

## MONDAY 1<sup>ST</sup> DECEMBER 2008

The Deputy Speaker, Hon. Kengava took the Chair at 9.30am

Prayers.

### ATTENDANCE

At prayers, all were present with the exception of the Minister of Rural Livelihood and Indigenous and Members for Central Guadalcanal, Savo/Russells, Central Honiara, North West Guadalcanal, West Makira and South New Georgia/Rendova.

### **MESSAGES AND ANNOUNCEMENTS**

**Hon. KENGAVA:** Honorable Members I wish to inform the House that throughout the world, today is recognized as World AIDS Day. 2008 also marks the 28<sup>th</sup> anniversary of the World AIDS Day. The theme for the World AIDS Day 2008 is “**Leadership**” and the campaign slogan is ‘**Stop AIDS, Keep the Promise**’. This theme emphasizes that leaders at all levels should collectively work together to stop AIDS. Building onto the 2006 theme of accountability, this year’s theme recognizes the discrepancy between the commitments that have been made to halt the spread of AIDS and actions taken to follow them through. This year’s theme focuses on empowering individuals. As Members have been advised the Ministry of Health and Medical Services will be holding a briefing for Members and staff at 12 o’clock in the main conference room today. I encourage all Members to attend. Lunch will be provided by the Ministry of Health and the Ministry of Finance. Thank you.

### **QUESTIONS AND ANSWERS**

#### **Legal Affairs: National Lawyers**

1. **Hon. SOGAVARE** to the Minister for Justice and Legal Affairs: Would the Minister inform Parliament whether the country has enough national lawyers in terms of the national requirement and how many lawyers does the country need to produce to meet the sectoral demand?

**Hon. KAUA:** Mr Speaker, I thank the Leader of Opposition for asking the question. While there have been a lot of lawyers in the country now, that does not necessarily mean that the national requirement of the sectoral demand are being met. Although we have senior and experienced lawyers in the country now, the Public Service is not able to attract them into the senior sectoral division in the Public Service.

There are some underlying issues that need to be addressed, for example, there is a gap between the head of division and the new lawyers being absorbed into the system. This can be seen in the DPP's Office, the Public Solicitor's Office, the Attorney General's Office and also in the Magistracy. In the Magistracy, for instance, we do not have senior experienced principal magistrates apart from Mr Maena. This is not good for us and must be addressed with seriousness and determination otherwise we will continue to rely on expatriates to come and do the work for us for a number of years without making any real progress.

We do not at this stage have information on the number of lawyers the country as a whole needs. But the country still needs more national lawyers. The Justice Sector alone still needs national lawyers, especially senior lawyers to fill current positions, which have been vacant for a number of years.

In 2008, the Justice Sector has a total of 88 positions needing legal qualifications of which about 57 positions are filled and 31 positions vacant. In 2009, the Justice Sector will need a total of 96 positions needing legal qualifications of which 58 positions will be filled and 38 vacant positions.

**Hon Sogavare:** Mr Speaker, before I ask a supplementary question I would like to thank the Minister for his very elaborate answer. The question is very simple. I guess what the Minister is telling the House is that he is trying to justify why the government should not be training more lawyers, which I did not rightly get. I would like to find out more from the Minister whether the government is going to train any more lawyers or not? Have we got enough lawyers at the moment, Mr Speaker?

**Hon. SIKUA:** Mr Speaker, in 2008 the Justice Sector needs a total of 89 positions of people with legal qualifications. Out of that, about 61 positions are filled, which means 28 positions are still vacant. In 2009 we will need a total of 98 positions, of which 55 are going to be filled and 43 positions vacant due to resignation, discipline and increase in the number of positions that are required. At the end of this year, Mr Speaker, we will expect 21 lawyers graduating and in 2009 we are expected to have another 12 lawyers graduating and in 2010 it looks like only three lawyers will graduate.

The low number in 2010 is due to the fact that in 2005 the Ministry of Education placed a moratorium on law training, but I am informed that this is

going to be opened up this year to continue offering law scholarships, which range from 10 to 15 every year. Thank you.

**Hon Sogavare:** Mr Speaker, when considering the need for legal lawyers, do we only consider the need of government or do we also consider the need of the country in the various sectors? Because the way answers are given now is that we are only concentrating heavily on the needs of government.

**Hon. WALE:** Mr Speaker, since this question concerns a bit of human resource planning, I will help to clarify the situation. There was a national skills requirement study that was done that looks at every sector in our society, the non state sector and the state sector, and the Ministry of Planning and the Ministry of Education are involved in that study. Out of that study, today we are basing scholarships training on what the Ministry called 'opportunity list' – scholarships based on the study are awarded in the different disciplines determined by the need in the different sectors. So it is not only in terms of requirements of the government in the public service but also in the statutory authorities, the private sectors, the churches and the civil Society widely. I think it looks at the need of the whole country. Thank you, Mr Speaker.

**Hon. Sikua:** Mr Speaker, what I mentioned is that as of next year we will continue to have people go to train as lawyers, not only pre-service but also the ongoing in-service, which I think there are five of them who are now training at this time.

**Mr Soalaoi:** Supplementary question concerning the moratorium on training of lawyers in 2005. Mr Speaker, I guess the reason why there was a moratorium is because there are enough lawyers or too many lawyers have been trained. That seemed to be the only reason why there was a moratorium.

Mr Speaker, the two areas in the Justice sector that seem to be lacking lawyers is the DPP and the area of legal draftsman. Sir, can the House be informed why there are not enough lawyers in the DPP and not enough Legal Draftsman? What is the reason why there are not enough lawyers in these two areas?

From what I heard, Mr Speaker, since the Ministry is planning to increase the number of lawyers taking up scholarships, that also indicates we already have enough lawyers in the country but where are these lawyers at the moment?

**Hon. Kaua:** Mr Speaker, this is a special area, and it will take a while before they can train people for those areas, and that is why you see people training for lawyers they will have to be trained in those special areas.

**Hon Sogavare:** Mr Chairman, just a last supplementary question. What progress have we made so far in training these specialized people now?

**Hon. TOZAKA:** Mr Speaker, we have our people training now under pre-service arrangement in these special areas. We are now revisiting the bonding system too. Thank you.

**Hon Sogavare:** Mr Speaker, I thank all the Ministers for answering this question.

### **National Health Care Infrastructure Review**

**3. Hon SOGAVARE** to the Minister for Health and Medical Services: Would the Minister advice Parliament on the finding of the National Health Care Infrastructure Review to assist in the formulation of an equitable infrastructure distribution plan?

