant concerns regarding capital expenditure and implementation. For several consecutive years, EFL has consistently underspent its approved capital expenditure budget. The Committee noted that over the last seven years approved capital expenditure exceeded actual expenditure by approximately $540 million, meaning that less than half of the approved projects were implemented. This pattern raises serious questions about project planning, implementation capacity and whether consumers are receiving infrastructure improvements which were partially justified. Another concern relates to transparency regarding dividends and consumer shareholder benefits.

Mr. Speaker, Sir, the Committee also examined the issue of containerised diesel generator hire cost. The EFL incurred approximately $21 million in 2023 and $31 million in 2024 on the hiring of containerised diesel generators. Given EFL's awareness of increasing demand and ongoing pressure on hydro electrical generation, the Committee questioned whether sufficient long-term planning and investment in renewable energy capacity has been undertaken to avoid the substantial cost.

Mr. Speaker, Sir, the Committee recognised the important work undertaken by Energy Fiji Limited and acknowledged its progress in expanding access to electricity, strengthening infrastructure and advancing renewable energy initiatives.

The recommendations contained in this Report are indeed to support more sustainable, accountable and resilient energy sector that serves the interest of consumers, businesses, and the nation as a whole. The Committee expects EFL to act on these recommendations and report tangible progress in future annual reports.

With those remarks, I commend the Consolidated Review Report of the Energy Fiji Limited Annual Reports 2023 and 2024 to Parliament and respectively request all honourable Members to take note of the findings and recommendations contained therein.

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

I have a list of speakers. At the end of the debate, we will have honourable Tubuna's response.

HON. P.D. KUMAR.- Mr. Speaker, Sir, EFL is not an ordinary company. It is a monopoly providing an essential service to the nation. Every household, business and virtually every sector of our economy depends on this single entity for reliable and affordable electricity. That is why this House must look at the performance of EFL and scrutinise how they provide this service to the people of this country.

Mr. Speaker, Sir, as the Chairman had highlighted, they failed to spend or build (I am sorry Sir, it is too late in the evening).

MR. SPEAKER.- I can make exceptions.

HON. P.D. KUMAR.- Let me speak on capital expenditure.

(Laughter)

HON. P.D. KUMAR.- Between 2019 and 2025, EFL had budgeted $1 billion for approved capital projects, but they were not able to deliver that and that was over seven years. The Committee's recommendation is for the performance audit to be conducted by the Auditor-General, and I strongly support that. If more than $0.5 billion of approved capital expenditure was not delivered, the public deserves to know why. Was it procurement delays, lack of capacity, financing constraint, poor project planning or were projects repeatedly approved without the capacity to deliver them - just to make all of us feel happy that something is happening in that area, but they never had the mind to deliver. These questions must be answered, Mr. Speaker, Sir.

Mr. Speaker, Sir, the Committee also examined the cost of hiring containerised diesel generators. We found that during that period, there was low rainfall and high demand for electricity so they had to depend on fuel to provide that extra demand. But the question here is, why did they spend $53 million over two years just hiring these containers when ownership could have been much cheaper if they owned it because later on, precisely that is what they did. They just bought the container. Why did they not do it initially after spending $53 million?

The second concern is transparency around dividends and customer shareholder benefits. Sir, EFL very happily reports in their annual reports that approximately $40.68 million was paid out in dividends to shareholders in 2023. Yet there is nothing, absolutely no disclosure of how much was paid to customer shareholders who collectively hold 5 percent of the company. There is also approximately $49.5 million in interest earned on customer security deposit which they are holding onto. Again, there is no clear disclosure on whether this interest was returned to customers. If so, at what interest rate? EFL is earning substantial interest on consumers' money, consumers deserve to know how that benefit is being treated. This disclosure needs to be made in their annual reports so that consumers can track whether the interest has been paid or not.

Mr. Speaker, Sir, I am also turning to a very important issue affecting every electricity consumer, and that is the fuel surcharge, which was introduced as a temporary measure in response to rising fuel prices. Sir, FCCC allowed EFL to impose $5.91 cents per kilowatt fuel surcharge. At the same time, Government also provided EFL with a four-month fuel rebate of $0.20 cents per litre for diesel and $0.12 cents for heavy fuel oil. After four months, Government will withdraw the assistance, fair enough, because the fuel price is coming down. But then what happens to the fuel surcharge? When will that be taken off? We would like to know the answers to that because fuel surcharge was introduced as a temporary measure, and it should not become a permanent feature that the consumer should continue paying despite the fuel prices coming down. So, some changes need to be made to that.

The last point that I would like to make before I take my seat is, EFL being a monopoly, the only company any consumer can get their energy from. There is no other company that one can go to. Therefore, it is a very important service they must provide. What we are told that they have cut the services after hours, they do not provide services during weekends or even long weekends. Now, you do not expect people to wait for Monday from 8.00 a.m. to 5.00 p.m. to lodge their grievances. This is unacceptable, and the services must be provided purely because it is a monopoly.

HON. E.Y. IMMANUEL.- Mr. Speaker, Sir, I wish to thank the Committee Members for the Review Report on EFL. The Government welcomes the Committee's recommendations. They reflect key issues that are central to Fiji's long-term energy security, sustainability, affordability, and economic resilience. I wish to update this august House that Energy Fiji Limited has carefully considered the recommendations in many areas and has commenced work to address the matters raised by the Committee.

Mr. Speaker, in my response, I wish to make a few recommendations. One, is in relation to the accelerating renewable energy investment and reducing Fiji's dependence on imported fossil fuels. I am pleased to inform that EFL has already developed a comprehensive renewable energy transition plan and power development plan which has been submitted to the Fijian Competition and Consumer Commission as part of the current tariff determination. This programme is supported by extensive technical engineering and financial studies undertaken with development partners including ADB, World Bank, European Union and the European Investment Bank. The first phase of the programme represents an investment of approximately $2 billion.

Subject to financing and regulatory approvals, these investments are expected to increase renewable energy generation to approximately 60 percent by 2030, while placing Fiji firmly on the pathway towards achieving 90 percent renewable electricity generation by 2035.

