

THURSDAY 4TH DECEMBER 2008

The Speaker, Hon. Kengava took the Chair at 9.45am.

Prayers.

ATTENDANCE

At prayers all were present with the exception of the Ministers for Rural Livelihood and Indigenous, Foreign Affairs, Civil Aviation and East Honiara, West New Georgia/Vona Vona.

QUESTIONS AND ANSWERS

Police: Road Accidents

8. Hon. SOGAVARE to the Minister for Police, National Security and Correctional Services: Can the Minister inform Parliament as follows:-

- (a) The number of road accidents recorded for the capital this year?
- (b) How does the accident toll this year compare with last year? and
- (c) The steps taken by the Police in addressing the problem?

Hon. MANETOALI: Mr Speaker, I would like to thank the Leader of Opposition for the question.

Mr Speaker, the number of road accidents recorded for the capital from January to 24th November this year is 220. The accident toll from January to December 2007 is 253.

Steps taken by the Police in addressing the problem are as follows:

- 1. Traffic safety campaigns in schools, and communities.
- 2. Police road blocks and vehicle checks.
- 3. Issuing of PF66 to drivers. This document when issued will have the driver produce his/her driver's license within three days. Failure will have him/her charged in court.
- 4. Weekly radio traffic programs with FM stations.
- 5. Routine traffic patrols along the Honiara Highway.
- 6. Prosecution of traffic offenders.
- 7. Identifying and discussions of issues concerning road safety with the Ministry of Infrastructure Development's Highway Authority.

8. Dealing with road unworthy vehicles with the Highway Authority of the Ministry of Infrastructure Development.
9. Media reporting of traffic issues, campaigns and traffic safety advice through the Police Media Unit. Thank you, Mr Speaker.

Hon. Sogavare: Mr Speaker, supplementary question. Mr Speaker, I do not know whether the Minister has statistics there, but those are different offences, and so which offences were committed here from the statistics the Minister has given us. Which offences were frequently committed by our people?

Hon. Manetoali: Mr Speaker, first of all the offence that is committed is the traffic offence. But something is related to that, one of which maybe is careless driving or driving with alcohol. Basically those two but mainly it is careless driving. Thank you

Hon. Sogavare: Mr Speaker, it would, I guess, get actions more focused if maybe statistics go down to really identify which categories of offences were committed but it looks like the Minister does not have such information. However, there is only one concern here, and I want to find out what is police doing about it. When it comes to loading you would see trucks coming down from the villages of Guadalcanal filled with people where some of them only their bodies are inside the trucks but their legs hanging outside. Is that an offence? I am asking because the police seem to be standing there and watching the trucks going pass.

Hon. Manetoali: Mr Speaker, as the Leader of Opposition said when loading trucks from down there or up there, their legs are outside of trucks and sometimes they sit on the side of trucks too. Of course, Mr Speaker, that is an offence, and I must admit that we must pull up our socks on this. Thank you, Mr Speaker.

Hon. Sogavare: Mr Speaker, I thank the Minister for that. The question is asked just to make sure that our roads are safe and drivers and owners of vehicle follow the rules. I thank the Minister for providing the statistics.

Police: SIFP Capability Plan & Program

9. Hon. SOGAVARE to the Minister for Police, National Security and Correctional Services: Can the Minister inform Parliament on the progress and achievements of the Solomon Islands Police Force Capability plan and program?

Hon. Manetoali: Mr Speaker, I thank the Leader of the Opposition and the hard working Member of Parliament for East Choiseul for this question.

Mr Speaker, it will take me a long time in answering this question, but I hope you are going to be patient with me.

Mr Speaker, I wish to inform this House that this question is closely linked to other questions asked by the Honorable Member, in particular his question about the audits and reviews that have been conducted in the various provinces around the nation. The rebuilding of police capability is one of the most important priority policies of this government, and one which quite readily attracts a lot of attention.

In the last four years since the development of the Police Capability Plan for the Solomon Islands Police Force, a lot of capacity development work has been undertaken. Much of this work has involved a unanimous amount of commitment and dedication from the Solomon Islands Police Force and the various Pacific donor nations.

The actual progress of the Solomon Islands Police Force capability is made up of various achievements. The task being undertaken in rebuilding the Solomon Islands Police Force however has many parts and projects which make up the overall efforts.

- (1) In the area of learning and development the Police Academy was upgraded and refurbished. The Australian Federal Police provided funds of \$2.4million for the upgrading work.
- (2) A new Computer Based Training Centre was funded and opened up by the UNDP and the Australian Federal Police in 2006, which provides various interactive training activities for a number of law enforcement activities and agencies in Solomon Islands.
- (3) A new Detective Training Course has been developed and implemented. Completion of these two years CID program would enable them to apply for Certificate of Appointment to Detective.
- (4) In the area of National Investigations, significant work has been undertaken in building the capability of the detectives to do the job expected of them. These involves significant on-the-job capacity development to assist the detectives through investigational process, preparing investigation plans and operational orders, obtaining search warrants, recording, filing, docket controls, reporting, brief preparations, evidence requirements and collation. The result of this capacity development work is best seen by the results in court where some difficult and complex cases have had positive results.
- (5) The area of crime scene analysis and figure prints has been an outstanding capacity development success. This area of the Solomon Islands Police Force is now mostly self sufficient and producing outstanding work.
- (6) The intelligence area is subject to another question but capacity development in this area has seen an intelligence collection plan finalized in alignment with the 5 year Solomon Islands Police Force Strategic Plans; intelligence report production has increased; attention to and reporting of issue motivated groups' actions and intentions, and the creation of more regular and informative security briefings.
- (7) The Solomon Islands Police Force has created a new Police Response Team and they have been trained and deployed to new levels of professional capacity. We have seen them deployed with success in many major events in Honiara, and to the Weather Coast of Guadalcanal.

- (8) The planning for the future for police force and its performance has seen the development of a process of annual business planning and monthly performance reporting. This process guides the Solomon Islands Police Force in the right direction and the reporting makes sure that the Executive and this Government can be properly informed of the progress being made. To support the reporting process, regular inspections are made of all areas of the Solomon Islands Police Force to ensure that reports are accurate and verifiable.
- (9) In the area of the administration of the Police Force, the Human Resource Unit has been restructured and areas of improvement attended to. The same has occurred in the Finance Unit and Logistical Support Unit of the Solomon Islands Police Force.
- (10) The ability of the Solomon Islands Police Force has been enhanced through the acquisition by the Government or provision by the PPF of motor vehicles, motor cycles, bicycles, small boats and three larger operational vessels known as Tier Two boats, which honorable Members no doubt have seen at the Aola Maritime Base. These are the small blue boats.
- (11) The housing of the SIPF members is a key issue in the Police Capability Plan and is a key policy of this government. Sir, as members of this Parliament would no doubt be aware we have spent more on police housing this year than any previous governments since independence. Our efforts have been added to by donation by the Government of New Zealand of 34 new houses to replace the Police Barracks at Rove, Auki, Gizo, Kirakira and Lata, Mr Speaker.
- (12) In the Police Capability Plan a lot was identified that needed to be done and I have given you some idea of the work done so far. In answering the question, I have provided honorable Members with the details of the progress and the achievements of the Police Capability Plan. We still have a long way to go and a lot of work to do. The commitment and support of the government to this effort is appreciated. Thank you, Mr Speaker.

Mr. OTI: Mr Speaker, supplementary question to the learned Minister for Police and National Security. In the area of administration, I guess, particularly, in terms of timing where police officers can stay at post in any post for that matter in order to avoid police officers becoming a problem unto themselves among the communities. Whether in this Capability Plan there is scope of rotating posting of officers has time limit in the stations so that they are placed in new environments to continue make them have vigor in their postings as opposed to becoming stale. Many of them have been in police stations for a long time, some of them up to 20 years. In fact they could perform better if they are rotated to new stations or new posts for purposes of experiencing new environments. I am asking whether this capability plan also looks at that aspect of strengthening the police force.

Hon. Manetoali: Mr Speaker, I thank my good friend, the MP for Temotu Nende for this question. That is true, and like teachers and I support teachers that they are posted

out after two or three years in a school. The thing about teachers' postings in the rural areas is because they have no problem with housing. In regards to police, the main problem is on housing. If they are posted to other stations, for example, if a police man from Auki is posted here to Honiara he will have the problem of housing here in Honiara. Or if a policeman from Lata is posted to somewhere in Choiseul, there is no housing for him there. That is why the government is working very hard to address the problem of police housing at this time. If this housing problem is resolved then the posting of police officers can be done may be after every two, three or four years. Police officers can be posted out to other stations but the main problem is housing.

Mr. Oti: Mr Speaker, my assumption is different from the Minister; perhaps he has not explained it. In the area of posting, housing is already there. When an officer is posted out the house that this particular officer who is posted out becomes vacant and so the next officer who is posted in is going to occupy that house. He will be housed in that vacant house. I do not know why you have to wait for housing before you can do the posting when in fact the present infrastructure can take care of posting one out and another one going into the same house that the other officer has left. Thank you, Mr Speaker.

Hon. Manetoali: Thank you for that question. I would like to say here that in some of the provinces, police officers are living in their own villages because there is no house there at the provincial centres. That is what I meant earlier on that housing is the problem here. If an officer from Honiara is posted to the province it is not possible for him to go and live in the village of the officer who is to be posted to Honiara unless housing is there. That is the reason why I said that housing is the problem.

Mr. Oti: Finally, can the Minister tell us how many police officers in the provinces are staying in villages? Have you got the figure to substantiate your statement?

Hon. Manetoali: Mr Speaker, I do not have the number of police officers living in the villages with me at the moment. I know this from my visit to the police stations that some senior police officers, possibly PPCs are living in their villages as well as other police officers. But I do not have the number to be able to tell you the exact number of those living in the villages. But if my colleague from Temotu Nende wants that information I can provide it to him later on.