**Hon KOLI:** Mr Speaker, I would like to thank the Leader of Opposition for his question. Mr Speaker, I would like to advice the Honorable House that the National Health Infrastructure Review has been progressing since 2005. The first part of the Review was done on Area Health Centres in 2005. The second part was done on Rural Health Clinics in 2006.

Sir, according to the 2006 Review report held at the Ministry of Health Statistics Unit, there are currently 323 clinics around the province. Currently there are 10 hospitals, 29 area health centers, 5 urban health clinics (mainly in Honiara), 106 rural health clinics and 173 nurse aide posts.

Sir, the current Review only concerns with physical inspection of building structure, materials and services, site planning, facilities, furniture, equipment, transport and communication based on the minimum standard of clinic infrastructure requirement for clinic design developed by the Ministry of Health.

Sir, the next move by the Ministry of Health is to build on the current geographical information system (GIS) to assist the Ministry of Health determine the physical distance from the nearest clinic to villages and communities. The new information will help the Ministry of Health to determine the location of new clinics or work out alternatives to relocate where necessary.

Mr Speaker, I would like to update the Honorable House that access to primary health clinics has improved since 1997. Our recent reviews revealed that the ratio of clinic to population has improved from one (1) clinic to 1,737 populations to 1 to 1,549 in 2005. Sir, the details of the reports mentioned can be available to Honorable Members.

From the 2006 review, 282 were fully operational. The review report revealed that the Honiara clinics determine the highest population ratio with 1 clinic to 6,404 people. Thank you, Mr Speaker.

**Mr OTI:** Mr Speaker, can the Minister inform the House of the study's projections in the light of the 3.5% increase in population and other demographic consideration in terms of population movement? What is the projection in the next 10 years for additional new clinics?

**Hon Koli:** Mr Speaker, it depends on the Geographical Information System (GIS). Once that is established everything will be input there. Thank you.

**Mr Oti:** Mr Speaker, is the Minister saying that he does not have the report with him as yet? Can he confirm that?

**Hon Koli:** Mr Speaker, we will put together all necessary information as well as proposals for new clinics are coming up. As a result, for you information, the upgrading of the Malu'u Area Health Center and the Vonunu Area Health Center are the outcome of the survey in trying to upgrade all the area health centers. Thank you.

**Mr Oti:** Mr Speaker, apart from the normal population increase, what about specialization from the clinics because of the changing pattern in health, diseases or ailments that are starting to take on this time. For example, we only have one diabetic centre, but what about the scope of having it closer to where the community is. Are such factors also identified in the studies, Mr Speaker?

**Hon Koli:** Mr Speaker, everything will be in the package in line with your question. Thank you.

**Hon Soalaoi:** Mr Speaker, based on the review, how many areas have been identified as needing new health facilities and how many of existing ones are qualified for upgrading. For those qualified for upgrading, Mr Speaker, if the House can be informed of the benchmarks for upgrading.

**Hon. Koli:** Mr Speaker, in the review we have infrastructure plan already in place. What you have highlighted is also indicated in the infrastructure plan. Thank you.

**Mr Soalaoi:** Mr Speaker, just following up on that question. Can the Minister inform the House that since the review started in 2005 on area health centres, in

2006 the review focused mainly on rural health centres and so I guess there are already some information available on area health centres as to how many are qualified for upgrading? Can the Minister inform us of any numbers or not yet?

**Hon Koli:** Mr Speaker, thank you for the question. As I indicated earlier on, as a result of this review we are upgrading the Malu'u Area Health Center and the Vonunu Area Health Center. Thank you.

**Mr SITAI:** Mr Speaker, in the answer provided by the Minister regarding this review, can he indicate the manpower situation? Is manpower included in the review or are we just talking about facilities? The manpower aspect is important because new facilities as well as the others will need to be served by wide manpower and so can an indication of that be provided or is it part of the review. Thank you.

**Hon Koli:** Mr Speaker, according to this review there is clear indication of shortage in manpower. That is clearly stated in the review. Thank you.

**Mr MAELANGA:** Mr Speaker, can the Minister explain to the House whether that review covers all provinces? What I seem to hear is that it did not cover all area health centers around the provinces.

**Hon Koli:** Mr Speaker, it is a national review and so it covers all the provinces.

**Hon Sogavare:** Mr Speaker, may be just a last supplementary question. The Minister has outlined the clinic to population ratio. One of the objectives of this review is to help us know where to locate the clinics and hospitals, I think within an hour walking distance for our people in the rural areas. That is one of the main objectives of this review.

If the ratio the Minister told us about is translated to walking distance between the clinics, how does that clinic to population ratio translated to walking distance or the distance between two clinics is established so that people only walk one hour between the clinics?

**Hon Koli:** Thank you for that supplementary question. That will be in the next stage under the geographical information system to demarcate the distance from one clinic to another population wise.

**Hon Sogavare:** Mr Speaker, before I thank the Minister, this is a very important service to our people, and some parts of the review have already been completed in 2005/2006 and what it requires now is actions. I hope the government will

take note of that and maybe in the next budget we will see some action on it. Mr Speaker, I thank the Minister for answering my questions.

### **Aviation: Vanikoro Airport project**

**47. Mr OTI** to the Minister for Communication and Aviation: Will the Minister advice Parliament of the progress made in reactivating the Vanikoro airport project as alluded to by the government in April this year?

**Hon. LONAMEI:** Mr Speaker, I would like to thank the MP for Temotu Nende for the question.

Mr Speaker, as alluded to in April this year, the progress made in reactivating the Vanikoro airport is quite slow. Nevertheless, the Civil Aviation Division in my Ministry will be working together with Tourism and Trade division so that we can put efforts together in making progress on the front of safety and grading internationally.

Mr Speaker, my Ministry is also working with the contractor who was awarded the contract on the best way possible for the progress work of Vanikoro airport and the Gwaoa airstrip. We have come to the understanding that maybe in the second quarter of next year we can work on Gwaoa and Vanikoro at the same time. Thank you Mr Speaker.

**Mr Oti:** Mr Speaker, I will be asking the same question the same time next year. I thank the Minister for his response. While I am standing up, Mr Speaker, the next question is mine and so can I ask it?

**Mr Speaker:** Point of order Honorable Member. I understand the Minister is engaged in an official engagement and therefore Question No. 48 can be deferred to the next question time.