Mr. Speaker, to address the Committee's concern regarding EFL's financial sustainability and debt management, the Government agrees that major infrastructure investments must be supported by prudent financial planning and sound debt management.

Sir, EFL has confirmed that a long-term financing and debt management framework has already been established. This framework has been developed using international financial modelling, affordability assessment and debt sustainability analysis undertaken with financial advisors and development partners.

Mr. Speaker, Sir, the Committee also highlighted concerns regarding capital expenditure delivery and accountability. Many capital projects approved under previous corporate plans were constrained by funding limitations following the 2019 tariff determination which did not provide sufficient revenue to fully fund the proposed capital investment programme. So honourable Kumar, that is the answer for the low capital expenditure. Despite those constraints, EFL continues to invest in critical infrastructure, using retained earnings, internally generated cash flows, and externally financing activities, facilities to maintain network reliability and continuity of electricity supply.

Going forward, EFL is committed to strengthening its annual reporting by providing more detailed information on approved projects, actual expenditure, implementation progress, project delays where applicable, and outcomes delivered to customers. Sir, EFL has also indicated its willingness to cooperate fully with a review undertaken with applicable legislative and governance framework.

Mr. Speaker, the Committee has recommended that tariff increases be linked to measurable investment outcomes. The Government supports this principle. Sir, EFL has already proposed the establishment of a formal monitoring and evaluation framework with FCCC following completion of the current tariff determination process. Mr. Speaker, the Government remains committed to improving access to electricity for rural, maritime, and disadvantaged communities.

Sir, EFL has agreed to strengthen future reporting by providing information on the number of new connections completed, communities connected, expenditures incurred, and progress towards improving access to electricity throughout Fiji. The Committee's recommendations align closely with the Government's objective of achieving a secure, affordable, resilient, and sustainable energy sector. We remain committed to ensuring that Fiji's energy sector continues to support economic growth, improve the quality of life of our people, and contribute to our national development and climate objectives.

HON. J. USAMATE.- Mr. Speaker, Sir, I thank the Committee for the work that it has done; EFL is always something that is close to my heart since I was educated by a man who worked for EFL, and I, in fact, lived in the quarters in Kinoya for a long time, but there are two issues in this Report that are of considerable concern. One is, if you look at the recommendations, particularly so in terms of the focus that is moving EFL, how well EFL is moving us towards our renewable electricity targets. A lot of the projects that you find in these Reports have appeared over and over again but have not been executed. And in fact, I was looking at some of the comments that were done by the Consumer Council, they said EFL heavily promotes its vision of reaching 90 percent renewable energy by 2035. However, a closer look, it actually reveals a stagnant reality.

Solar energy contributes an abysmal 0.01 percent, wind 0.06 percent. The bulk of Fiji's renewable energy is legacy hydro, built decades ago. Total non-hydro, non-biomass renewable penetration is under 0.1 percent. These same projects appear over and over again. We have a target for 2035 of 100 percent renewable electricity; we are not moving fast enough. We see the plans done by EFL, they said that by the year 2029, they will come up to 60 percent solar generation of 200 million hydro and so forth, but it is not moving fast enough. In the recommendation that we have here, we know what the projects are Qaliwana, Namosi, the solar photovoltaics in Ba, Tavua and Nadi, Ovalau solar project, micro solar farm in Taveuni, et cetera. Those projects are already there, but they are not moving.

We have made commitments for renewable electricity. The recommendation that we have here, 5.1 that EFL should develop and table a clear renewable energy transition plan with annual targets, timelines, and investment requirements to achieve its 2035 renewable energy goal. They talk about the same project year in, year out and not moving.

I know EFL has all sorts of challenges in terms of fossil fuels, the loss of the people that they have, but we need to be able to address this. I always ask myself, why do we not have enough rooftop solar? Are there some impediments between rooftop solar that can be sold to the grid? Is EFL putting in something that prevents them from doing that? Why is it that we have so many Independent Power Producers (IPP) that come, but in the end, they walk away because they cannot come to a deal? So, all of this is happening, it does not seem to be that impetus and I think, that for me is a concern. Renewable energy, we have to go there. This thing has gone up, and it is just strangling us. We really need to move in that particular area. Obviously, the capital that will be required will be quite huge, but that is something that EFL really has to move on this one.

The other one, Mr. Speaker, Sir, there has been a lot of money that has been given out for rural electrification. Money is given to EFL for grid extensions, and then the house wiring has happened. There is so much of that money that is being tied up and paid, but it has not been completed. I know that there are issues with not enough electrical workers in this country, there are not enough companies and equipment to be able to pull the poles and get people to do the house wiring, but the money has been paid, it needs to happen. The grid extensions across the country. And every year, if you look at the budget, this year, 2026-2027 Budget, there is $1.2 million for house wiring for completed, grid extensions. That means money has been paid.

I remember when I was Minister, that was an issue. Sir, EFL, as the honourable Premila Kumar has said, has got a very critical role. They control the distribution; they control the generation of electricity. Perhaps this is something that we also need to look at the relationship between all of these parties - FCCC as a regulator and the role of EFL as a distributor, and also how well are they working with IPPs who can come in and generate that solar power that we need to move towards a renewable energy target. I hope that they will be able to come up with the solutions to be able to address this, because these are very critical for us. I also then endorse the recommendations in the Report.

HON. M.S.N. KAMIKAMICA.- Mr. Speaker, Sir, I would like to thank the Standing Committee on Economic Affairs for their Report on EFL and congratulate them as well on the recommendations that have been captured in the Report. What I thought I do is just, rather than focus on the recommendations, is perhaps take a forward-looking view, and just focus specifically on the renewable energy situation in Fiji. It goes without saying that the other side of the House was in place for 16 years plus, and there was no squeak of any renewable energy in those 16 years.