Mr. Waipora: We heard there are too many problems in the villages caused by alcohol. What is this Police Capability Plan we are now talking about is addressing at this time? I know that you are going to build new police posts in certain locations, but I do not think those police posts will be effective. What is police who is responsible in looking after the security of this country will be able to do at that local level down there, Mr Speaker?

Hon. Manetoali: Mr Speaker, I also thank the honorable Member for West Makira for his question. I also thank him for teaching me new things this morning on national security, provincial security and community security. Thank you for that Member for West Makira.

In relation to problems happening in our communities caused by alcohol, the police are working very hard on this but it is difficult for them to control all of these problems in our communities. They tried their best to control such problems in the communities, which led to some people being arrested, taken to court, charged and fined or some are put in prison. This reflects the work of the police in our communities. If there is community policing in our communities then that would very much assist our police in carrying out their work effectively.

Hon. Sogavare: Mr Speaker, in fact, we can go on and discuss this question for a whole day. I am just wondering whether the Minister can bring in a more detailed progress report in the next sitting of Parliament so that Parliament can have the benefit of knowing what has been done on this very important area on the work of the Regional Assistance Mission to Solomon Islands.

We are making these points because there are a lot of areas the Minister has raised here that we can ask questions about for a whole day. But can the Minister assure us that he will bring a report to parliament in the next sitting so that it informs us in more detail report on the progress of this capability plan. In fact, that document is this thick. I am just wondering whether the Minister can do that for us.

Hon. Manetoali: Mr Speaker, I will do that.

Hon. Sogavare: Mr Speaker, with that I thank the Minister for answering the questions.

Commerce: Private/Sector/Government Consultative Forum

45. **Mr OTI** to the Minister for Commerce, Industries & Employment: Can the Minister inform Parliament in line with the CNURA Government Policy whether the proposed Private Sector/Government Consultative Forum, which was supposed to have been established by March this year, has been established particularly as an important forum for advice on economic and private sector issues for the country?

Hon. HILLY: Mr Speaker, I would like to thank the honorable Member for the question. The answer to the question is, no. The Forum is expected to be organized in the first half of next year.

Mr Oti: Mr Speaker, I look forward to the establishment of that Forum next year. Thank you for the response.

Question 48 deferred.

Provincial Government: Data - equitable allocation of resources

56. **Mr. WAIPORA** to the Minister for Provincial Government and Institutional Strengthening: What progress has been made to get provinces to provide SIG with reliable data on costs of service delivery in various provinces as a strategy to assist on equitable allocation of resources?

Mr Speaker, before I sit down so that the honorable Minister answers the question, I just would like to elaborate on this question. When I was Minister for Provincial Government, this is what I strongly had in mind that the Solomon Islands Government or government of the day should be kept abreast of data from provinces so that whatever resources we have should be distributed equally to every province, and I am happy that the CNURA Government has upheld that policy by putting it down in its policy book and that is why I am interested to ask this question and I would be very happy to hear the honorable Minister for his answers.

Hon. PACHA: Mr Speaker, I would like to thank the honorable Member for West Makira and Deputy Leader of Opposition for this very important question.

Sir, I will approach the question in two parts: (a) progress on data collection of cost of services, and (b) how this relates in helping equitable distribution of resources for our provinces.

First, Mr Speaker, data is very important for planning and financial management. Since provincial governments were established by the Provincial Government Act 1981, the administrations until 2005 have not really focused on any real effort to collect data. The situation has therefore been that until 2006. Only 14% of grants have been accounted for, most accounts not audited until 2006. An existing weak capacity to produce financial reports by provinces and general ledgers not produced for many years. As a result data collection of service delivery has not been that easy. My Ministry has begun the Provincial Governance Strengthening Program (PGSP) in 1995 to directly address these weaknesses and provide necessary capacity for stronger financial management and administration support for all provinces.

In that respect, Mr Speaker, the necessary cost of service delivery can be easily identified, quantified and produced as a financial data of my Ministry's help in decision making. A provincial capacity development fund (PCDF) has been established to provide discretionary finance to provincial governments who can prove that they are capable of looking after their funds and providing proper accountability and transparency in the process.

Mr Speaker, in so far as progress is concerned my Ministry is well in its way in establishing a basis for which proper data can be collected. We hope that by 2010 we can start collecting reliable data base on cost of service delivery to our provinces.

Secondly, Mr Speaker, equitable distribution of resources as alluded to by the MP for West Makira in his question would be the hardest task any government would have on its shoulders. We cannot even talk about equal distribution of resources in this

country when the central government collects almost all forms of revenue through various forms of taxation. We create our provinces with little avenue for revenue collection at their disposal, and if there is any there is difficulty in management as I have already mentioned.

Mr Speaker, while data collection would be a method that can assist in equitable distribution, it has to be the task of this house to examine what is appropriate for provinces to take on. The more we hold on to the centralized revenue pool, it remains our responsibility to provide fairness to our provinces. The best my Ministry can do is to use a grants formula based on 20% as fixed and 80% on population. Thank you.

Hon. Sogavare: Mr Speaker, this question is raised because it is the government's intention to establish the data and so we are putting it back the government. Mr Speaker, in his response to the question, the Minister talked about the establishment of the provincial government development. What is the basis of this allocation? How do you allocate money to this account if there is no reliable data to establish allocation of resources and the source of funds? Where will money come from to go to that particular funding if it has already been established, Mr Speaker? And how does it work, is may be the third question.

Hon. Pacha: Mr Speaker, the government made a commitment of \$5.4million contribution from RAMSI, EU, UNDP and others.

Hon. Sogavare: Mr Speaker, sorry I did not hear it properly, but how much in total is ready to go into that account from the different sources.

Hon. Pacha: The overall PGSP.

Mr. Oti: Mr Speaker, supplementary question. Furtherance to the Minister's response in the establishment and the level of funding both from government and from our external sources, are the provinces aware of this new funding and also have the provinces been informed or are they as important stakeholders have a say in the ultimate distribution of the fund if that fund is for meeting the specific requirements of each province? Or is it some funding that is part of the institutional strengthening project of provinces whereby is controlled from the centre to address specific issues in the provinces.

The question is first, whether it is for individual and respective province used as they see their specific requirements or is the funding to address the macro-development in provinces where everyone of them benefited from, they do not have a say in it? Which one of these two or whether it is both?

Hon. Pacha: Mr Speaker, I would like to thank the Minister for Temotu Nende for his question. The provinces have been informed of this funding, and they have been trained

on how to use the fund. This fund is a discretionary fund and so it is up to each province on how they use the projects that they think will be useful to their provinces.

Mr Speaker: Point of order. Just before I allow the MP for West Makira to ask his supplementary question, just a reminder that I think it would be very helpful to the Ministers to give the right answers if you ask one or two supplementary questions, they interconnect. When you ask three or four questions it is kind of becoming confused.

Mr. Waipora: Supplementary question, Mr Speaker. Now we come to the budget, the system of sharing grants to provincial governments, at the moment what is the policy of the CNURA Government? Is it based on population or resources?

Hon. Pacha: I am going to repeat myself again here. 20% is fixed, all the provinces equally receive 20% and 80% is based on population. Thank you.

Mr. Oti: Supplementary question, Mr Speaker, and this is in relation to the Minister's previous answer to the last supplementary question by the MP for West Makira. This new funding for capital development, as the Minister said is for projects. Is this money that provinces must appropriate for under their financial appropriation ordinance or will it form part of their provincial funds where grants given to them will still have to establish appropriation for them at the provincial level. Would these monies also be subject to the same procedure?

Hon. Pacha: Mr Speaker, that money goes for projects that provinces themselves want and not projects that government has already given money for.

Hon. Sogavare: Mr. Chairman, an issue the Auditor General is very much concerned of when it comes to discretionary funds is the accountability process. How does the process of accountability work on this particular discretionary fund?

Hon. Pacha: Mr. Speaker, all the processes for this fund will be applied, and those not following the requirements would be suspended from receiving assistance until the minimum requirements and conditions are satisfied before funds can be released. As part of the strengthening program, there are advisors too, nine advisors who will be sent out to the provinces to help provinces properly look after the funds.

Mr. Oti: Last supplementary question and this is important. When the word 'discretionary' comes in, there is the chance to misread the intentions of the funding. It must be clear right from the beginning that this is discretionary required of the provinces, not like other discretionary funds that are there that politicians are entitled to put in their discretions. I think that needs to be cleared from the beginning. It is the discretion of provincial government as entities, and not the discretion of individuals inside the system so that one can say 'give me the money and I know how and where to

spend it'. I think the Minister needs to clarify this so that straight from the beginning this money is at the discretion of provincial governments as entities, and not the discretion of any individual within the provincial government.

Hon. Pacha: Discretion is for provincial executives to decide on what projects this fund should go towards, and not for just anyone to receive it and spend it. The provinces are well aware of this. There have been trainings conducted on this and they know well how to use this money. Thank you.

Mr. Waipora: Sir, before I thank the Honorable Minister, I would like to make a comment or may be in the form of a question. I really fight hard for the provincial institutional strengthening division in the Ministry. In June 2006 I took a paper to Cabinet on this and it was rejected it. Again, in June 2007 I took a second Cabinet Paper and then it was accepted. Can the Minister assure the House that he will submit a progress report on this in the forthcoming meeting?

Hon. Pacha: Mr. Speaker, there are a lot of improvements during my time, and I can assure the Member for West Makira that we will produce a progress report on this program.

Mr. Waipora: Mr. Speaking, thank the Honorable Minister for trying his best to answer my question.

Provincial Government: Resolution - Lata Premiers' Conferences

57. **Mr. WAIPORA** to the Minister for Provincial Government and Institutional Strengthening: Can the Minister inform Parliament of the Ministry's implementation strategy for each of the resolutions of the Lata Premiers' Conference?