**Mr Oti:** Point of order, Mr Speaker. I thought the Prime Minister will step in as he did for the Minister of Lands last Friday. But with your explanation I accept the verdict. Thank you.

**Hon Sikua:** Mr Speaker, the Honorable Minister for Foreign Affairs and Trade has specifically requested when he came to meet this morning in the office that he want to be responsible for answering the question and so I hope we can grant him his wish. Thank you.

*Question No.48 deferred*

**Lands: Alienated Land Use Development Policy**

**76. Mr BOSETO** to the Minister for Lands, Housing & Survey: In relation to the government's policy to develop a land use development policy of all undeveloped alienated lands for the benefit of all original landowners, can the Minister inform Parliament as follows:-

- (a) which alienated lands have had their land use development policy finalized?
- (b) What is the time frame for the transfer of these alienated lands to the original owners?

**Hon. MAGGA:** Mr Speaker, I would like to thank the Member for South Choiseul for asking the question. The question is in two parts, and so I will first of all answer part (a).

The implementation of this particular policy has been slow due to the unfortunate delay in the appointment of an appropriate qualified officer to take up the position of Assistant Director (Alienated Lands) within the Land Reform Unit of my Ministry.

Following a second interview for short listed candidates a week ago, the recommended candidate will be forwarded to the Public Service Commission this week via the Ministry of Public Service. We hope to have the eminent appointee starting with us late this month or early January 2009.

Once the officer is at post, a review of the work program will take place so that clear directions are established for development of the Land Use Policy to govern the redistribution of undeveloped alienated lands to original landowning groups as well as establish clear guidelines to address the case of existing Fixed Term Estate within the Perpetual Estate Titles held by the Commissioner of Lands in the light of clear intentions in the claims by original landowning groups to resume perpetual titles over their original customary land conveyed by their ancestors.

To directly answer the Honorable Member for South Choiseul's question, no alienated lands have had their Land Use Development Policy finalized so far. I believe the pace of work in this area will be speeded up in the New Year with the impending appointment and I hope to bring a more progressive update in 2009.

The answer to (b) in terms of when can we expect to see any conveyance back to the original landowning groups, if all goes well and work does really take off in 2009, we hope to make substantial progress in the New Year in



implementing this policy. I am aware there are claims in other parts of the country with less contentious ecological surroundings, which might prove easier to deal with.

A stock take for all claims by the alienated land program under the auspices of the new appointee and his team would assist in arriving at a best way of addressing all cases of alienated land claims. Thank you, Mr Speaker.

**Mr Oti:** Mr Speaker, the delay therefore in completion of that policy in regards to alienated land has to do with the capacity of the existing manpower to deal with this particular issue.

Mr Speaker, can the Minister inform Parliament, after the AUSAID funded SISLAP project in the Lands Department, what kind of capacity does the Ministry of Lands have after that multi-million dollar project was completed last year? What kind of capacity was built in the Ministry of Lands?

I am asking because right now a critical area on land issue was not even met in spite of the policy of that program support under SISLAP.

**Hon. Magga:** Mr Speaker, to comply with capacity building we have recruited 25 officers to take up posts and that will ease the program that we continue to carry out.

**Mr Oti:** My question was what kind of capacity did you build from that multi-million project, not what you are going to do next after you don't have any project to support you?

**Hon. WALE:** Mr Speaker, maybe to shed light to the question of the MP for Temotu Nende, this project has done a lot of things, and one important aspect of human resource capacity in the Lands Department has been affected by high turnover of personnel. You can do so much in training personnel but when they move on they move on with invaluable experiences and therefore this recruitment drive is important but it also indicated that they are starting once again to train them. So therein, I think, lies the weaknesses in some of our capacity building programs and the assistance we have been receiving because the whole area of high turnover of personnel is not only in Lands but in a number of our key departments. Thank you, Mr Speaker.

**Mr Oti:** Supplementary Question Mr Speaker. With that statement by the Minister for Education, could the Ministry of Lands look at other options apart from recruiting and training again because you will only get the same results, turnover. What about the Ministry looking at outsourcing that responsibility to a private company to undertake the studies, without you having to invest in a lot

of personnel, which you are going to lose after they are qualified anyway and you will never achieve your policy objectives, Mr Speaker.

**Hon. Tozaka:** Mr Speaker, that is exactly what is happening now. They are looking at that option. We will only come to that option after we have, but when you look at the reform generally, when we come to this side that we started to move its backlog is like....the poor Minister of Lands has the capacity then but now we are starting to move, we are starting to improve the backlog. The Minister for Lands knows this very well.

**Hon Sogavare:** Mr Speaker, before I ask a supplementary question, with due respect to all of us, I hope we take this issue seriously because it is one of the issues that is driving this country down the path of ethnic tension, and I would expect that we give more priority on this issue.

Mr Speaker, the Minister said that the reason for delay in implementing this policy is because there is no Assistant Director. When did this vacancy exist? What time did it exist and what actions have we done in recruiting this person.

Taking into account what the Minister for Public Service and the Minister for Education have said, how many people are in that Unit to implement this program and what priority is the Ministry give to this particular program because it is an issue that is very important to consolidate peace in the country, Mr Speaker?

**Hon. Magga:** Mr Speaker, it is through SISLAP that the provincial land centres were set up and new mapping equipments for the new maps that SISLAP also funded.

**Mr. Boseto:** Mr Speaker, I would like to ask a supplementary question. This is a very important policy since immediately after we gained political independence, all our lands throughout the whole that were alienated during the colonial days should be returned. Perhaps some have already been returned but are not developed. Some areas have been developed, and therefore consideration be given to return the lands and giving them perpetual titles. So this is not the CNURA Government policy as it has been passed through the Ministry of Lands, it is a national policy.

My question is, what do you think since you have just gone into that Ministry about a year now, is the cause of delay in putting aside of this policy? Is it because we have difficulty in identifying the original landowners? Is it low in priority or is it a budget problem?

**Hon. Magga:** Mr Speaker, the issue of transferring alienated land to original landowners is a very sensitive issue and this is the reason why we would like to recruit a Deputy Director with legal qualifications so that the issue is properly handled. The Deputy Director post who is supposed to deal with alienated land was advertised and a person was recruited but he later decided not to take up the post, and so we have to re-advertise the post again, which by this week will be forwarded to the Public Service Commission for his appointment, and when he comes we will straightaway deal with alienated lands. If I have to do it my own way I would have already transferred those titles to landowners but we have to do it properly and in the right way. Thank you.