The other point I would like to make is this, and they probably are not aware of, the Namosi Hydro Scheme that was asked about, that was stopped by someone on that side of the House because they wanted to sell the Japanese shares; that is a fact. We, on this side of the House have reintroduced the Namosi Hydro Scheme. They are currently in discussions to start that scheme again. They wonder why there is no renewable energy, they did not have the willpower to do anything about renewable energy. Coming back to ….

HON. J. USAMATE.- Point of Order, Mr. Speaker.

MR. SPEAKER.- Point of Order.

HON. J. USAMATE.- The honourable Member is misleading the House. The three projects in Namosi were stopped by the landowners. The Government was pushing for those particular projects. Nadarivatu was a project that was done by the previous government. So, to say in this House that no renewable energy was done, Lakaro Solar Hybrid, Tukavesi Hybrid and Nabou Green, all of that was taking place, Buca Bay Hybrid, Muani Solar Hybrid, you need to be able to speak truth.

MR. SPEAKER.- Honourable Deputy Prime Minister, he is contesting the truth.

HON. M.S.N. KAMIKAMICA.- Mr. Speaker, Sir, I can bring the gentleman, Dr. Philip, who actually was engineering the Namosi Hydro Project. He can explain in writing to this House why that project was stopped. It was ready to go in 2019, and it was stopped; that is a fact.

Mr. Speaker, what I would like to spend the rest of my time on....

MR. SPEAKER.- Just one moment. Let us clarify that because you have made certain allegations, and it has been countered by honourable Usamate, querying the correctness of your information. You say you can prove it?

HON. J. USAMATE.- That Nadarivatu happened, all the hydros happened - Kadavu, Buca Bay and Tukavesi? He said we did not do any renewable energy; that is not correct. We had Nabou Green Energy that took place.

MR. SPEAKER.- To the extent that they did something that I think would be for you to withdraw certain parts, that they did not do anything honourable Deputy Prime Minister. They did something, however....

HON. M.S.N. KAMIKAMICA.- I will accept that they did something, Mr. Speaker, Sir, but in terms of moving the dial, in terms of the significance of renewable energy, over 16 years we are talking, it is insignificant.

MR. SPEAKER.- We will move on.

HON. M.S.N. KAMIKAMICA.- Mr. Speaker, Sir, I would just like to explain why I am confident in this renewable energy plan:

(1) As soon as we got in, we changed the Chairman of EFL.
(2) We changed the CEO of EFL in 2025, and what they have done is come up with a very detailed plan on what needs to be done.

Mr. Speaker, Sir, in terms of the renewable energy plan for Fiji, we do have a plan in place that will actually drive renewable energy going forward. Apart from some of the projects that are currently circulating, one of the things that this side of the House will work on, which I agree with honourable Usamate on, is the pricing for the Independent Power Producers. That is something that we will work on this side of the House and try and find some solutions to ensure that we move ahead with some of these very good projects that are on the pipeline. With those few words, I support the Report before the House.

MR. SPEAKER.- I will always rely on the honourable Deputy Prime Minister and honourable Usamate to enliven the atmosphere of the House when it is very late in the evening.

HON. S. TUBUNA.- Mr. Speaker, Sir, we have heard quite a lot of contributions from honourable Members and, of course, I would like to thank honourable Members for those very valuable contributions which covered quite a broad range of areas that is covered in the Report. The delay in capital projects, containerised, generators, fuel surcharges, and of course, the renewable energy which has been alluded to by both sides of the House. I would like to thank the Members again and the Chairman and board members of EFL, and of course, the management of EFL for their presentation to the Committee. I do support the motion before the House.

MR. SPEAKER.- The Parliament will now vote to note the content of the Report.

Question put.

Motion agreed to.

CONSOLIDATED REVIEW REPORT - TOURISM FIJI 2015-2018 ANNUAL REPORTS

HON. S. TUBUNA.- Mr. Speaker, Sir. I move that:

The Parliament debates the Consolidated Review Report on the Tourism Fiji Annual Report 2015 to July 2018, which was tabled on 17th July, 2026.

HON. P.D. KUMAR.- Sir, I second the motion.

HON. S. TUBUNA.- Mr. Speaker Sir, I am pleased to present the Standing Committee on Economic Affairs.

(Laughter)

HON. S. TUBUNA.- My apologies, Mr. Speaker, Sir. It is a bit late into the night, and we are a bit confused.

I am pleased to present the Standing Committee on Economic Affairs Consolidated Review Report on the Tourism Fiji Annual Reports covering the period 2015 to July 2018. The Committee undertook its review in accordance with its parliamentary oversight role to ensure accountability transparency and effective management of the public resources allocated to Tourism Fiji.

At the outset, I wish to acknowledge Tourism Fiji, the Ministry of Tourism and Civil Aviation, stakeholders from the Northern and Western Divisions and all those who provided their submissions and valuable insights that assisted the Committee in carrying out its review.

The Committee notes that the period and review was marked by a strong growth in Fiji's tourism sector, visitor arrivals from 754,000 in 2015 to a record 859,000 in 2018, while tourism earnings reached approximately $1.96 billion. Despite the devastating impact of *Tropical Cyclone Winston* in 2016, the sector demonstrated remarkable resilience and recovery.

Tourism Fiji also expanded Fiji's presence in international markets, strengthened destination branding, and embraced digital marketing innovations that enhance Fiji's visibility globally. While these achievements are commendable, the Committee's role extends beyond celebrating successes. Our responsibility is to assess whether public funds have been used effectively, whether reporting obligations have been met, and whether tourism development benefits all Fijians.

It is in this regard that the Committee identified several important findings. One of the Committee's most significant findings relates to weak accountability and delayed reporting. The Annual Reports under review were tabled many years after the reporting period, with delays ranging from eight to 11 years. Such a delay severely undermines Parliament's ability to provide timely scrutiny and weakened public accountability over substantial funding provided to Tourism Fiji. Furthermore, the Reports focused heavily on promotional achievements, while providing limited discussions on challenges, lessons learned and performance outcomes.