Hon. PACHA: The Lata's Premiers Resolution contains 28 items. There is no time to go through each item, but naturally it is my Ministry's responsibility to ensure these are implemented. Last year when the MP for West Makira and Deputy Leader of Opposition was Minister, the Ministry did not have the manpower capacity to follow up on resolutions. But this year we now have a team that will follow up these resolutions for purposes of implementation. The strategies are:-

- (1) dissection of each resolution
- (2) clear legal aspects with the Attorney General
- (3) consult with relevant ministries and establish taskforce if necessary, and
- (4) task force to implement resolutions to fine tuned. Some are easier to address than others and the timeframe for implementation in each case will be different. I thank the MP for West Makira for asking this question.

Mr. Waipora: Supplementary question. I think we will come to the budget but just for information, I believe these things are already taken into account in the budget.

Hon. Pacha: Yes,

Mr. Waipora: With that, Mr. Speaker I thank the Honorable Minister for his answers.

Agriculture Field Stations

82. Mr. BOSETO: How many Agriculture field stations have been repair under the \$1.2million SIG funded project in 2008?

Hon. RIUMANA: Mr. Speaker, I thank the Member for South Choiseul for his concern and question. Mr. Speaker, there are four agriculture field experiment stations in the country. Preliminary assessment was done in early 2008, indicating that the amount to repair an average of four buildings per station is more than the amount allocated. Therefore, repair will have to start with station managers' houses and offices, which are currently being fully assessed by officers of the Ministry of Infrastructure Development and Agriculture in respective provinces.

The Newi station in Temotu, Ringgi field experiment station in Western and the Avu Avu field experiment station in Weather Coast of Guadalcanal have been assessed. Fote, on Malaita, is under minor land dispute, however, assessment of houses are being done.

Mr Speaker, of the four field experiment stations, the following are the buildings:

- (1) Ringi, Kolombangara, Western Province - 5 buildings.
- (2) Fote in Malaita Province, 5 buildings,
- (3) Avu Avu in Guadalcanal Province -4 buildings,
- (4) Neiwi, Santa Cruz, Temotu Province – 5 buildings.

And as I said, Mr Speaker, due to limited funds only the managers' offices and houses will be repaired. The procurement of materials and contract arrangement are currently being done and as soon as commitments and procurements done, actual repair work should proceed. Thank you, Mr Speaker.

Hon. Sogavare: Mr Speaker, I thank the Minister for that. Does that mean work will continue next year?

Hon. Riumana: Mr Speaker, materials are currently being procured and as soon as they are sorted out they will be shipped before the year ends.

Mr. Boseto: Mr Speaker, I thank the Minister for Agriculture answering our questions.

Agriculture: Coconut & cocoa rehabilitation

83. **Mr. BOSETO** to the Minister for Agriculture and Livestock Development: Can the Minister provide the following information on the coconut and cocoa Rehabilitation project of \$5million in 2008?

- (a) The number of farmers assisted and level of grant assistance provided? and
- (b) Total number of hectares of cocoa and coconut plantation rehabilitated?

Hon. RIUMANA: Mr Speaker, I wish to once again thank my good friend, the hardworking MP for South Choiseul Constituency for his question.

Mr Speaker, process project and screening is to verify application request is just about completed by the Ministry of Agriculture and Livestock Screening Committee coordinated by the Agriculture Planning Department.

The total number of applications received as of 13th November 2008 is 144, and the total value of these applications is \$11,172,013. Total applications screened and passed for payment is 51, which totals \$2.409million.

Mr Speaker, the following is distributed by provinces.

- **Malaita Province**
Total applications received are 21 with a total cost of \$1.5million.

- **Guadalcanal Province**
Total applications received are 33 with a total cost of \$2.35million.

- **Isabel Province**
Total applications received are 21 with a total cost of \$1.49million
- **Makira Province**
Total applications received are 15 projects with a total cost of \$1.04million.

- **Western Province**
Total applications received are 16 with a total of \$998,934.

- **Choiseul Province**
Total applications received are 27 with total cost of \$952,425.

- **Central Province**
Total applications received are 6 with a total cost of \$700,390.

- **Renbel Province**
Total application received is one with a total cost of \$105,590.

Temotu Province has recorded no applications so far.

Of the total applications received, Mr Speaker, the following has been screened and processed as at 1st December 2008.

Malaita Province - 12 projects approved with a total cost of \$757,258. **Guadalcanal Province** - 21 projects approved with a total cost of \$920,285. **Isabel Province** - 15 projects approved with a total cost of \$728,732. **Makira Province** - 9 projects approved with a total cost of \$395,946. **Western Province** - 11 projects approved with a total cost of \$538,604. **Choiseul Province** - 6 projects approved with a total cost of 188,604. **Central Province** - 8 projects approved with a total of \$390,353. **Renbel** - 1 project approved with a total cost of \$105,590. Temotu recorded zero applicants.

Mr Speaker, the Ministry has assisted about 200 to 300 cocoa and coconut farmers under the 2008 development budget. The level of assistance to farmers range from \$10,000 to \$150,000. With that, Mr Speaker, the total number of farmers assisted and the total area being rehabilitated ranges between 400 to 600 hectares of cocoa and coconut. Thank you.

Mr. Oti: Mr Speaker, supplementary question. Parliament notes the zero submission from Temotu province. Can the Minister inform Parliament of the role expected of agricultural officers, extension have in assisting farmers to make submission in this project? Can the Minister inform Parliament whether your officers in Temotu are working or not.

Hon. Riumana: Mr Speaker, the cocoa and coconut rehabilitation program has been fully informed through the use of Farmer's Corner therefore every farmer throughout the provinces heard from the radio the procedures and ways of getting assistance from the Ministry of Agriculture. Of course, we are in regular contact with Agricultural Officers in Lata. Thank you, Mr Speaker.

Hon. Sogavare: Mr Speaker, supplementary question. Listening to the list read to us by the Minister and the number of applications that have come are not unreasonable. Malaita, for example, with 21 applications with the cost value of \$1.2million, and the total value according to the Minister is \$11million but only \$5million was allocated this year.

The question is, what will happen to the other \$6million? Will applications still be considered this year or what is the new arrangement for this year?

Hon. Riumana: Mr Speaker, I wish to thank the hard working Opposition and Member for East Choiseul. Mr Speaker, from the total applications received, their total cost value was about 10million. The total projects screened and assisted as of 1st of December 2008 is \$4.02million. Thank you, Mr Speaker.

Hon. Sogavare: This supplementary question needs the Minister's confirmation. I do not know whether I properly heard but there are 146 applications with the total value of \$11million and then the Minister itemized them down to Malaita \$1.2, Guadalcanal \$2.35, Isabel \$1.5 and then the others but I assume it adds up to \$11million and the

question is that we are only allocating \$5million this year. I did make the statement that the values of applications coming from the provinces are not unreasonable. This shows how serious our farmers are in the area of coconut and cocoa.

My question is, if we take up \$5million this year, \$6million is still there, it show people are interested in that area and so what are we going to do. Are we picking up that \$6million this year? That is the question I would like to ask. Another question is, are there any other arrangements for next year in 2009?

Hon. Riumana: Mr Speaker, I wish to inform the Member that there are applications received and there are applications screened. The total application received is valued \$11million but the total application actually screened and processed is only \$4.025million, which goes just in accordance to the Budget of 2008.

Mr. Boseto: Mr Speaker, I thank the government for answering questions asked by this side of the House. I thank the Minister of Agriculture and Livestock. This is a very important ministry. I believe that land and agriculture must be secured and registered so that food crops are developed more than cash crops. That is my personal suggestion. Thank you very much Honorable Minister.

Bills – Second Reading

The 2009 Appropriation Bill 2208

Mr Speaker: Honorable Members debate on the 2009 Appropriation Bill 2008 continues. I would like to remind Members again that this is the third day of the four (4) days that Standing Order 61(2) allows us to debate on this Bill. Again I encourage all Members who wish to speak today to continue debate on the general principles of the Bill and to adhere to our normal rules of debate. Be mindful of times so as well allow other members who are yet to speak the opportunity to contribute. If at any time today no further Member wishes to speak to this debate, I will call on the Honorable Minister of Finance and Treasury to wind the debate before the question is put. Otherwise as we did yesterday we will adjourn this debate and resume tomorrow. Let us see how we go today. The floor is now open for debate.

Mr WAIPORA: Mr Speaker, I am conscious of the time as you mentioned and so I will only talk on six points in my general debate on the budget. At the outset, Mr Speaker, I would like to thank the Honorable Minister of Finance for his capable handling of the budget that Parliament is now dealing with today.

Mr Speaker, as the Leader of Opposition contributed to in this budgeted and we agree that this budget has been satisfied on our side, I rise here today by giving my support to this budget. That is the general stand of this side of the House.

Mr Speaker, yesterday the Minister for Public Service dealt on what his Ministry is doing and it was very good. He raised a lot of good points. The only point I would

like to raise about the Public Service is recruitment and discipline. I think there is need to be consistent in the policy recruitment of the government. At the moment the trend, Mr Speaker, in some cases I see is that some public officers resigned, went to do something else and then come back and reinstated again.

I remember some years ago when I was in the Public Service, I argued with the Chairman of the Public Service Commission because I wanted him to reinstate a person who has gone away for one month. The Chairman disagreed and wanted the post advertised because a person who resigned from the Public Service cannot be reinstated. I asked him why that kind of person could not be reinstated and he said the main reason is to avoid favoritism and nepotism in the Public Service. There are instances happening today where public officers who left the service for something else but when they come back they are reinstated. May be there is a change of policy now, but I am talking about what I have experienced.