**Mr. Boseto:** Is the person to be responsible for alienated lands already at post?

**Hon. Magga:** As I said we have already recruited that person. His appointment should be made this week or next week. We have already interviewed the person and he will take up the post very shortly, maybe this month or early January 2009.

**Mr. Boseto:** Mr Speaker, I would like to thank the Minister for his answers.

#### **Lands: TOL policy**

77. **Mr. BOSETO** to the Minister for Lands, Housing & Survey: What is the progress on the government's intention to complete the work on the formulation of a peri-urban policy on Temporary Occupation Licence (TOL) areas?

**Hon. MAGGA:** Mr Speaker, the Ministry of Lands, Housing and Survey has been implementing the policy of converting TOLs to fully serviceable fixed term estate titles.

Manpower constraint has been a setback but last week the Ministry submitted recommended candidates to the Ministry of Public Service to take up four (4) extra positions in the Project. The extra four (4) staff will assist in hastening the completion of site planning for each settlement area in preparation of surveying work to peg town boundaries for each parcel, including areas for easement for utilities, access roads network.

I am pleased to inform Parliament that last month surveying contracts were given to three (3) surveying Firms to survey the Kofiloko, Jackson Ridge, Baranaba and Kobito 1 & 2 settlement areas. I want to assure Parliament that work on this important issue is progressing and by mid February 2009 we expect to have contracts outsourced for surveying of another three settlement areas and the registration of surveyed lots completed. Thank you Mr Speaker.

**Mr. Boseto:** In the development of the urban areas we also have bodies outside or inside but the only requirement of the Ministry concern and some are not.

In the Honiara City we have the following bodies like the National Government, the City Council, Town and Country Planning Board, Guadalcanal Province and the three Constituencies. Has the CNURA Government been looking at how to mobilize to encourage cooperation of these bodies within the city so that they help each other to address this peri-urban policy?

**Hon. Magga:** Mr Speaker, we are doing it right now.

**Hon Sogavare:** Mr Speaker, I thank the Minister for his answers. Just to follow up on earlier questions. As the Minister rightly pointed out, the issue of lands around Honiara must be dealt with very sensitively where the right people need to be consulted. I think one very important party to be consulted is the Guadalcanal Province. This is, I guess, in line with the shelved TPA. Although shelved the Guadalcanal Province has a very strong position on how the lands around Honiara should be dealt with. I would like to know whether the Guadalcanal Province is also consulted in this process.

**Hon. SIKUA:** Mr Speaker, in terms of the Honiara land, I have had a series of meetings with the Honiara landowning groups who have formed themselves into an association, but the honorable Leader of Opposition would also recall that there was another group that was established and registered as a charitable organization. What I have asked these two groups to do was to come together and speak with one voice before we can move forward with any proposals in relation to the land in Honiara, Mr Speaker.

I want to inform the House that we had initial consultations and I am sure there will be more once they have decided on coming as one group to speak in one voice rather than just the two. Thank you, Mr Speaker.

**Mr. Boseto:** Mr Speaker, I thank the honorable Minister of Lands and the Prime Minister for answering my questions.

## **BILLS**

### Bills – Second Reading

The 2009 Appropriation Bill 2008

## **Introduction**

**Hon RINI:** Mr Speaker, I rise to beg that the 2009 Appropriation Bill 2008 be now put to the second reading.

Mr. Speaker, I am very privileged and most humbled as Minister for Finance and Treasury to present to this Honorable House the 2009 Budget on behalf of the Government and the nation of Solomon Islands. This is a requirement under Section 102 of our National Constitution. This Budget is the second that am presenting to this Honorable House and it is also the second Budget of this Government.

Sir, this Government has a limited opportunity before the next election to make its mark on the country and fulfill its policy objectives. But, with God's blessing, I assure you we will work tirelessly to implement new, constructive, action oriented and rurally focused policies for the benefit of all of our people.

Mr Speaker, this Government is now creating a stable and developing nation, where resources flow to rural communities to allow them to advance economically and peacefully. Moreover, they have appropriate and equitable access to educational and health resources. But to do this we are also focusing on working effectively with donors and the international community. The Government is also strengthening government institutions and structures as well as its economy more generally.

Sir, the Budget is a fundamental instrument of Government policy in achieving these objectives. The 2009 Budget aims to continue to progress us along the path we have charted in our Government's Policy Statements and our Translation and Implementation Framework.

Sir, this Government is committed to actions rather than just words. Ministries and agencies now have the necessary policy directions and the strategies to achieve them have been identified. We are now developing the programs against our framework and monitoring their delivery, with a regular reporting requirement placed on all ministries. This Budget aims to get adequate resources to the ministries and agencies so that they can deliver the goods and services to achieve our policies.

Mr. Speaker, this Government is committed to partnerships, as it recognizes that only through working together can great things be achieved. Sir, the Government is committed to developing a strong, healthy and equal partnership with regional governments and organizations, with donors and particularly with our key supporter, the Regional Assistance Mission to Solomon Islands.

Mr. Speaker, let me highlight to this Honorable House the main characteristics and features of the 2009 Budget: First, the 2009 Budget is a fiscally responsible and fully funded Budget and requires no borrowing or increase in debt;

Second, all available national financial resources are utilized so that the capacity to implement programs and projects is maximized. No funds are held in reserves as cash floats or for contingencies. Third, maximum national financial resources of \$292 million are devoted to development programs and projects. This is \$10 million more than the allocation in the 2008 Budget. With additional contributions, particularly from the Republic of China, total Development Expenditure is budgeted at \$372 million;

Fourth, the Recurrent Budget will have a significant increase of \$292 million or 23 per cent. This is made possible by continued strong revenue growth. Inland revenue, in particular, is expected to reach \$1 billion in 2009 driven by continued improvements in compliance and general price increases.

Fifth, we will fulfill our obligations to fully fund the 2009 Establishment to ensure that public service remuneration requirements are met;

Sixth, whilst the 2009 Budget remains largely in the 2008 and previous years' format, the Government remains committed to improved Budget processes, presentation and economic forecasting. It is therefore my intention to introduce further improvements in the 2010 Budget. This year I have included for Honorable Members' reference a summary of new measures applying to each head of expenditure over and above baseline increases.