Secondly, the Committee found insufficient transparency regarding marketing expenditure and effectiveness. Tourism Fiji received approximately $28 million during the review period. However, the Reports did not provide adequate information on marketing expenditure by market, campaign performance, return on marketing investment, or cost per visitor analysis. Consequently, Parliament and the public are unable to fully assess whether taxpayers are receiving value for money from these investments.

Thirdly, the Committee found that the benefits of tourism growth have not been evenly distributed across Fiji. While established tourism regions continue to receive significant attention, stakeholders from the Northern Division, outer islands, and rural communities highlighted the limited visible support and investment directed towards their regions. This reduces economic opportunities for communities that could otherwise participate more actively in tourism development. The Committee also observed the need to place a greater emphasis on high-value tourism segments, including Meetings, Incentives, Conferences and Exhibitions (MICE), destination wedding, marine tourism, cruise tourism, and yachting.

These sectors have the potential to protect high-spending visitors, lengthen visitor stay, and create broader economic opportunities throughout Fiji. The Committee has further identified concerns regarding tourism infrastructure, particularly in the Northern Division. In light of these findings, the Committee has made several recommendations:

(1) The Committee recommends strengthening tourism-Fiji's accountability and reporting framework.
(2) The Committee recommends improved financial governance and oversight.
(3) The Committee recommends that development of specific tourism strategies for underserved regions, including the Northern Division, sun coast, and outer islands. Such targeted strategies will promote more and balanced regional and tourism development and broaden economic opportunities throughout Fiji.
(4) The Committee also recommends increased support for community-based tourism enterprises; and
(5) The Committee recommends the establishment of an inclusive tourism benefit framework that will measure how tourism benefits are distributed across communities, small operators, and rural areas.

Mr. Speaker, Sir, the recommendations contained in this Report are intended to strengthen Tourism Fiji's performance, enhance public confidence, improving parliamentary oversight, and ensure that the benefits of tourism are shared more broadly across all the regions and communities of Fiji.

With those remarks, Mr. Speaker, Sir, I commend the Consolidated Review Report of the Tourism Fiji Annual Reports 2015-2018 to Parliament and request all honourable Members to take note of its findings and recommendations.

HON. P.D. KUMAR.- Mr. Speaker, Sir, the Report covers a period of significant growth in Fiji's tourism sector, and this is a very old report, during which international visitor arrivals increased to 859,000 and the revenue reached $1.96 billion. Today, in 2025, we know that the revenue has gone up to $2.81 billion and the visitor arrivals for 2025 was around 986,362.

During that period, Mr. Speaker, Sir, there were two other devastating impacts that affected the tourism sector. One was *TC Winston* and the other one was *TC Keni*. Both had a huge impact on tourism, but Fiji is what Fiji is. We were able to bounce back and continued with the visitors and our tourism continued progressing in that direction.

Mr. Speaker, Sir, I just wanted to highlight the annual report itself, the difficulty the Committee had in going through the annual report. The annual report was written very, very poorly. There was no target, no measurements, how do you measure the targets, there were no key information. If the Government is giving a large sum of money, they need to account for it. There were no measurements, how do you measure the targets?

There were no key information. If the government is giving last sum of money, they need to account for it. You cannot say that we had this campaign, we had that campaign. But what is the impact of those campaigns? They have offices around overseas but again, that needs to be accounted, whether those offices are performing well, are we getting value for money or not but we had a meeting with Tourism Fiji and we probed deeper.

What we found, the main reason for the delay in submitting the reports were two fire incidents, two, not one, two, and one cyber incident. There were three things that delayed the reports to Parliament. They had the option to accept qualified Report from Auditor-General, but they decided to reconstruct all the financial documents and put them together. However, lessons learned, they are now storing the records on cloud, so that is a progress. However, they still need to speed up and produce the rest of the reports and present it in Parliament.

Mr. Speaker, another issue that I wish to highlight is the Na Vualiku Project. Look, I just hope that the government will not take me wrongly. Remember this project was initiated way back during our days, when we went out for consultation, we were told by the Macuata Tourism Association, Savusavu Tourism Association, the level of discussion that took place in the initial stages when these documents were written.

For any project to be approved, obviously they've done the due diligence at that time. They understood the needs. And the whole idea of this project was to increase the tourism number. How do you increase the tourism number? That’s the focus. So, to increase the tourism number, there has to be things like airports, jetty, so that we can connect Savusavu to Taveuni in a much better way, and many other infrastructure.

Infrastructure is very important, but the way the presentation was made to the committee and the feedback that we got from the stakeholders, I think this is an early stage. It is important that there is an enquiry done on this particular project, so that from the start, we know what is happening.

It is important that we do it. Otherwise, it will be another project that we had with FSC, where we had taken the loan and then we know what the outcome was, and this is not a grant. This is still a loan. Therefore, we need to focus on the best outcome that we can get from this project. That is all I wanted to emphasise.

HON. V.R. GAVOKA. - Mr. Speaker, Sir, I rise to speak on the consolidated report, review report on tourism in Fiji, covering 2015 to 2016.At the outset, I acknowledge that the matter under review of the committee relates to an earlier period of almost more than a decade. Nevertheless, the committee has raised matters that remain highly relevant to how we govern mass and rural tourism today. The report recognises the strong performance of the sector during those years, as highlighted by the honourable Kumar.

Visitor arrivals from 754,835 in 2015 to 859,132 in 2018, with earnings reaching approximately $1.96 billion. It also acknowledges tourism in Fiji's response following Tropical Cyclone Winston, an expansion into international markets, stronger digital marketing, and continued development of the Fiji tourism brand.

Mr. Speaker, Sir, the Committee also identifies important weaknesses. These include delayed annual reporting, insufficient disclosure, on marketing effectiveness and return on investments, uneven distribution of tourism benefits, limited data on inclusive tourism outcomes, and the need for stronger business-based planning and governance. These are legitimate issues because public funding must be matched by clear evidence of results.

The honourable Minister recognises these important observations and has been working with Tourism Fiji to improve governance and oversight mechanisms. I particularly note the Committee's recommendations for stronger reporting on cost per visitor, return on marketing investments, office costs and KPI performance. Tourism Fiji must be able to demonstrate not simply how much is spent but what spending delivers for Fiji.