Mr Speaker, on the point of disciplining officers, some officers with a stroke of a pen go out. Mr Speaker, we must protect our people working in the Public Service. One clear example here, Mr Speaker, is of a Permanent Secretary who has been suspended and sitting in his house now for about 14 weeks. He does not know what he is going to do. He was suspended and sitting down in his house, and he does not know what to do. He was never charged under public service regulations or may be the police and he is still sitting down there. It is very important to protect the government, in case public officers turn around and take the government to court and government loses money. I call on Prime Minister to take quick action on this particular case. I am not trying to be protective but whoever is a victim of such cases must be sorted out according to law.

Mr. Speaker, on the point of governors general, I met one of the former governors general who complained that although the government has passed a bill for their privileges and benefits, some of them have not received their privileges as yet. I want to bring this to this House so that we give them some sort of respect and deal with the cases of our most senior statesmen in this country. They have not been given vehicles and yet we parliamentarians are still arguing over vehicles. But for them, it is the law that says they must be given vehicles and their retirement packages. The Prime Minister' Office must deal with this issue as soon as possible. It is not good for them to go to the Prime Minister's House and ask for these privileges. I am trying to protect their dignity because in the past we respect them a lot by saluting them. I met one of them with his wife and they were complaining. I think it is very important that what they are entitled for must be accorded to them.

Mr Speaker, we have just been talking about rural development, agriculture, rural development ministry, fisheries and forestry, I think in my humble view the mechanisms that this house has passed in the last parliament meeting through the motion moved by the Honorable Member of Nende must be implemented by the government. In my view, Mr. Speaker, I see it as very important that funding in agriculture, fisheries, forestry must go through the rural development ministry to be distributed equally according to mechanisms set up in the constituencies and provinces. We have just heard from the Minister of Agriculture telling us the number of

applications received and the number that were already screened and their payment to be processed. It is now December before you are disbursing this \$5million. Why Mr. Speaker? I want to inform you my colleagues about our applications from West Makira. I sent our applications but because it must be signed by a fisheries officer, in the case of fisheries, and then to the provincial secretary, and then to me for endorsement, and then to the permanent Secretary of the Ministry of Fisheries and then to the screening committee for screening of the applications. This process takes a very long time. One letter I received from the Fisheries Division in Makira said that I have to pay \$50.00 for each application from my own constituency. This is a true statement, Mr. Speaker. We, the politicians would want to see our applications processed as quickly as possible. I only know that the process of getting livelihood fund is much faster because we endorse the applications and they go down to the Ministry. But for fisheries and agriculture you have to go through a very long process. That is why Temotu is zero because they live faraway. I know it is easy for some of you but for Temotu and Makira it is not easy to get through with these things. We have to spend money on fares just to get the applications for signatories to the provinces and back to Honiara. When that happens, Mr. Speaker, I am not worried. If we do not get any it is only fitting because it is difficult for us to go to the province and back to Honiara with pieces of paper. Screening is still going on but today is December the 4th.

Sir, I ask the government of the day to look carefully at this and come up with a process that all people in our constituencies receive those funding as quickly as possible, say within the first six months is better.

Mr. Speaker, on the rural development ministry, the kind of system that we have there is not right. Do you know, Sir, that CDOs have to open accounts by themselves and administer applications themselves. Only the CDO himself/herself does the work administratively themselves. This has happened; only one CDO, and not two or three signatories. I know because it happens in my constituency. Mr. Speaker, these are administrative matters but I think it is important to bring them up here so that other colleague Members of Parliament can hear the problems I am facing.

Mr. Speaker, as I have always repeated, our nation Solomon Islands is a nation of islands and the only way to get rural development that we have been talking so much about is through transport and communication. I am happy that communication through mobile phones and others is getting better now. But sea transport and air transport are not yet satisfactory. The government has financed ships through projects. But we are not, and that is why I have to sacrifice West Makira's RCDF to pay a ship because we asked for assistance from government but it is hard. I and my colleague MP for East Makira, I remember, have tried our best to buy a ship at one stage but because of unknown reasons our \$1.5million was forfeited. I do not know why but I believe it was diverted elsewhere. I was out from Parliament and my colleague was sick and so we did not know where that money has gone to and so we could not buy any ship.

When I came back into parliament, I resorted to buying a ship for myself using RCDF money. I want to say to the Honorable Prime Minister, the Minister of Finance

and whoever is responsible that I am going to submit a claim of \$3million for reimbursement of our RCDF.

I say this because at a stroke of a pen Isabel has \$3.6million and they have already bought their new ship. Why is this? Some of us have been asking for this kind of assistance for a long time but there was no positive response. Mr Speaker that is why I asked a question earlier on today on data to be provided by the Minister so that we deal with these things equally. Sorry that I am out of the government.

Mr Speaker, on mechanisms that we passed last time, whoever is dealing with it must be quick with it so that a recognized and legal mechanism is established so that the RCDF and the other funds go through that mechanism so that they deal with them and we are free. This is to put a stop to our names appearing in the Solomon Star almost on a daily basis. That is the only way. So that we come in here and deal with these books and when it is all done we are free. But what we are doing today is that we pass the law and we finish from these books we follow it right down to the villages. That is what we are doing now. But we are not administrators, we are lawmakers. Mr Speaker. We must make sure the mechanism that we passed comes into place at the constituency level.

Sir, I am talking about this because if this is done quickly it will be good. I do not know maybe some of you do not agree with me, but I wholeheartedly believe those funding should be removed from Members of Parliament.

Mr Speaker, on our overseas donors and development partners, I want to take this time to thank them for their continuous assistance to us. I want the government to maintain what you are doing in our country so that we go ahead to do what they want us to do in our own country.

In terms of security, Mr Speaker, I have already asked a very important point to the Minister of Police. In our country today, national security is starting to improve but not provincial security, which still needs to be improved. From Noah's days we are still drifting.

We have our headmen, chiefs and local courts. It is the headmen who arrested people who drink and are disorderly and took them straight to the local court. When the DO comes around he would check on the decisions made and if he disagreed on any decisions made he would write it down as a wrong decision or he would commit a case to the magistrates. I believe if this system is reintroduced by empowering the headman they will be able to arrest people who drink alcohol to assist the police.

During those days I saw this system as very effective because a chief from the village reports to a headman, the headman did the arrest and took him to the local court justice and they sit down to make a decision on what to take on the person concerned.

I am trying to put across some ideas or suggestions because our population is growing very rapidly and therefore we must find some effective and simple ways down there to strengthen the work of the police. We must help the police in their capacity building by looking at some ways at the local level. We know what is happening today in regards to drugs like marijuana, and I know this problem prevalent in many of our islands. You cannot deny that it is the same. I think it is one of the issues my good

Minister of Police must look very carefully at. Even today here in Honiara, we have seen what is happening and if it is happening here in Honiara, how much more in the rural areas. We must find ways of reducing or minimizing these problems.

Mr Speaker, I cannot take note of your ruling on timing since some of my colleagues here also want to have their turn and so I will stop here.

With those few remarks, I support the Budget.

Hon. TAUSINGA: Mr Speaker, before the Minister of Finance stands up to wind up, I would like to make a few contribution to the 2009 Appropriation Bill 2008 that was introduced by the Minister of Finance a few days ago.

At the outset, I would like to join other colleagues in congratulating our two colleague Members who have just joined us at this Sitting for successfully contesting the two constituencies of Lau Mbaelelea and West Honiara. On behalf of my people I give our congratulation to both of them.

Mr Speaker, this is the second budget of our government. This year's budget we introduced at the beginning of the year, a few months since the government took over from the previous one. At that time, Mr Speaker, I was the Minister of Education and my contribution at that time was mainly on the education of citizens of this country. Today, I will make a few brief remarks as the Minister of Forestry, a ministry that is tasked to administer forest resources, which we know is making some contribution to the national economy and the rural livelihood of our people.

Mr Speaker, on the Budget overview, I want to say that I am happy to see the government's commitment in creating a stable and a developing nation where efforts are being made to make available resources to go down to the rural communities allowing the people to advance their livelihood and in keeping their welfare. But in order for this to work, the government must continue to strengthen our institutions, and our structures to assist our people come up with a strong rural economy.

I must mention here, Mr Speaker, that I congratulate the government for producing a budget that continues its aim of achieving what it had set out under its policy frame work, which includes medium term development strategies. Mr Speaker, because of that I support the characteristics and features of the 2009 budget that the Minister had introduced to us.

Before I continue making general remarks directly on the Appropriation Bill and its objectives, I too would like to make an overview on the functions of my Ministry of Forestry Resources in respect of its medium term development strategies.

Mr Speaker, forest is life and there are many benefits that we can get out from the forest, one of which is the customary values that many of our people enjoy, which includes food, medicine, building materials, firewood and other benefits.

Forest also has economic benefits, especially in this country because the natural forest, logging is an important component in the economy of the country, which accounts for 17% while 70% of all export earnings comes from forestry supporting government revenue of about 18 %.

Mr Speaker, there are four strategically development areas in this medium term, which will guide the Forestry Sector, namely development of sustainable forest programs, sustainable forest industries and downstream processing program, forestry institutional strengthening and capacity building program and forestry conservation management program. I will talk on these later on in my speech.

Mr Speaker, for the next three years under the Ministry's Corporate Plan from 2009 to 2011, priority areas will be development of the reforestation program to encourage resource owners and small holders engage in portable sawmilling programs to downstream their resources for full benefit. Most importantly also, to enact legislation for better support, protect and develop this sector to the maximum benefit of the people of Solomon Islands.

Mr Speaker, the natural forest status, I am happy to inform the House that with the current rate of harvesting of the natural forests, it will take less than 10 years to completely exhaust the natural forest. Starting next year, Mr Speaker, we are going to experience a decline on round log exports. The forest economy, which will be created after exhausting the natural forests will continue for some years, and this will be a challenging and difficult time for us when logging declines at a level that will have a very, very profound impact on our economy.