Sir, this Budget includes several major measures to help place our country on a firm economic and financial footing. This is an essential ingredient to improving the future for all Solomon Islanders, including our rural people and communities. Let me outline a few of them:

Mr. Speaker, firstly, we will grow the revenue base and provide basic information on our people and communities. We are improving revenue collection by placing additional resources into revenue collection agencies. In addition, we will ensure better statistical information is compiled to help guide economic decision-making into the future, especially through the funding of a National Population Census.

Secondly, Mr. Speaker, this Government will fund ambitious development projects. We are also concerned with equity and advancing the needs of the vulnerable people in our country. The Government has therefore placed considerable priority on peace and reconciliation programs to lay the basis for safe and equitable progress in our social and economic development.

Thirdly, Sir, the Government acknowledges its Medium Term Development Strategy and the outlook in its Medium Term Fiscal Strategy, particularly the risks that the forecast decline in logging presents. To address

this, we are looking at new sources of employment and growth, including through agriculture, tourism, fishing and mining. To sustain all of these requires major infrastructure investments which is a key priority of the Government.

Mr. Speaker, let me now outline the fundamentals of the Recurrent and Development Budgets.

Sir, budgeted revenue which comprises of domestic revenue plus budget support from development partners for 2009 is estimated to increase to \$1.873 billion. This is an overall increase of \$305 million or 20 per cent on the 2008 Budget. Together with carry-over cash this will fund recurrent expenditure of \$1.581 billion and development expenditure of \$292 million. Recurrent expenditure to be appropriated in the 2009 Appropriation Act 2008 excluding Statutory Expenditure, will increase by 30 per cent to \$1.387 billion.

Mr Speaker, the Government's preliminary estimate for the national economy in 2009 is for real economic growth of 4 percent. This is slightly lower than the estimate for 2008 of 5.5 percent. This takes account of the more difficult international economic outlook. Furthermore, we expect inflation to slow from the very high peak of 23 percent in 2008 as increases in fuel and food prices moderate. While the economic outlook will be challenging, the Government is committed to implementing the reforms necessary to ensure the prosperity of our national economy in the long term.

Mr Speaker, I would now like to give an overview of the 2009 Budget.

## **2. Budget and Economic Overview**

### **Medium to Long Term Vision for the Solomon Islands**

Mr Speaker, this Government's medium to long term directions for the Solomon Islands is set out in detail in our Policy Statements and the Translation and Implementation Framework documents launched at the beginning of this year. These should be read in conjunction with our Medium Term Development Strategy as well as our regularly updated Medium Term Fiscal Strategy.

Mr. Speaker, we aim to progress towards a sovereign Solomon Islands that is confident, has high ethical standards based on its values and, traditions and with respected and sincere leadership. Sir, the Government's actions are focused on progressing this vision by empowering our people, growing the economy, providing stable law and order and delivering essential services more efficiently and effectively.

Mr. Speaker, the Translation and Implementation Framework document and the Medium Term Development Strategy have guided ministries in developing new policies and programs of action for the Government. These are

the basic frameworks that will guide ministries to achieve genuine rural advancement and bring benefit to all Solomon Islanders.

Mr. Speaker, it is also our intention to implement the programs of action in partnership with stakeholders and to ensure the partnerships are of acceptable quality. Genuine economic, political and social transformation can only be achieved in a climate of trust.

Moreover, Sir, our programs can only be achieved in a stable economic and political environment, with a healthy democratic process, respect for the rule of law and a vibrant national spirit. Work on all of these influences is necessary if we are to overcome the major obstacles that stand in the way of growth of the national economy.

### **State of the National Economy**

Mr. Speaker, let me turn briefly to the global financial crisis and its likely impact on the Solomon Islands economy. This year we have seen unprecedented financial meltdown in most developed economies. This has led to economic recession in many countries around the world.

Sir, the global financial crisis is not something whose effects any country can escape. The International Monetary Fund has recently predicted a sharp downturn in world economic growth, with key countries such as the United States, Japan and the Euro area predicted to experience negative growth in 2009. Emerging market economies such as China are considered to have a better outlook, but even it has found it necessary to respond to the crisis with a stimulatory spending package.

Mr. Speaker, whilst the financial system in Solomon Islands remains strong, we are not immune to the negative impacts of the worldwide turmoil. For example, the crisis has provoked falls in prices of Solomon Islands' major exports. Copra, fish, palm oil and cocoa are expected to fetch lower prices in 2009. This will in turn harm export receipts and potentially dampen economic growth. As the single largest importer of Solomon Islands exports, any harm the crisis inflicts on China will have serious repercussions on our economy. A fall in demand for our logs from China could reduce growth, employment, government revenues and a serious worsening of the trade deficit.

Mr. Speaker, a positive outcome of the global financial crisis, however, is the fall in world fuel and food prices. Reduction in the global price of fuel is slowly filtering into Solomon Islands and is already benefiting consumers. Sir, unfortunately, falls in world rice prices are not being matched by similar reduction in rice prices in the country.

Sir, against this backdrop of the global financial crisis, the outlook for our national economy in 2009 faces a number of risks and potential shocks.



On the domestic front, Mr. Speaker, Solomon Islands is expected to achieve another strong economic outcome in 2008, with growth in real terms of 5.5 per cent. This is down from 10 per cent in 2007.

Sir, the growth in 2008 was again driven primarily by logging sector output, with round log production likely to hit another record of about 1.6 million cubic metres. But there are many positives in the 2008 growth story, including stronger performance in copra, palm oil and fisheries, which contributed to the achievement of a strong growth figure in 2008.

Mr. Speaker, our small island economy is highly vulnerable to external factors, influences and pressures. In 2008, historically high fuel and food prices pushed inflation up to a peak of 23 per cent. Sir, in order to tackle high inflation in the country the Central Bank of Solomon Islands has tightened monetary policy by actively removing excess liquidity from the financial system. To this end, a number of monetary policy measures have been taken including allowing the Solomon Islands National Provident Fund to invest overseas, introducing Bokolo deposits and bills and re-defining the Liquid Assets Ratio (LAR). As a result of these measures, excess liquidity has declined by 69% since the end of 2007. This is expected to have a dampening effect on inflationary pressures in the country. So far, inflation has already shown signs of declining and with anticipated lower commodity prices in 2009 we expect inflation to moderate in 2009.

At the same time, Mr. Speaker, these measures have resulted in the rise in the rate of interest paid to depositors who save their money with our financial institutions. This is a move that has not happened for many years.

Mr. Speaker, our balance of trade deteriorated significantly in 2008, with the deficit increasing nearly 40 per cent to \$750 million. A key cause was the dramatic increases in oil prices in the first three quarters of 2008 which pushed up the price of all imported goods and inputs as well as the price of imported oil itself.