The same principles apply to the Committee's call for stronger financial governance, timely audits, and greater accountability. Also welcomed the emphasis on regional and community-based tourism. The direction of government today is consistent with these objectives.

The National Sustainable Tourism Framework 2024-2034 places sustainability, resilience, and inclusivity at the centre of tourism development with a clear intention that benefits reach communities and that tourism supports cultural livelihoods and environmental stewardship.

Our work in Vanua Levu through Na Vualiku is also focused on tourism-enabling infrastructure, visitor connectivity, enterprise development, and community-based tourism. Let me just state here, Mr. Speaker, Sir, that the preliminaries what is known as ITMP, or the Tourism Master Plan for the North, I have seen the preliminaries, and you have to look at this long term.

In 25 years, the tourism income for Vanua Levu will grow from $238 million to $1.3 billion. We have to look at this long term, Mr. Speaker, Sir, once it is completed, we can share that with the Parliaments, but these are preliminary numbers that I have got, it is all part of the planning.

On infrastructure, Mr. Speaker, Sir, we have strengthened the Labasa Airport. They are putting in there a remote-control tower that is happening soon. For Savusavu, we have two initiatives right now. One is whether we can extend Savusavu in its current form to take a bigger aircraft. A feasibility study is ongoing right now.

Over the years, people have said it cannot be done because of the hills and all that, but there are people who say it can be done. The World Bank is carrying out the feasibility study now and a greenfield airport, a new airport around Savusavu. Taveuni also, they are taking the HR72. So, airline connectivity is key, and it is happening, Mr. Speaker, Sir. It is the nature of the base with the World Bank projects.

There is a lot of consultations, as highlighted by honourable Kumar. Before it started, there was huge consultations, and everything they do must go through consultations. At this point, because we do not have the expertise locally, we have to bring in experts from outside to come and lay the foundation for the next stages.

Mr. Speaker, Sir, MSMEs is a huge part of it. It has been launched, and I think, to the tune of $8 million. So, I am just worried that some people are listening to a faction in Vanua Levu and say, it must run an inquiry. This is the World Bank, this is the way they do things, and it is progressing well. As I have said, Mr. Speaker, Sir, 25 years from today, Vanua Levu is going to be very different.

I have seen the preliminaries, like I said, and I will share it with the house soon, but it is comforting to see that we are heading in a way that even shows a reversal in migration rates from Vanua Levu to Viti Levu. Can we just cool it, please, and not listen to some disgruntled faction in there and ask for inquiries. I support the Report.

HON. F.S. KOYA.- Mr. Speaker, Sir, I will be very brief, purely because a lot has been said. We are very long in the tooth today, and this report actually is from back to 2015 and 2018. Moving forward, just a little point on what the honourable Deputy Prime Minister, Gavoka has actually mentioned with respect to Vanua Levu, 25 years goes by very quickly.

What we must remember in the Na Vualiku Project, what questions need to be asked. If you are going to set it up to mean that we will extract billion dollars out of tourism in the North, the most critical part or component of all of it is that each successive government in that 25 years must ensure that the necessary infrastructure is put in to ensure that we have the necessary hotels in that space. There is no use putting a fantastic airport in there if you do not have the beds. It is the same problem that we face right now in Viti Levu and the Mamanucas.

We do not have enough heads on beds. We have done phenomenal in terms of tourism. Now we are up to a million plus in terms of getting that amount of people. The capability of Fiji Airways is three million passengers that it can bring in, but it cannot because we do not have the space.

I remember a few years ago, we had the opportunity to host one of the large conferences from around the world on oceans, if I can remember correctly, but we simply did not have enough beds to cater. When you do this and when you talk about it, the brilliant project and say all these things, Tourism Fiji can do a phenomenal job and is our marketing arm, that is why they get a massive budget to do all these things. However, it has to be done strategically, in line with the fact that if you are doing x, then you must do y, which is the necessary infrastructure.

If you look at what is happening in Denarau now, there is an absolute infrastructure overload. We cannot supply the sewage and water properly. These are hard facts that you need to speak on, honourable Minister. These are the things that need to go in. Every successive government, whether it is that side of the House, or this side of the House, or someone completely new …

(Hon. V.R. Gavoka interjects)

HON. F.S. KOYA.- You see, the problem here is the best part that they think of their machinery is blame it on everyone else. I will just put it into perspective. There is a particular person on the other side of the House who knows himself very well, and has his habit of saying 16 years, but guess what? You had one quarter of that and you have done nothing. In the last four years, you have done nothing. So, let us not go back there, but I am talking about the benefit of Fiji. It is no use blaming us. When you do not like it, you are trying to say, "Oh, you people did not do anything in the last 16 years." Well, you have not done anything in the last four years. All you have written on is our projects.

The point here is, in terms of tourism Fiji, it is the best thing for us, but we must remember tourism is a private sector driven industry. We only have tourism Fiji with respect to marketing. It obviously needs some corrections or guidance sometimes. Obviously with a great board, it will do so.

The recommendations that have been put in there by the Committee are valued, but it obviously looked at only 2015 right through to 2018. A word of warning, anything we do with respect to whether it is Na Vualiku Project or whatever, all of that needs to work hand in hand. I see the honourable Minister for Infrastructure is not here, but he would have been able to confirm whether there is enough infrastructure going in at the same time as us looking at these particular projects.

HON. N.T. TUINACEVA.- Mr. Speaker, Sir, I want to start with what I believe is the most important issue in this report – accountability. These annual reports were compiled some eight years to eleven years back. That is a long time. An annual report that is overdue by eight years to 11 years in Parliament may tell us what happened, but it does not help Parliament hold anyone accountable when it matters. Tourism Fiji received substantial Government funding, public money. Parliament, therefore, needs timely and accurate reporting on how that money is being used and what it is achieving.

The Committee also found that the reports focus largely on achievements rather than giving a full picture of performance, challenges and outcomes. Mr. Speaker, Sir, there is nothing wrong with reporting achievements. We want tourism Fiji to succeed. However, an annual report is not a promotional document, it is an accountability document. It should tell us what worked, what did not work, where the money was spent, and what results came from that investment.