The rate of harvesting, Mr Speaker, stands at the moment at 1.4 million cubic meters, five times the sustainable level and it appears that we may repeat that alarming rate. I think everybody will know that the possible consequence of this kind of over harvesting is loss of government revenue and landowners will also lose out on their royalties because there are no more forests for us to harvest like what we are doing now. Therefore, urgent steps must be taken now to assist in the reforestation program but at the same time the non-forest sector like agriculture, fisheries, tourism and mining must be developed to cushion the economy from adverse effects in the slowing down of the logging industry.

Mr Speaker, the Ministry has in place the policy of sustainable forest industries and downstream processing program. Under this strategy, Mr Speaker, the objective is to generate opportunities for growing population to achieve high economic growth and to enhance the social well being of citizens in our country. It is anticipated, Mr Speaker, within that objective increase benefits to the country in rural areas and resource owners in downstream processing adding value to products will be good for all of us. Through this policy, the government has been distributing portable sawmills where last year 25 was given out to constituencies and the balance made available this year for constituencies as well as resource owners.

The government expects to see increased and processed products and improved availability and quality of information and data about the present status of our forests. But we are not ignorant that we have our statutory obligation to try and balance between the extraction and management of our forests, and the objective to ensure the sustainability, utilization and conservation of natural resources and protection of the environment, and to make a successful adaptation climate change are tasks the Ministry is work on at the moment.

The determination of my Ministry to build respected professional agencies, sustain and maintain natural resources and the environment is a spirit that we have to capture and nurture for purposes of aggressive work towards proper utilization and sustainability of our forests. Mr Speaker, this year we have improved the Ministry's organizational structures and created established posts to man the forestry sector in various communities. The need for more competent, trained and disciplined staff and the provision of logistics, have been attended to and will continue to be monitored.

Mr Speaker, amongst the medium term development strategy, is also the need for forest conservation and management program. The expected outputs are to conserve and maintain the natural state of the forest, which is important to the environment and biodiversity? On this trend, Mr Speaker, the Ministry has developed a redevelopment program for the National Herbarium and Botanical Gardens in Honiara. The Ministry is planning to set up a national forest research institute. During the years of the ethnic tension, Mr Speaker, plant specimens were shipped to Suva and are now in Suva at this time. These specimens will still remain in Suva. The Ministry is planning to upgrade what we have in here in order to cater for the return of the specimens.

Along with that plan Mr Speaker, there is also plan to visit the provinces for the purposes of establishing collection areas to promote and protect our various plants, some which are only native to Solomon Islands; we do not share them with other country. But perhaps it is important that I balance the picture of forest sector in Solomon Islands in the years to come. In fact Solomon Island is blessed with ingredients most suitable for forest development. You have abundant resources, you have suitable tropical climate, abundant sunshine and rain. Under these, trees can easily grow.

On the forest plantation sector there are two industrial plantations that are engaged in reforestation work here in Solomon Islands, Mr Speaker. They are the Kolombangara Forest Plantations Limited and Eagon Pacific Plantation Limited both of which are operating in the Western Province, and they have between them 25,000 hectares of forest plantation. I am glad to inform Parliament that the KFPL had already acquired the Forest Stewardship Council Certification. That means the KFPL can market its forest products in open markets anywhere in the world. Eagon is still working to acquire the same status and to be awarded the Forest Stewardship Council Certification.

Mr Speaker, I am glad inform Parliament that I have just got back yesterday after one day at Viru to commission a veneer plan that is put in place by Eagon Pacific Plantation who is now at the moment, whilst I am standing now, the machine is turning and peeling out veneer out from logs, a product that would be exported for plywood making in another overseas factory. But it is the plan of the company that should this initial stage is successful then they would put in place that which can cater for a wider veneer or for a standard veneer that can make plywood out of those products.

Mr Speaker, this is an area that I call "forestry in development but not forestry and harvesting", which is the activity we have been engaged in, in previous years. This is a downstream processing well connected to the policy of the CNURA Government. Plantation forest, Mr Speaker, the planting of high value logs – teak and mahogany still continues in many parts of the country. The Western and Malaita Provinces are taking

the lead on this one. There are about 1,300 wood lodges out there with an average plantation size of 0.5 hectare per lodge. But the potential and the future of forest plantation both by industrial estate and smallholder is bright indeed but needs our support.

Besides this village based smallholder plantation there is a natural re-growth of logged over areas where mother trees are abundant. These are also coming up and the Ministry is working on measures and regulations to discourage backlogging too early and too soon, if we have to engage on backlogging right now.

Mr Speaker, the Ministry of Forests also continues to engage with stakeholders in the forestry sector with the aim to bring to this house a legislation that will address the real situation we have on the ground as far as forestry development is concerned. A few days ago I had the pleasant task of opening a national workshop on reforestation and downstream processing attended by provincial forestry officers, landowners, private sectors, non government organizations and government officials. The outcome of this workshop will complement the Ministry of Forests medium term development strategies and will contribute to the final drafting of the new legislation.

Mr Speaker, having presented my Ministry's development strategy, let me now briefly turn to the Appropriation Bill that is before the House and make some brief comments.

Under the four (4) forestry development strategies of my Ministry's budgetary requirement to execute corporate plan and activities for 2009, the total needed by the forestry is \$43million. But I am pleased, better than done, the government had allocated a total \$32.1million both for the recurrent and the development budget allocation for the Ministry.

The government's normal policy of build lasting peace in our islands to enhance socio economic growth at all levels has been well supported by the budget. Here I noted that government commitment next year for social and security sector ministries of education, health and medical services and police accounts for \$599.3million or 55.96% of the total recurrent budget.

On the economic and productive sector which my Ministry comes under includes tourism and culture, fisheries, agriculture and rural infrastructure. They were allocated the sum total of \$128million, representing 10% of the total recurrent budget. These same sectors under the same development budget were allocated a total of \$182.7million or 10% of the development budget. It is encouraging that the government recognizes these priorities, thus trying to distribute the allocation evenly in order for the government to perform its function.

I pointed out that the forestry sector will be experiencing a decline in revenue due to decline in the logging sector. It needs to be encouraged in the economic and productive sectors in order to improve their production so that the hardship can be cushioned and that activities can be taken care of. I am confident that the Minister of Finance and the government will continue to work and will in due course increase allocations that will help further the activities of the government for the benefit of the people.

Mr Speaker, the government aims to progress towards a Solomon Islands that is confident, a Solomon Islands has ethnical standard based on its values and traditions needs its leadership to be supported at all level of our community. We need to build a society where there is lasting peace and human respect for all where each individual Solomon Islanders can aspire to the best of his/her ability to enjoy peace, progress and prosperity as our national anthem requires us to do.

Solomon Island is part of the global economy and whether we like it or not what others experience in other parts of the world we too can experience. The melt down that is sweeping throughout the larger economies of the world like the United States of America, Europe and South East Asia, the best we can do is to manage our national economy prudently.

As the Minister of Finance had cautioned us any harm inflicted upon China where 80% of all the logs exported is sold, will severely affect Solomon Islands. I can only reiterate what the Honorable Minister for Finance said that a fall in demand of our logs from China would reduce growth, would reduce employment, would reduce government revenue and will inflict on our economy a wasting trade deficit. This is a serious matter when you take into consideration declining logging in Solomon Islands next year.

There is one other thing I need to mention, and that is the cost of fuel. While it is going down it is still high on the rural community and the government would do well to ensure that the price does not go beyond their ability to purchase this commodity. Fuel cost hits on shipping and transport costs also. But again I am glad the government is not ignorant on this very important commodity.

Our national economy is small and is susceptible to the outside world economy. As an importing country, especially round logs to the China market, any economic slow down in China will definitely affect Solomon Islands log export to that country. On the domestic side, Solomon Islands achieve a much stronger economic outcome in 2007 where round log exports rose by 330,000 cubic meters to more than 1.4million cubic meters. And as I said this trend is continuing in 2008 and may be more than the 2007 production.

Despite the strong local and domestic economic performance, there are major challenges such as inflation, growing social distresses and of course the increasing oil prices although this came down slightly in past months. The preliminary forecast, Mr. Speaker, for 2009 will follow on from where we are now in 2008. The first challenge would be the declining export of round logs. The depleting pace that we are beginning to experience will last for 2014 to 2038 thereby creating an economic hole. As I had commented on the hole must be filled with revenue coming from the non logging sector.

Mr. Speaker, the basis of all these was the beginning of the CNURA Government livelihood policy, where this year in 2008, \$80million was allocated to the Ministry of Rural Development. This is on average providing 160 percent per head on population of Solomon Islands. This provision provides the catalyst to rural advancement strive to stimulate economic activities in the rural areas. The participation of rural population and resource owners in economic development is very important and needs to be

enhanced for purposes of trying to make the timber industry continue for economic development in our country. This is much more important when we have a bleak forestry round log export in the coming year.

Mr. Speaker, I pointed out about the forestry's life for it has customary values and benefit as well as social benefits. I have also pointed out the environmental benefits of forests and the declining reduces forest benefits including physical erosion, soil fertility, protection of water and land, and it is therefore very important for us to look after and manage our forest for without which life will be inadequate in the rural area.

Mr. Speaker, I would like to join others to ensure that the outlook for 2009 should encourage us to take positive steps to guide ourselves against excessive inflation to ensure adequate level of foreign reserves and to urge the banks to improve the interest rates for domestic deposits. But I am pleased too that the banks have responded positively on this.

In conclusion, Mr. Speaker, I extend words of thanks to all donor partners for their bilateral and multilateral assistance to the people and government of Solomon Islands. In particular, Mr. Speaker, from the forest sector, my sincere thanks goes to the government and people of Australia for their assistance to the forest sector stemming back some 20 years ago, more recently, the forest management program, which ended this year. I am glad to note that officials of both governments are negotiating to have another program next year. This new program will extend to cover not only forestry, but whole rural life issues in communities.