Sir, the impact of higher import prices has also reduced our international reserves, which fell in the first three quarters of 2008. Our level of foreign reserves currently provide less than 3 months import cover, which is below the international benchmark. The declines have been attributed to the structural trade deficit Solomon Islands faces and volatility in global currency markets.

I am pleased to note Mr. Speaker that the Central Bank is taking action to halt this decline by maintaining tight monetary policy, in particular by extracting excess liquidity from the financial system by minor adjustments to the US/SI exchange rate and through exchange control measures. The Bank will continue to monitor the situation and take further measures if and when necessary.

Mr Speaker, the Government will pull through these challenging times. As I will outline in more detail below, through this tough economic year, we still have the necessary capacity to fund policies to improve services and infrastructure for our people of Solomon Islands.

Mr. Speaker, let me now turn to the Government's preliminary forecast of the domestic economy in 2009.

### **Preliminary forecasts for 2009**

Mr. Speaker, the outlook for 2009 is moderate, with real growth expected to slow somewhat to around 4 per cent. This is attributed to declining logging output and the continued effects of the global economic slowdown. Inflation is also expected to moderate slightly, although it will remain subject to global forces that led to the peak in 2008.

Mr. Speaker, in the medium term there will continue to be risks to economic growth and prosperity in Solomon Islands. Of particular concern is the projected decline in the logging sector. As I outlined in the 2008 Budget, logging is expected to commence declining as early as 2009, with more severe falls in output projected in subsequent years. It is expected to provide insignificant contribution to the economy by 2013.

This situation, Sir, emphasises the importance of implementing the Government's policies to build a strong longer term foundation for continued economic growth. This Government is prepared to take on the challenges presented in the economic outlook. We have continued implementation in this Budget, support for rural development and infrastructure and improving revenue collections. These will help to bolster the capacity of the Budget to provide support in a slowing economy and help to create a sustainable future for Solomon Islands.

Mr Speaker, we are laying the foundation now, through careful policy and reform to restructure the economy to ensure it can deliver the services and livelihoods needed by our people of Solomon Islands. Our Medium Term Development Strategy and our recently updated Medium Term Fiscal Strategy are critical tools in this regard, providing the framework for addressing these challenges.

Mr. Speaker, our Medium Term Development Strategy and Medium Term Fiscal Strategy will also guide our economic reform agenda. Sir, this Government's reform agenda will be more comprehensive and reflective of the need for broad-based growth in industries beyond logging.

### **3. The 2009 Budget**

## **Recurrent and Development Budget framework**

Mr. Speaker, at the 2008 Budget session I foreshadowed the introduction of significant changes to improve transparency, program efficiency and accountability in the 2009 Budget. At present the changes are still under study. I have therefore chosen to bring forward the 2009 Budget in the familiar format with one innovation. At the front pages of each Ministry which is receiving 'additional money' above the baseline, a page will detail these new measures for the information of Honorable Members. I am hopeful to progress more wide-ranging improvements for the 2010 Budget.

In relation to the Development Budget, Mr Speaker, I am pleased to be able to report to the Honourable House that initiatives are categorized by Government priority area and by ministry. Particular emphasis has been given to development projects funded from the Consolidated Budget in view of the increasing importance of these to this Government Administration.

Sir, a full listing of all initiatives funded by the Consolidated Budget broken down into the six priority policy areas of this Government are provided in the 2009 Budget Strategy and Outlook document. This document is being released in conjunction with this Budget.

### **Budget Summary**

Mr. Speaker, let me now outline the broad 2009 Recurrent Budget.

Mr. Speaker, in general terms the 2009 Recurrent Budget it is prudent and attempts to continue to expand the Government's programs.

Domestically sourced revenue will increase from \$1.294 billion in 2008 to \$1.642 billion in 2009. This is an increase of 27 per cent. With development partners' Budget support included, revenue will increase by 20 per cent to \$1.743 billion.

Mr. Speaker, total Recurrent Budget expenditure, including statutory expenditure and donor contributions, will increase to \$1.581 billion, an increase of \$292 million or 23 per cent. This will allow maintenance of existing services and meet higher payroll costs and increasing overheads such as utilities and fuel. But the Recurrent Budget, Mr Speaker, is only part of the picture. The Solomon Islands Government contribution to the 2009 Development Budget will increase by \$10 million to \$292 million.

Sir, in addition to the Solomon Islands Government development project funding, there are a broad range of donor-funded development projects. Donor support in the 2009 Development Budget is \$2.197 billion, an increase of around 22 percent. In this respect we continue to be extremely grateful to our development partners for this funding support.

Mr Speaker, in terms of Recurrent Budget initiatives, I am pleased to be able to report that the Government focus will be on better funding for existing services, improving revenue earning capacity and ensuring the stability of essential government accounting and payroll systems.

Sir, I would like to again highlight that this is a responsible Budget in that it is fully funded. Moreover, it will provide for a further reduction in national debt. As a responsible Government, we continue to repay both our foreign and domestic debts. As a result, Governments debts have declined by around 9% in 2008. The majority of this fall is accounted for by a large decline in external debt, which has fallen by around \$116 million. The Government's total level of debt at the end of 2008 is projected to be around \$1.56 billion. This demonstrates that the Government is committed to meet its international and domestic debt obligations. Sir, virtually all debts have been regularised and we are on track to meet our target of a debt-to-GDP ratio of 30 per cent by 2010.

### **Main Priorities for the 2009 Budget**

Mr. Speaker, the focus of the Government in relation to new initiatives is on the six priority areas identified in its Policy Statements namely:

- Reconciliation and Rehabilitation
- National Security and Foreign Relations
- Infrastructure Development
- Social Services
- Economic/Productive Sector and
- Civic Affairs.

Sir, given my particular responsibilities for the state of the economy, the collection of revenue and the operations of government, let me with your permission, outline major initiatives in these critical areas of Government policy.

### ***Reconciliation and Rehabilitation***

Mr Speaker, reconciliation and rehabilitation is fundamental to our future social and economic progress, especially given the broad-ranging and diverse interests in our society and in our cultures. This Government continues to act in addressing these objectives.

In addition, Sir, we have established a National Reconciliation Program with funding totaling \$5 million and a National Peace and Integrity Council to advise the Government directly on issues within its mandate.