This brings me to my second point. Who is benefiting from the growth of tourism in Fiji? Tourism has been one of the most important industries for our country. We know the contribution it makes to employment, businesses and communities. However, the Committee has raised an important concern: tourism promotion remains concentrated around established tourism destinations, while the Northern Division, the outer islands and rural communities receive limited visibility.

As I have already said, Mr. Speaker, Sir, it is an old report. Findings are from those old reports. The situation may be different now under the Deputy Prime Minister and the Minister for Tourism's leadership.

Mr. Speaker, we need to spread opportunities. There are communities throughout Fiji with some to offer our culture, our environment, our food, our oceans and our way of life. Small tourism operators and community-based operators may not have the marketing budgets for digital skills of the big operators. That is why I support the Committee's recommendation for Tourism Fiji and the Ministry of Tourism to provide digital marketing support to community tourism operators. The products and experience are already there. Visibility is missing

The Committee has also recommended greater focus on high-value tourism, including meetings, conferences, destination weddings, marine tourism, diving, cruises and yachting.

These are opportunities that Fiji should continue to develop. But as we grow tourism, we should also be able to answer a very simple question: How much of that growth is reaching our communities? Community has recommended an inclusive tourism benefit framework with measurable indicators to track how tourism benefits reach rural communities, iTaukei communities and small tourism operators.

I believe that is important because tourism success should not only be measured by how many people arrive in Fiji or how well we market Fiji overseas. It should be measured by what tourism does for our people. Does it create jobs? Are there opportunities for small businesses? Does it bring income into rural communities? Does it give more parts of Fiji the opportunity to participate?

Mr. Speaker, Sir, if tourism is everybody's business, then we should work towards ensuring that its opportunities and benefits reach more of our people. That starts with accountability. Show us those results and those benefiting communities across Fiji. and, importantly, tell us on time. That. Mr. Speaker, Sir, is how we build a tourism industry that is not only successful, but inclusive and accountable.

HON. S. TUBUNA.- Mr. Speaker, Sir. I would like to thank the honourable Members for their contributions, and I think their contribution has adequately not covered the areas that are to be addressed by the honourable Minister. The honourable Minister looks better on the Report. I have no other comments to make, and I do support the motion before the House.

MR. SPEAKER.- The Parliament will now vote to note the content of the Report.

Question put.

Motion agreed to.

CONSOLIDATED REVIEW REPORT – INVESTMENT FIJI 2022-2024 ANNUAL REPORTS

HON. S. TUBUNA.- Mr. Speaker, Sir, I move:

That Parliament debates the Consolidated Review Report on Investment Fiji 2022-2023 and 2023-2024 Annual Reports, which was tabled on 17th July, 2026.

HON. P.D. KUMAR.- Mr. Speaker, Sir, I second the motion.

HON. S. TUBUNA.- Mr. Speaker, Sir, I am pleased to present the Standing Committee on Economic Affairs Consolidated Review Report on Investment Fiji Annual Reports 2022-2023 and 2023-2024. This review was undertaken pursuant to the Committee's mandate to scrutinise the performance, the governance, accountability, and effectiveness of public institutions and statutory bodies entrusted with public resources.

At the outset, I wish to acknowledge Investment Fiji, the Reserve Bank of Fiji, and all stakeholders who contributed to this review process through written submissions and oral evidence. Their cooperation enabled the Committee to undertake a thorough assessment of Investment Fiji's performance and reporting during the review period.

Mr. Speaker, Sir, Investment Fiji plays a critical role as Fiji's national investment and trade promotion agency. The Committee recognises the organisation's effort to attract investment, facilitate exports, strengthen international partnerships, support business development, and contribute to Fiji's economic growth agenda.

The review period, Investment Fiji actively promoted Fiji through international investment forums, business missions, trade exhibitions and engagement with development partners and investors across multiple sectors. The Committee noted a number of positive outcomes. Investment Fiji reported increasing foreign direct investment inflows and managed a portfolio of 254 projects with approximately 42 percent progressing to the construction stage.

The Committee also commends Investment Fiji for diversifying investment beyond traditional sectors with investments being promoted in agriculture, renewable energy, information and communication, technology, real estate and other emerging industries. Such diversification is important for strengthening economic resilience and reducing reliance on a limited number of sectors.

The Committee further noted positive progress in export promotion activities. Export earnings increased significantly from approximately $55.8 million in 2022-2023 to $84.9 million in 2023-2024, while export rates grew from 940 to 1,027. These results reflect Investment Fiji's effort to expand opportunities for Fijian exporters in international markets across Asia, Europe, North Pacific and the Pacific.

However, Mr. Speaker, Sir, while recognising these achievements, the Committee review identified several important concerns:

(1) The Committee's key findings relate to both performance and governance reporting. The annual reports provided very limited information on the performance of the Board. Neither reports disclosed the Board's key performance indicators, number of meetings held, attendance records of members and outcomes of board and subcommittee deliberations.

(2) The Committee found that verification of performance remains inadequate. Reported figures relating to investment outcomes, employment creation, export and civil and diaspora investment initiatives were not independently verified through relevant agencies such as Reserve Bank of Fiji, Bureau of Statistics, Fijian National Provincial Fund or other government agencies. The absence of independent verification limits confidence in the reliability and credibility of reported outcomes.

(3) The Committee was also concerned about the reporting of employment crisis figures. While the reports highlighted thousands of jobs generated through the investment process, there was insufficient explanation regarding how these figures were measured.

(4) Another area of concern relates to investor aftercare services. The Committee noted that aftercare services are a crucial component for investment promotion. However, the reports did not adequately explain the number of investors assisted the challenges investors encountered, the interventions undertaken by investment Fiji on the outcomes achieved.