Mr. Speaker, my sincere thanks also goes to the government and people of the Republic of China for their continuous support in the reforestation program this year. Again the officials are negotiating to have the same program next year. Our sincere thanks too, Mr. Speaker, goes to the European Union for their support in sustainable forestry and conservation project from which communities like the Tetepare Descendant Association received substantial assistance. Mr. Speaker, I wish to also thank the land owners and resource owners for their understanding and for their support in allowing their resources and their interest to work with the Ministry.

To you again, Mr Speaker, thank you for allowing me time to contribute on the general debate of Appropriation Bill before the House. I must apologize perhaps if I speak too long, but certainly I will try to make a short contribution in the next meeting.

Mr. Speaker, I have no reasons at all to oppose the Appropriation Bill before the House. I beg to support.

Hon. Gukuna: Thank you Mr. Speaker. In support of the 2009 Appropriation Bill 2008, I first of all wish to join my colleagues who have spoken in commending the Minister of Finance & Treasury for bringing to this House this Bill, a very important one which carries the details of our national budget for 2009. Mr. Speaker I must also thank the hard working staff of the Ministry of Finance & Treasury, the technical cadre, the budget staff and the Permanent Secretary of Finance for ensuring that this budget gets here in good time. Not forgetting the Permanent Secretaries and Under Secretaries, the accountants, chief admin officers, the typists and advisors of other ministries who have

worked extra hard to ensure this budget is completed for this meeting. Thank you, the PAC chairman is not here, but he too must also be thanked for playing his role in this budget, even though I felt that they should have reviewed all ministries' allocations and not just the so called big ministries.

Mr. Speaker, I think the Leader of Opposition made some very observations on this budget, and I must thank him too for the comments he made during his contribution to this debate.

Read this budget and you would that this is another record-breaking budget drawn with much thought and carries our hopes that it will meet the economic and social expectations of this nation in 2009. After a long year where our best efforts may have been short of meeting these expectations, this budget, at the least assures us that we will try again next year. This, to me, is sufficient to give the 500,000 people of this country some peace of mind over the Christmas and New Year celebrations.

That said Mr. Speaker Sir, the intention of this budget is very clear, and that is to continue to work on the policies we started to implement in 2008, policies that have good aims of improving the livelihood of our people.

On the face of it Sir, this budget demonstrates a good capacity of our economy to generate economic resources for our use, and for this I see positive signs coming out of our economy. We must therefore also thank the many individuals, who have worked hard to enhance this capacity,

In terms of revenue, planning and objectives, I see plenty of these in this budget, and to suggest that this budget may collapse because aid donors, including our traditional aid donors may withdraw their support for this budget, is to suggest something that I do not see in this budget Mr. Speaker. It is one thing talking about being hooked on aid money, it is another suggesting that aid donors will leave this country within the duration of this budget. I see no reason why our aid donors should leave this country in 2009.

Mr. Speaker, you will agree with me that one of the few industries that has demonstrated resilience and very good growth rate over the past year is the Aid Donor Assistance Industry here in Solomon Islands, if I can call this an industry. To argue that this industry will buckle in 2009 and collapse in the face of this budget is to put forward arguments that are not substantiated and based purely on speculation.

Mr. Speaker, it is not my intention to argue for aid money. In fact, I quite agree that depending on aid money has its fundamental shortcomings but this may be just as unacceptable as beefing up our perceptions and dislikes of aid-donors and their donations to unnecessarily drive fear into a budget that does not deserve such prescription, especially when all this budget is trying to achieve is peace and a better life for our people.

Mr. Speaker, this budget is no different from other budgets. It is the same as last year's except for slight changes to figures may be, and it is the same as 2006 and so on. Every budget that is being passed around the world by every single country and government carries the same form of uncertainty imposed by the fact that budgets are propositions that are fully subject to uncertainty of predicting the future.

Sure Mr. Speaker, the environment in the first quarter of 2009 or in June 2009, in September 2009 are going to be very different from the environment that this budget was drawn up in, yet this budget will remain our best hedge against the future. I can assure you that this particular budget carries significant capacity to pull us through. For this reason I can accept that this budget is a credible one because we have given it our best shot and is fully supported by our best judgments and the prospect that our economic environment will continue to improve for the better in 2009.

In terms of financing, this budget is not at all suggesting any radical financing scheme in 2009. This budget is going to be fully financed, again, using our traditional financing sources with large increases projected in our domestic revenues due to compliance and inflation.

Mr. Speaker, I see no problem with compliance. Compliance must be seen as strength, not a threat. Demanding compliance is not saying to them "you must tighten your belt". No, compliance is simply saying to them that you must "pay to Caesar what belongs to Caesar". I think we should commend people who work to bring compliance to the level that is being expected in this Bill.

In terms of inflation, Sir, I agree with the points raised as they are relevant points I must say. But let us not forget that if inflation is going to influence this budget, its effects will apply across the board, as it will affect both the actual revenue side and the actual expenditure side. And work on this properly, the effect of inflation on this budget, if there is going to be anything significant, will be nowhere near the Dramatic Budget Collapse scenario that has been put across.

Mr. Speaker, we continue to worry about revenue collection, inflation and compliance because we are accustomed to a budgeting process that almost focused entirely on the revenue side of the budget. In saying this I believe it is time for us to shift our budget process to a result-based budgeting. I am saying this because it has become very clear that the problems we have had with our past budgets had not been due to generating revenues. No, but our problems have been due largely to implementing budgets and getting actual development results on the ground.

Shifting to a result-based budgeting will enable us to dismantle some of our out-of-date tendering processes and procedures, because they are just too cumbersome. The benefits of having them in place budget-after-budget are far insignificant than the losses we continue to incur due to delays in implementing budgeted developments.

Mr. Speaker, this fear of implementation is not a make up fear but this is real. It happened during our past budgets; it happened to the 2008 budget and believe me it will happen again to this budget.

Mr. Speaker, if tendering is to continue to be an essential requirement, then I believe our Ministries, responsible Ministries should handle tenders internally. Do this and we will have less problem implementing budgets including this budget to the full.

There is also one other thing I think we should start looking at in our budgeting and that is, and I strongly believe in this, it is now time for us to introduce some level of debt financing into our national budgets to specifically finance the development component of our national budgets.

In finance, the best financing arrangement in any business is not 100% equity finance nor 100% debt financing, but the best financing that will optimize the use of finance is always a combination of some sort of equity and debt.

This may sound academic but the practical implication of introducing debts into our budget is that this will allow us to access adequate capital that we could use to speed up the implementation of development programs instead of having to spread these programs, as we have been doing to match our recurrent revenue collections.

One other possible source of development capital, which someone has raised earlier, is through the accumulation of surpluses. The problem with this is that this is not likely to happen especially when we continue to balance our budget. Sir, using debts will impose some interest costs but these costs will only be minimal compared to the satisfactions that will come from putting development results on the ground.

Mr. Speaker, we have demonstrated adequate debt repayment capacity over the past 3-4 years. Our budgets have shown acceptable capacity to generate income. We should be very comfortable with taking out short term debts to specifically finance our development efforts.

Despite the criticisms that we MPs continue to be subjected to, I am indeed very grateful that this Bill, the 2009 National Budget is making available another lot of RCDF, the Millennium, Micro and Livelihood Funding for my Constituency in 2009.

I said before that I have no problem with my RCDF, the Millennium Fund, the Micro Fund and Livelihood funds, and I will say it again that we need to increase these allocations. I do not care about those who continue to criticize this funding because that is all they are good at, and that is to criticize. What I have learned is that those who criticize their MPs and Rural Funding are people who have difficulties accessing these funds, and all they want is to use these funds, you give them a little bit and they will shut up for good. I asked the NGOs and agencies that are supporting our critics to keep out of this; this is not your business,

While others continue to criticize these funding, what I found very interesting is that our Premiers too, all of them, are also working to take these funds away from MPs and have them paid to them instead. They are not satisfied with the millions that are being paid to them at present. Mr. Speaker, this is one of the things they talked about and approved during their Conference in Lata last October, and ludicrous this may be, this is what they want. They want all RCDF, Micro-funds, Millennium and Livelihood funds paid to them.

In terms of numbers this is what they are asking. The Premier of Temotu will get \$6m, the Premier of Makira Province will get \$8m, the Premier of Guadalcanal will get \$16m, the Premier of Renbel will get \$2m, the Premier of Malaita will get \$28m, the Premier of Central will get \$4m, the Premier of Western Province will get \$18m, the Premier of Choiseul will get \$6m and of Isabel will get \$6m. If they are concerned about the use of these funding, I assure you, and I say this with due respect that paying the RCDF, Micro Funds, Millennium Funds and Livelihood Funds to Premiers will be far worse than the present system where these funds are being paid to MPs. I do not really know where they get this stupid idea from.

Mr Speaker: Point of order. Can you withdraw the word 'stupid'?

Hon Gukuna: Okay, is the word 'crazy' door enough. Okay this crazy idea from. As you know, these funds are designed to allow our MPs to address the unique development needs of their constituencies and people that we could not capture in our normal budget plans. The relevant question here in as far as these funds are concern is this: What do we mean by development?

While it is easy to see bridges, roads and airfields as development, you cannot talk about bridges and roads in Anuta and Tikopia, you cannot talk about community projects very much here in Honiara and you cannot talk about copra and cocoa in Rennell and Bellona.

Having frequent shipping visits to the outer- islands is development to them. Having a reliable supply of kerosene is real development to some of our rural people or simply putting up a water tank is development to our rural people. To nearly all of our rural families, relieving parents of persisting costs like funeral and deaths and education is to them the result of development.

The diversity of these development needs provide the wisdom for all rural funding, and people who do nothing to help their communities and instead sit all day dreaming about these funds criticizing them and their MPs just simply failed to understand development in the context of our rural areas.

Mr. Speaker, I talked about implementation and processes because these have very much affected the very important projects of my Ministry this year. And this is despite the best efforts we put into them.