Mr Speaker, reconciliation and rehabilitation is a responsibility for all of us and is a function not just of Government action. It relies on what we feel in our hearts and do for each other. It is a process which is about the healing of hearts, not, as is sometimes portrayed. Reconciliation will happen with the goodwill of our own people. I have mentioned a few measures, but there are programs within a range of other ministries and functions that will also continue to make significant contributions to reconciliation and rehabilitation. It is paramount that we must all work together to ensure the unity of all our people.

### *National Security and Foreign Relations*

Mr Speaker, the Government acknowledges the critical role that the Solomon Islands Police play in our nation's security. We also acknowledge the assistance of the Pacific Forum Countries in providing policing services to our nation and thank them most sincerely for their continued assistance. However, we cannot rely on their assistance indefinitely. We must now take over from development partners and build the infrastructure needed to provide a more effective policing service, especially a marked presence in the provinces. Sir, nonetheless, this must be done on a sustainable basis if the policing service is to be seen as a Solomon Islands Police Force and to be effective into the future.

Sir, new police posts and infrastructure will be completed or provided at Gizo, Lofang, Buala, Ulawa, King George VI and Marau and we will continue to provide new police housing at several more locations. The prisons and fire services also have not been neglected with additional prison officer housing at Tetere, Auki and Naha and \$1.2 million for specialist fire fighting equipment.

Mr Speaker, since our Prime Minister's meeting with his counterparts of Australia, Papua New Guinea and New Zealand early this year and the Pacific Islands Forum recently, we have made significant progress in our country's relationships with these nations. Hence, we will continue with the establishment of a new Chancellery in Fiji, and will proceed with significant enhancements of our facilities at Port Moresby and Canberra. These upgraded facilities will allow us to strengthen and deepen our relationships with these countries, and will enable us to provide better services to our citizens overseas as well as promote trade and explore investment opportunities.

### *Infrastructure Development*

Mr Speaker, rural advancement and economic growth rely to a great extent on government-provided infrastructure. Without wharves and ports and ships for shipping, roads for transport, subsidies for uneconomic shipping routes and airstrips for planes, commerce in the Solomon Islands would shrink to

negligible levels. This Government is very focused on improving the infrastructure of the Solomon Islands.

In the 2009 Budget the Government is committed to:

- An Emergency Assistance Project in Gizo to rehabilitate tsunami-damaged infrastructure with funding of \$6 million;
- A Rural Road Development Project with funding of \$10 million;
- The rehabilitation of provincial government offices and houses at a cost of \$5.4 million;
- The Bina Industrial and Harbour Development project with funding of \$3 million and the Noro Industrial Development with funding of \$2 million, along with the Suafa Port Development, which will also receive \$2 million;
- Development of airfields and airport infrastructure, with \$2 million provided for provincial airfields, \$2 million for tar-sealing of airfields, and a significant allocation of \$6 million provided to replace critical navigation equipment at the international airport and;
- Improving electricity supply, particularly through commencing a hydro electric scheme with funding of \$1.5 million, and a rural electrification project for hospitals and schools, also with funding of \$1.5 million.

### *Social Services*

Mr Speaker, the Social Services sector, comprising Education and Health and Medical Services, are the largest centres of expenditure in the 2009 Budget. It is the right of every citizen to receive basic education and access to health care. The Government is currently working towards free education for all Solomon Islands children and negotiation with donors is making progress.

Sir, the Government is commencing with the basics:

- First, to ensure that teachers get paid correctly there will be a review of the payroll and a budget allocation to ensure the capacity exists to correctly pay salaries;
- Second, to ensure there are classrooms where they are needed, \$10 million will be provided towards schools damaged by the tsunami; and

- Third, to provide the necessary education materials, \$4 million for additional texts and materials is provided.

Mr. Speaker, the Government is working towards providing free primary education for all students up to Form 3 and has committed \$5 million to this worthy objective. In addition, \$16.7 million in scholarships and training awards will be provided by the Republic of China. Both SICHE and USP campuses will also be upgraded at a cost of \$3 million each.

In respect to health services, Sir, major projects include:

- \$4 million for provincial rural water supplies and sanitation;
- Upgrading of the National Referral Hospital at a cost of \$3.5 million;
- Renovations and improvements to rural health clinics, Gorou mini hospital, Tulagi hospital and site works at Gizo hospital at a cost of over \$6 million and;
- Additional funds for health officers' housing and to people with disabilities.

### *Economic and Productive Sector*

Mr Speaker, our nation's economic and productive sectors have the resources and potential to grow further, create more jobs, more business opportunities and raise the general standard of living for its citizens. We must, however, make more rapid progress to keep pace with our increasing population. We cannot expect donors to build our economy, and we cannot wait for overseas investors to provide manna from heaven. We must take action ourselves.

Sir, in addition to laying the foundations for some of the large scale projects, the Government continues its commitment for \$1 million per constituency for small projects. This is to be administered by Honorable Members of Parliament, their support committees and Constituency Development Officers.

Mr. Speaker, the Government also intends to complete the Cattle Development Project costing \$8 million, revive the Copra and Cocoa Rehabilitation Program with \$5 million, accelerate the Auluta, Vangunu and other smaller palm oil projects including GPPOL with over \$5 million as well as commence some rural rice projects.

In other productive sectors, Mr. Speaker, Reforestation will be supported with \$10 million and the Rural Fisheries Enterprise Program with \$6 million. A Heritage Centre will be built to inform and educate Solomon Islanders and tourists of our rich history and diverse cultures. Other micro-project funds will continue to be maintained.

Mr Speaker, consistent with our commitment to development across the country the Government will also assist rural electrification projects with \$4.5 million and continue to work with Gold Ridge on the relocation of villages from the project site.

### *Civic Affairs*

Mr Speaker, the Civic Affairs sector comprises Women's issues, Youth, Sports, Ecclesiastical Affairs and the institutions of Government. These major areas of our society can contribute to reconciliation, to national security and to economic development. We will give them the opportunity to do so and will support their endeavors.

Sir, there will be an upgrade of the National Parliament in 2009. Work will commence on office facilities for Members of Parliament and the upgrade of its security and internal fittings costing \$1.5 million. This Honourable House is the centerpiece of civic affairs in our nation and it needs to have proper adequate facilities to take on this role.

Mr. Speaker, other elements of Civic Affairs have not been omitted. The policy role of the Ministry of Women, Youth and Children's Affairs will be strengthened to allow consideration of a wide range of policy issues relevant to these sections of our society so vital to our future progress. Work will also commence on a National Centre for Women, Youth and Children for completion in 2010. A special provision of \$1.2 million has also been made to provide our youth and children access to music and suitable instruments. We will also continue work on longer term Constitutional Reform.