(5) The Committee also identified challenges affecting Fiji's broader investment climate, including delays in regulatory approvals, infrastructure readiness constraints, and the need for stronger coordination amongst Government agencies. Furthermore, the committee observed that approximately 90 percent of investment Fiji's budget is allocated towards staff and personal expenses, leaving only a small proportion available for investment promotion and facilitation activities.

Mr. Speaker, Sir, in response to these findings, the Committee makes several recommendations aimed at strengthening investment Fiji's effectiveness and accountability. Firstly, the committee recommends that investment Fiji strengthen its corporate governance and accountability reporting by including comprehensive information on board's performance.

Secondly, the Committee recommends that all major performance indicators and reported outcomes be independently verified through formal data sharing arrangements with relevant agencies. Thirdly, the committee recommends the establishment of a formal interagency coordination mechanism involving Investment Fiji, the Reserve Bank, the Fiji Revenue and Customs Service, Fiji National Provident Fund, Bureau of Statistics, and Registrar of Companies.

The Committee also recommends that great attention be given to improving infrastructure readiness, including utilities, transport system, and digital connectivity. In addition, investment Fiji should provide comprehensive reporting on investor aftercare services. The committee further recommends improvements on the overall quality of the annual report by providing detailed, accurate, and verifiable information across all Investment Fiji's core functions, including investment facilitation, aftercare services policy, advocacy, and project level performance data.

The Committee believes in the implementation of these recommendations will enhance investment Fiji's performance, strengthen investor confidence, improve accountability, and further position Fiji as a competitive destination for investment and trade. With those remarks, Mr. Speaker, Sir, I commend the consolidated review report of the Investment Fiji Annual Report 2022-23 and 2023-2024 to Parliament and respectively request all Honourable Members to take note of the findings and recommendations contained herein.

MR. SPEAKER. - I thank the Chairperson of the Standing Committee on Economic Affairs. The floor is now open. Honourable Members, for debate on the motion, I have a list of speakers. At the end of the debate, we will grant honourable Tubuna the right of reply.

HON. S. NAND. - Mr. Speaker, Sir, I rise to acknowledge the consolidated review report of the Standing Committee on Economic Affairs on the Annual Reports of Investment Fiji for the year 2022-23 and 2023-24.

At the outset, I wish to thank the Chairperson and the members of the committee for their thorough review and constructive recommendations. Parliamentary oversight is an important part of strengthening our public institutions. The observation contained in this report provides us with an opportunity not simply to reflect our past performance, but also to work collectively towards improving the systems and environment necessary for sustainable economic growth and investment.

Mr. Speaker, Sir, the report acknowledges that investment Fiji has continued to play an important role in promoting Fiji as an investment and trade destination. During the reporting period, its activities expanded across a range of international investments, forums, business missions, and trade promotions. The report notes positive outcomes in investment promotion and export development, including increased export performance and efforts to diversify investments into sectors beyond tourism, such as agriculture, energy, real estate, and ICT. These achievements are encouraging. However, the Report also rightly identifies areas where further improvement is necessary.

The Committee has highlighted the need for a stronger performance reporting, improved verification of data, enhanced governance disclosures, better interagency coordination, and more comprehensive reporting on investor aftercare and project outcomes. It has also identified the importance of ensuring that adequate resources are directed towards investment, promotion, and facilitation.

Mr. Speaker, Sir, we accept these observations in the constructive spirit in which they have been made. But strengthening investment outcomes cannot be the responsibility of one institution alone. Creating an environment that encourages investors to invest, businesses to expand, and entrepreneurs to take the risk requires a whole-of-government and whole-of-economy approach. An investor experience does not begin and end with Investment Fiji.

It is saved by the efficiency of approvals, the clarity of regulations, the availability of infrastructure, access to reliable information, and the level of coordination between Government agencies. It is therefore incumbent upon all relevant ministries, statutory bodies, and regulatory agencies to work together to reduce unnecessary barriers and create a more efficient, predictable, and investor-friendly environment. This is particularly important as we seek to encourage both foreign and domestic investment.

The Report notes that significant participation of domestic investors in Investment Fiji's portfolio. Supporting local investors and business must therefore remain an integral part of the economic development agenda. A strong domestic private sector creates employment, drives innovation, and provides the foundation upon which international investment partnerships can grow.

Mr. Speaker, Sir, the Ministry is committed to working collaboratively with Investment Fiji and relevant stakeholders to address the areas identified by the Committee. These includes strengthening data sharing and verification, improving coordination across agencies, enhancing investment facilitation, and ensuring greater accountability through accurate and measurable reporting.

We must be firm in our commitment to results. Investment commitments must translate into genuine projects. Projects must be facilitated efficiently, and the outcomes must be measured credibly. At the same time, we must recognise that sustained economic growth requires partnership. Government must create an enabling environment, institutions must work together effectively, and the private sector must have the confidence to invest, innovate, and grow.

Mr. Speaker, Sir, this Report provides a valuable roadmap for improvement. The ministry welcomes this recommendation and remains committed to working with Parliament, Investment Fiji, Government agencies, development partners, and the private sector to build an environment that is conducive to investment, enterprise, and sustainable economic growth.

Together, through stronger coordination and greater accountability and a shared commitment to removing barriers, we can create the conditions for an investment to flourish and ensure that economic growth delivers meaningful opportunities for the people of Fiji. Thank you, Mr. Speaker, Sir, and I commend this Report to Parliament.

HON. F.S. KOYA.- Mr. Speaker, Sir, I will be very brief because the Report has some good findings, just wanted to raise one or two issues that probably need to be added, especially with respect to Issue No. 4.4 that was raised regarding the export performance and export promotion that actually represented most consistent positive performance area across two different periods.

I spoke about export growth from $55 million to $84.9 million in 2022 and 2023 at some 52.3 percent of an increase, but the issue that has been raised that, the Report does not either establish how the export values are independently verified, and in the absence of cross-referencing from the Bureau of Statistics; these figures remain self-reported and unaudited. These are questions that need to be asked and when they actually do that, it is something that is very important for us to get the correct figures with respect to export performance.