Sure, we have made some significant progress on these projects, but I still find this unacceptable especially when I know that what we achieved so far is not comparable to our efforts and that we have not been able to fully complete these projects due to red tape procedures,

Having said this, I am pleased to inform that we are commencing tourism and hospitality studies at the Solomon Islands College of Higher Education in 2009 starting February; the curriculum for these studies have already been approved. Whilst on this, I take this opportunity to thank the professional staff of SICHE for the important role they have played in pushing this project forward.

Also Mr. Speaker, I wish to inform that land for the new School of Tourism and Hospitality has been cleared and it is only a matter of time before we conduct the ground-breaking ceremony for the construction of this school. Again, I express my sincere thanks to SICHE for helping out in this school project.

I am also pleased to inform that we have made significant progress in as far as restarting the Anuha Tourist Project. We are still working on this and if things turned out as plan as we see it, we hope to have the papers that will allow for the commencement of the re-development of Anuha signed this weekend.

The Offering and Acceptance of Developing Anuha has long been completed, and I wish to take this time to thank Sky-World for accepting our Offer and for showing great willingness to contribute to our efforts to develop our tourism sector.

Mr. Speaker, over this year, our efforts had been centered on trying to set up the infrastructure that will move tourism in this country forward, and one of the things we have also achieved toward these efforts has been the establishment of a workable-relationship between our private sector operators and the Ministry of Culture and Tourism.

One of the things that I promised this house earlier this year that we will be able to do this year is passing of the Solomon Islands Tourism Law. I regret to inform that we are not in a position to do that this year, partly because the Minister of Tourism has no knowledge of drafting tourism law, and I have to depend on some other people trying to put their inputs into this. But I promise I will do this next year,

Mr. Speaker, I agree that the wisdom and the will to invest in tourism is yet to properly sink in on us. What I can say is that the decision to spend money in developing tourism in this country is not just another development decision. No, Sir, this is in total an investment decision. And this is supposed to make this decision an easy one, especially when results of appraising tourism in this country are all positive, the returns of tourism are assured and the prospect for this industry in this country is simply overwhelming.

To me, investing in our tourism sector is not a matter of: we take it or leave it. We really have no choice, but we must take it and we must take it now.

As a government we can be proud that we have again been able to draw up another record budget for 2009. But in doing so, we must remember that this record budget will only be of any good to us when we fully deliver the services and benefits that are being promised in this budget to our people.

With those comments, Mr. Speaker, thank you for your indulgence and for giving me the floor. I support this Bill. Thank you.

Sitting suspend for lunch break

(Sitting resumes)

Hon. WALE: Sir, allow me first of all to thank the Minister of Finance for the work put into preparing and bringing the Bill before the House.

Sir, the Ministry of Education holds the highest allocation in this year's Budget and will again, get the highest portion of the consolidated funds in the 2009 Budget. I welcome this, as there has been an increase in the 2009 Budget compared to 2008. Sir, the increase will help my Ministry to implement its 2009 Annual Work Program which is already prepared in some detail and has been shared with all stakeholders in the Education Sector Co-ordination Committee. Sir, the Support to Education is important precisely because it is an educated, literate and an informed population that can make significant contributions to the social, cultural and economic development of our Country.

Sir, I think that my Ministry is able to prioritise and attract support from many stakeholders because it has in place its medium and long term sector plans such as the *Education Strategic Framework 2007-2015* and *the National Education Action Plan 2007-2009*. These Planning Documents outline the strategic goals of the sector in the areas of quality education, equitable access and efficient and effective management of resources allocated to the sector.

Mr. Speaker, since 2004, the Education Sector Program has been funded and managed through the Sector Wide Approach (SWAP) based on a signed Arrangement between the Solomon Islands Government, European Union and New Zealand AID. Next year 2009, will be the end of Phase 2 of the Sector Wide Approach as well as the end of our National Education Action Plan 2007-2009. It will be a year for review of all our Provincial Education Action Plans, our National Education Action Plan and the Agreement with our Development partners.

In terms of progress, we have continued to make progress Sir, we have continue to make progress through our 2008 annual work program in achieving the education goals and objectives outlined in our National Education Action Plan.

In the area of Quality Education, we have signed a 4 year contract with Pearson Education, Australia, to assist in our Curriculum Review and Reform program. For the first year of the contract, we expect to receive early in 2009, the first supply of 89,500 books for Social Studies, Science, Health and Home Economics.

I also wish to inform the house that we are at the stage of finalizing the National Curriculum Statement. This is the basis for teaching and learning in our schools. In terms of teacher training sir, we had the 2nd and 3rd Block of training for our untrained teachers this year. We expect 250 untrained teachers to graduate in February 2009 after the 4th Block.

Mr. Speaker, we have about 3000 untrained teachers in our Education System. As part of the strategy to address the issue of untrained teachers, my Ministry together with SICHE, is about to commence on converting the existing training material into Distance Flexible Learning mode. This will improve the access to training for our untrained teachers. We plan to pilot these new special materials in Guadalcanal and

Malaita with Mentor teams in the Provinces. In this regard, sir, I appreciate the continuous support given to teacher training in the 2009 Budget, both from our Development Partners and the Budget of course from the government.

Mr. Speaker, our Inspectorate System is the eyes and ears of the Ministry in terms of ensuring that the education we deliver is of high quality. A review of the Inspectorate is planned with more staff and the preparation for more school based assessment which includes involvement of head teachers and principals in the regular assessment of teachers. Inspections are the critical success factor to ensuring a quality education. The additional resource is given to the Inspectorate Division in the 2009 Budget are a reflection of the importance the government places on ensuring that not only do we expect high standards of our schools but that we inspect them to maintain and better those standards. As the addage goes "it's not what we expect but what we inspect that counts".

Another Sub-Sector, Mr. Speaker, which requires the support of the government, is the Early Childhood Education Sub-Sector. The policy for Early Childhood Education has been approved by Cabinet and the implementation of this policy receives additional funds in the 2009 Budget. Sir, in the new year we will concentrate on the development of the curriculum for this sub sector as well as providing training for ECE teachers.

In the area of access to education sir, we are experiencing an increase in enrolments at all levels of education from Early Childhood through to Tertiary Education, putting our education system under immense pressure and increasing demands for more teachers, classrooms and curriculum materials.

Mr. Speaker, in terms of student enrolments, in 2005 to give a perspective we had 140,135 students in the education system right through to secondary school level. In 2006: 142,350, in 2007: 144,431 students, this year (2008) enrolment has increased by another 7600 students a 5% increase compared to last year giving a total of 152,331 students in the education system from Early Childhood right through to Secondary.

In the Technical Vocational Education Sector, current enrolment is about 1700 students at the Rural Training Centres. This sector is very important sir, in terms of skills training. This sector will continue to grow and improve as an alternate pathway for school leavers after basic education.

You can see, Mr. Speaker, that the majority of the total enrolment is in the primary education sector, at 70.3%, 18.7 % is in secondary education, 9.8 % in ECE and 1.1 % in the Rural Training Centres. Based on an expected 3% growth rate we expect 162,136 students in our education system for 2009, and it may be a little more when we implement the free Basic education.

Mr. Speaker, some of the programs that we do to improve access to education include, construction, maintenance and repair of school infrastructure for primary and secondary schools. Up to date, we have constructed more than 200 new classrooms, libraries, storages and staff houses in primary and secondary schools. It is estimated however that we need another 2000 extra spaces in particular at the junior secondary school level to absorb the growing influx of new students coming from primary school given the free education policy that will be implemented in the new Budget. However

the requirements of this need for facility and spaces is not fully budgeted for yet, there is however strong partner support for this component with a total of 11 million dollars from NZAID and another planned 12.7 million dollars from the European Union.

Mr. Speaker, for further support to school infrastructure, we have just finalised an Agreement with the Supplier of Prefab materials for Phase 2 of primary infrastructure. Under this Agreement, we will build 27 library and storages facilities and 14 double classrooms in Isabel Province and Shortland Islands.

Mr. Speaker, school grants are also a means of improving access to schools. This year we disbursed more than \$30 million grants to schools to enable them to operate. We have revised and harmonised our grant system, which means that we have one system now for the disbursement and reporting of grants to Early Childhood, Primary, Secondary and the Rural Training Centres.

Next year, my Ministry will introduce two new grants to the schools and these are the administration grants and remote area grants. These new grants sir, will enable schools to meet administrative and travel cost when attending to retiring and reporting on the use of the school grants. The government has allocated an additional \$1 million to this new grant system.

Sir, also there is a Rehabilitation Program for Western and Choiseul provinces to rebuild damaged classrooms and staff houses. I wish to thank the Minister for Finance for releasing the very needed funds for the Recovery Action and Rehabilitation Program (RARP). The first \$9 of the \$10 million allocated in the 2008 Budget was released in November of this year. However, the relatively late release of these funds has held the rehabilitation program back from fully implementing its 2008 work plan. I hope that the balance of 2008 allocation will be released before Christmas, and that we see better performance from Treasury in 2009. I would like to thank the government however for maintaining the level of commitment to this important rehabilitation program in the 2009 Budget.

Mr. Speaker, effective and efficient management of limited resources is essential not only in the education sector but across all sectors. We have tried to improve our capacity at all levels in our education system to be able to manage, monitor and report on the budget that we receive.

Mr. Speaker, we have been able to fill 41 positions out of 55 vacancies in our 2008 establishment. Our programs require additional manpower and therefore our establishment continues to increase by another 31 new positions in 2009. We are well into our human resource development planning to address our human resource issues and therefore have already in place the Ministry Human Resources Development Plan for 2009. Our focus will be on review of job descriptions and the implementation of a staff appraisal system and on the job training to staff in close consultation with the Public Service Improvement Program.

We continue sir, to provide school management and leadership training for school principals and head teachers so they will be good school managers and leaders as well as providing financial management training to schools so that they can manage and report on their grants.