These initiatives in six priority sectors, Sir, demonstrate this Government's commitment to equitable and sustainable development aimed at improving the livelihoods and the social and economic integration of all our people, especially those in rural areas. They are built on a sound policy framework, a commitment to action and a genuine desire to become a good friend and neighbour in the Pacific region. The Government is committed to retaining our independence and our sovereignty in a community of friends and neighbours.

### **The Reform Agenda**



Mr Speaker, let me again stress that this Budget is implementing our policies for reform, using specifically our Medium Term Fiscal Strategy as the framework. The Strategy clearly show the immediate need for serious efforts to both grow the economy and place Government finances on a more sustainable footing by broadening the revenue base, rationalizing spending, and strengthening finances of State Owned Enterprises (SOE).

Sir, we have started on the path of all of these reforms in 2008 and will continue to progress these in the 2009 Budget. However, obstacles to future economic growth remain. We must therefore continue to work to improve the business environment and provide greater income earning opportunities for Solomon Islanders. Obstacles to economic growth continue to be:

- high administrative and regulatory costs;
- high utility costs caused by inefficiencies in key SOEs such as power and water, and inadequate infrastructure especially in transport and telecommunications;
- underdeveloped financial services and;
- an inadequate local capacity to start and operate business.

Mr Speaker, these barriers to growth show the need for a continuation of a rigorous economic reform agenda.

### ***Regulatory Environment***

Mr. Speaker, the Government is currently modernising the legal business environment to make it easier to open and operate businesses in Solomon Islands. The *Secured Transactions Act Bill* was passed this year to improve access to credit. A new *Companies Act* and *Insolvency and Companies Receivership Act* will be introduced to Parliament later this year, and a new *Trustees Act* will be introduced early next year. Replacing our outdated business laws will significantly reduce costs, administrative and legal barriers, and make access to financial services easier.

Sir, amendments to the *Labour and Immigration Act* are also planned to ensure efficiency in the implementation of the new permit application process and procedure.

### ***Tax reform***

Mr Speaker, in terms of tax reform, the Ministry of Finance and Treasury is currently working to develop a range of short to medium term tax reform strategies that match the Government's reform agenda. The development of a

resource tax framework will ensure that Solomon Islands and resources owners receive a fair return for the extraction of the natural resources.

### *Reform of state-owned enterprises*

Sir, basic utility services such as telecommunications, water, and electricity supply are essential for social and economic development. The Government, in this regard, is working in partnership with the World Bank to improve the management of SIEA and will be examining options for reforming SIWA to help make these essential services more accessible, reliable and efficient. The Government is also in the process of privatising Home Finance Limited and Sasape Marina Limited and continues to look at specific reform options tailored to each SOEs specific requirement.

Mr Speaker, the Government is also committed to negotiate with Our Telekom to end the 15 year exclusive license. However this continues to be a complicated process, and there may be a need for considerable compensation.

Sir, the Government will continue to ensure that its SOEs act more commercial and deliver more reliable and cost effective services. Additionally, continuing emphasis will be placed on the careful management of SOE finances to reverse their current drain on the Government's Budget. The Government has begun a program to update the financial accounts of the SOEs, and starting in 2009, a SOE Monitoring Unit will ensure that they are accountable to the State Owned Enterprises Act.

## **4. Conclusion**

Mr. Speaker, let me again assure this Honorable House that the 2009 Budget is fiscally responsible and provides clear directions and necessary resourcing to ministries to deliver our policies especially those which aim to further the social and economic development of our country. The focus in 2009 will be on delivering better services to our people to allow them and the whole of Solomon Islands to prosper.

Sir, this will be no easy task. Today, we face a number of challenges, including slowing economic growth and high, but, moderating inflation. It would be difficult to predict what the future holds and what the effect of the global economic slowdown will be.

Sir, this Government is not sitting around waiting for miracles to happen. We have taken it upon ourselves to take on these challenges and to take immediate steps to ensure economic growth for the benefit of our people. This will include, Mr Speaker, continuing to improve revenue collections as we have done in 2008. These improved collections are critical to providing greater

capacity to the Government to resource ministries to deliver improved services to our people.

Sir, the strong partnerships this Government has established with development partners means that we will continue to focus on development projects that will directly benefit the socio-economic livelihoods of rural people. Never has this been more important. The decline in logging output emphasises the need to diversify our activities across a broader range of industries. We will continue to work together with our development partners, to provide opportunities to our people to pursue new endeavours. Our people deserve nothing less.

Mr. Speaker, our people expect the Government to turn the situation around. The Government believes that our people do not want charity. They want an opportunity to move forward. They want an opportunity to take responsibility for their own development and destiny. Like all people all over the world, they want the best for their children and families.

Mr Speaker, with this Budget and its focus on providing resources to support real action, it is our hope that our people can also move forward together in the pursuit of success. Success for themselves, success for us, success for our neighbours and success for Solomon Islands.

Sir, while this year had been difficult for our people they have borne the hardships with commendable fortitude. However, it is time to look forward; to move into 2009 and beyond with optimism and hope to make our country a vibrant society and ready to accept and take on the challenges of the future. And as Solomon Islanders, we must lay hold of our future, creating a climate of hope and a land of opportunity which we can be proud to hand over to our children.

Mr. Speaker, I have tabled today a Budget, which lays a firm foundation for social and economic development of our country. The Government trusts that our people will rise to the challenges and opportunities that lie ahead of us, and that together we can enter 2009 and beyond with renewed hope and a determination to see Solomon Islands become once again a flourishing country within the community of nations of the world.

As the Government, Sir, we will continue to be humbled by the trust that has been bestowed upon us by our people and this Honourable House to lead and serve our country in the best interest of all our people.

Mr Speaker, I commend this Bill to the House, and I beg to move.

*(applause)*

**Mr Speaker:** Honourable Members according to Standing Order 61(2) and as the Prime Minister had announced in his statement of government business on

Friday 28<sup>th</sup> of November, debate on the second reading of the 2009 Appropriation Bill 2008 will commence tomorrow, Tuesday 2<sup>nd</sup> December 2008. We will now proceed to our next item of business.

**Hon. Sikua:** Mr. Speaker, I beg to move that Parliament do now adjourn.

*The House adjourned at 11.53 am*