In terms of employment creation and whether it is unverified and untracked, the issue was raised by the Committee, and I think correctly so. The Report actually claims that 6,104 new jobs from investment projects, 2022-2023, and 2023-2024 claimed 7,399 new jobs. But the Report did not explain how the employment creation is measured in the project lifestyle, and there was no evidence in either report that Investment Fiji has a systematic mechanism for verifying whether these are projected jobs or actual jobs. These are very important information that we need to know.

The other issue that was raised, and it is actually quite important, was the sector diversification that they spoke on, and the fact that from an investment portfolio perspective, Investment Fiji for diversified investments beyond tourism, has to look at projects in agriculture, energy, real estate, and ICT in order to ensure that we have some good sustainable economic growth. Also, the challenges in attracting the investment, whether it is being recognised, such as the economic uncertainties, regulatory approval, timeframes, infrastructure readiness, as I had mentioned earlier, which affects its ability to attract and facilitate new investments. These are things that need to come out in numbers and facts and figures.

I see that in terms of existing support to local investors, 59 percent of the projects in Investment Fiji's portfolio were actually led by domestic investors. Again, it highlighted the need to support our local investors for economic development. Interagency coordination, I think a lot of that also has to do with the digital space, and there is a need for improved coordination amongst all the different Ministries, and aftercare services that was spoken about.

Lastly, Sir, but probably more importantly, I think the issue being raised about the promotional and operational budget for Investment Fiji, the Committee actually found that 90 percent of the Investment Fiji's budget is actually allocated towards its operational costs and towards staff, leaving only 10 percent for investment promotion, which is its core business and facilitation activities. So, with this budget ratio mentioned by the Committee, Investment Fiji will face constraints to market investment opportunities and export potentials abroad.

I know that the Deputy Prime Minister, the honourable Kamikamica was actually quite intent on ensuring that we go out all around the world to ensure that we attracted all that investment. This is an area that we need to look at in terms of their budget and how it is utilised and how we should even give them more in terms of marketing, because that is Fiji's promotional machine in order to get that particular investment into the country. With those few words, I support the Committee's recommendations with respect to those issues.

HON. PROF. B.C. PRASAD.- Mr. Speaker, Sir, I think the report is very well crafted. I thank the Committee for going through a number of issues with respect to investment potential, investment barriers, and the nature of investment. Right now, our total investment as a percent of GDP is around 20 percent. In our development plan, we have said very clearly that on average, we would need between four to five percent growth annually if we want to reach a status of a high-income country by 2050 and that is a significant undertaking in terms of a National Development Plan.

For the first time, we are saying exactly where we want to go by 2050, which is the Vision 2050 and if we are to get to that status by 2050, we will need to grow at about four to five percent annually on a sustained basis which means that we would need to have at least 25 to 30 percent of GDP investment rate annually over the next 10-15 years. For that, we would need quality investment and we have talked about this in this House before.

The Deputy Prime Minister has talked about it on a number of occasions with respect to the type and target of investments. So, Fiji, obviously needs targeted investments that:

- Create skilled and well-paid employment;
- Generate exports to replace imports, transfer technology and knowledge;
- Use local suppliers and MSMEs;
- Develop renewable energy and green industries;
- Expand agriculture and manufacturing; and
- Strengthen the digital BPO economy.

Another important point is investments that also bring regional development. For example, Vanua Levu in the maritime islands where there are additional resources. So regional development, Mr. Speaker, Sir, is also very important and we have to provide incentives and policies to bring that kind of investment to these areas.

While we put a lot of emphasis on tourism investment, projects, hotels and infrastructure are very important, however, we should also aggressively promote investment in agro processing, manufacturing, ICT, BPO, renewable energy and we discussed earlier about health services, education, pharmaceuticals, fisheries and other export-oriented industries as well. So, economic diversification or investment diversification is also very important, and we have done actually quite a lot in terms of that kind of diversification, particularly in agriculture. We have now been able to attract private sector investment in agriculture. We have FIJI Water and other companies also doing that. So that kind of diversification in our investment is going to be very important.

Mr. Speaker, Sir, the Committee identified some of the areas where we need improvement, better facilitation, one-stop shop kind-of investment approvals, and the ability of all the different agencies to work together, including those that facilitate different investment approvals that are required, such as the Environmental Impact Assessment, iTaukei Land Trust Board and Ministry of Lands. These are all very important institutions that also need to support and up their game in terms of efficiency and the ability to support investment approvals so that investors feel attracted to the country.

I think investors want to come, however, we also have to make it more attractive and with better incentives, I think we can improve the level of investment in our country to more than, 25 percent, which will help us to grow at the rate of 4 percent to 5 percent. With those few words, I support the report, Mr. Speaker, Sir.

HON. S. TUBUNA.- Mr. Speaker, Sir, I would like to thank the honourable Members for their available contribution, and most of them addressed the very important points, which I hope that the honourable Minister, when he is scrutinising this report, is taking into account all the issues that have been raised and to ensure that most of these are being implemented. I would like to thank everyone for your contribution, and I do support the motion before the House.

MR. SPEAKER.- The Parliament will now vote to note the content of the Report.

Question put.

Motion agreed to.

MR. SPEAKER.- Honourable Members, that brings us to the end of sitting today. It has been a long and gruelling day. The House has endorsed and agreed to take note of 14 Reports from your Standing Committees, and I think, as far as my experience, that is a record for me.

Before we adjourn for the night, I would like, on behalf of the Secretary-General and the staff of Parliament, to thank you all - the Standing Committees, the Chairs, and the Members - for acknowledging in your report the assistance of your Secretariat, the support staff of Parliament. It may appear trivial to some, and I know it is a standard content requirement, but we do value them greatly. They are not thanked publicly, and oftentimes they also travel and leave their families behind to accompany you to other parts of the country. So, your acknowledgement of them in the forewords and prefaces of your reports, I can assure you, means a lot to us, instilling confidence and pride in their work. On all of their behalf, I thank you all, Members of the Standing Committees and Members of Parliament. Parliament is now adjourned until tomorrow at 9.30 a.m.

The Parliament adjourned at 11.23 p.m.