Mr. Speaker, we consider the participation of communities, students, parents and teachers as very important in the operation and sustainability of our schools and therefore encourage this kind of participation in school development planning. Every School and Centre in the country will be required and expected to have a School Development Plan and this will be a condition for receiving grants and the basis for the utilization of the grants into the mid term.

Sir, Education Authorities are our 'agents in the field' who need to assist us with quality control and encouragement of all children going to good quality education. It means that Education Authorities must perform in terms of discipline, data collection and timely collection of the data, necessary follow up. The capacity of our Education Authorities is therefore very important to develop and enhance and will be a focus for the Ministry of Education in 2009.

Mr. Speaker, the issues surrounding teacher management are an important aspect of education authority functions. Mr. Speaker, at the headquarters, a lot of coordination, planning and policy development is done. We are ending this year with four (4) Policy documents approved by Cabinet in the areas of Early Childhood Education, Teacher Training and Grants to schools and to Education Authorities. Further, a policy for curriculum materials distribution and storage will be soon presented to Cabinet.

Mr. Speaker, despite the progress and programs, the sector still faces serious challenges. As I noted earlier, the education system continues to expand with more students and teachers requiring more classrooms, schools and other school infrastructure such as libraries, science laboratories, offices, toilets, staff houses etc. All these developments clearly demand more resources, but at the same time we need to implement innovative solutions and efficiency measures. Mr. Speaker Sir, there are more challenges for my Ministry and I would like to share some of these.

Sir, a challenge is the training and recruitment of more teachers. The increasing recruitment of teachers does not seem to be enough to provide a relevant and high quality education to a quickly growing number of students. Teacher Establishment continues to be a challenge for us and it will increase by an additional 416 teachers for 2009 attracting an additional \$28 million in emoluments. We need motivated teachers in our schools and ensure that measures are taken to retain them in the system and reward those who are performing well. The Ministry is exploring options to ensure that teachers that are good remain in class and are rewarded for doing so, that they do not seek advancement by leaving the Teaching Service and seeking promotion through the administrative cadre. That means sir that we must continue to support our teachers and I am pleased to note that government has approved new budget lines for teacher travel and long service benefits in the 2009 Budget. Mr. Speaker, we must not tolerate teacher absenteeism. Sir, teacher absenteeism deprives our children of their right to a quality education. There is need for structural reform in our education system to address this problem. Sir, it is a problem and one that the government fully intends to resolve, if someone does not attend to work for no legitimate reason sir, the bottom line is that the absence ought to be reflected in their pay. Education Authorities and school boards

have an important role to play in this matter sir, further the management of teachers need to be rationalized to ensure it is effective. Sir, everything in our education system must be focused in the classroom, on the student and the teacher.

Mr. Speaker, the Ministry is also looking at options to establish a performance incentive scheme to reward teachers for good performance. We must reward hard working productive teachers whilst at the same time it is important that there is compliance, we insist on compliance with basic requirements of employment in the Teaching Service, schools will expect more surprise visits in 2009

Mr. Speaker, the tertiary sector has been a challenge for the Ministry for many years, in terms of scholarship management. The Ministry has taken new initiatives to improve the awarding and management of scholarships. We hope to finalise the Substantive Tertiary Education Policy early in 2009. This year we administered about 1034 scholarships at the Solomon Island USP Campus & Regional Institutions. We expect about 300 students to graduate at the end of this year. The 2009 scholarships sir, have been awarded strictly to students with a GPA of 3 and above.

Mr. Speaker Sir, during the 2009 Budget preparations and consultation process we had the opportunity to reallocate within our Budget lines and subheads. We also submitted bids for additional funds to cater for new activities as well as increased support to current activities. We are pleased to note that a total of more than SBD12million is given to the Ministry of Education in the recurrent estimates for new activities sir.

Mr. Speaker, a big Budget comes with the obligation to spend it responsibly. We are fully aware of this and can confirm that in terms of budget implementation for 2008 we are close to 100% absorption. We have the same expectation of our 2009 Budget which has grown to over \$431million for the Recurrent and \$151million for the Development Budget. We hope that the Public Expenditure Review currently carried out on the education sector with the support of development partners will give us more accurate comparative information on budget to actuals. This information will assist us in the preparation of the Mid Term Expenditure Framework, the three years Budget for our New Education Plan for 2010-2012.

Mr. Speaker Sir, in 2009, my Ministry will implement one of CNURA's priority policies and that is the 'Free Basic Education Policy'. I am pleased to inform the House, that NZAID and the Republic of China are supporting the Government in realizing its goal of providing Free Quality Basic Education to the children of Solomon Islands. The Government will contribute \$5million in the development budget towards this policy. We are in a position to fully implement this policy from January 2009 sir. Mr. Speaker, implementation of this policy will address the issue of high drop out rates in the education system which increases with the levels in the system; primary schools 13% dropout rate, junior secondary 22% and senior secondary 47%. We need more and better teachers, more and better curriculum materials and therefore the review, more school infrastructure and facilities and monitoring from school managers. Communities must take an active interest and ownership from our schools and also the provinces, the provincial governments and provincial staff. The 2009 Budget, Sir addresses most of

these issues but there are still significant gaps in these areas that need to be addressed in order to achieve a 100% progression up to Form 3. The implementation in 2009 will only address the additional grants to schools and centres and my Ministry is preparing the policies and mechanisms for the implementation of this policy and will soon start an awareness campaign so that schools are aware what responsibilities come with the grants that they receive.

Mr. Speaker Sir, the Ministry of Education expended 60% of its development budget in 2008. The Ministry was unable to fully implement its development projects in 2008 unfortunately. However, much preparatory work has been made for a more efficient implementation in 2009. I appreciate sir, the fact that all our major projects will continue in 2009.

I would like to specifically mention the USP Expansion Program which continues to be one of the priorities of the government. The preparation required is enormous and while planning and consultation is still on going, the USP in consultation with my Ministry will start face to face teaching at the USP Solomon Island Campus in 2009. As we speak a tenancy agreement is being concluded for an additional facility for the face to face lectures. This will be in the areas of Accounting and Finance, Economics and Management and in the Bachelor of Education. No longer will we need to send our first year students in these disciplines overseas which will be a significant savings to our tertiary sector Budget. We are also taking steps to fast track the development of the 4th Campus here in Honiara. We will hold a workshop with USP and relevant stakeholders next week to finalise the facilities required for the 4th Campus, and in May of 2009 there will be a ground breaking ceremony after agreed plans have gone through appropriate authorities, with the City Council and the USP Council. And the USP Council will be here next year for the graduation of our students graduating at the end of this year and the USP Council meeting and to witness this historic event.

Mr. Speaker, I would also like to acknowledge government support on the SICHE Upgrading Program. SICHE has not utilized the 2008 allocation but much progress has been made in preparing their infrastructure and facility requirements. There is sir, need in SICHE to have a review of its academic programs in the various schools. We are going to need some technical Assistance to help us in the review of the academic programs. It is the governments aim to upgrade SICHE to become the best Technical Institute in the Region (like it used to be) with quality programs, upgraded and qualified human resource and better equipped facilities. Sir, the Government is fully intent on making SICHE the number one Technical College in the Region within the next three years. The bulk of the country's human resource need is for quality skills and trade. Further, the Ministry will be seeking cabinet's approval for the establishment of a task force to study the establishment of a National University. The outcomes from such a study will inform government of the way forward towards establishing such a university.

Sir, it is important that we ask ourselves how we can continue to sustain such high and increasing levels of expenditure in social services such as in education, health and in other social sectors. We are grateful for the support that donors are giving us

now and I think it is realistic to say that their support will be required for sometime yet. However, we must begin to chart a course that will eventuate in us funding the social services ourselves in the long term.

Sir, given the mid term physical prognosis our ability to do this will be even more constrained. There will be a drop in government revenue, foreign earnings etc. in the near mid term we know this. And in the current global economic climate, Solomon Islands is not immune to the global financial squeeze, Solomon Islands is extremely vulnerable.

Sir, the 2009 Budget unfortunately does not appear deliberative about cautioning the shocks from the global financial melt down. However sir, the 2009 Budget is expansionary in the sense that the government is spending more money which will flow through the system. Given the lack of breath in the government's revenue base and the commensurate lack of depth in the export sector of the economy, the government is in an extremely tight corner. It has to raise the revenue required to undertake critical targeted expenditure and it has to be concerned about inflation at the same time. An aspect the Central Bank seems to be addressing with a tight monetary policy stance. Whilst at the same time the government ought to be considerate about the impact of the hard times on families in Solomon Islands. Sir, the 2009 Budget is trying to walk this tight rope.

Sir, it is therefore incumbent on government to ensure there is fiscal responsibility that public expenditure is tightly controlled. That the use of CWs for non emergency and foreseeable expenditures are brought under control. Further sir, it is clear that the government will need to come back to Parliament by mid 2009 at the latest to seek to mitigate the impact of the global economic melt down on our economy and families, if the situation does not dramatically improve in the next couple of months.

Mr. Speaker, the CNURA Governments policy document is clear that we must shift the focus to developing the productive sectors, other speakers have touched on this earlier. If we are to enhance our ability to seriously move towards a healthy and a sustainable economic and fiscal position. However sir, we know that these things need to happen on land, perhaps with the exception of fisheries on the high seas. The government therefore intends to re-double its efforts at land reform.

Sir, all these issues require a bi-partisan approach to finding consensus, not only on the issues but also on the strategies required to both mitigate against external shocks but also to shift our focus and resources to the productive sectors. There is need for more dialogue with the Central Bank to ensure that monetary policy and fiscal policy are harnessed toward the same objectives in our macro-economic management.

Sir, difficult times call for greater levels of understanding and co-operation, sir, difficult times call for a sense of humility, difficult times require leadership that is committed to working together with common purpose towards common objectives. And sir, the 2009 Budget presents us with these opportunities to work together and to seek common strategies towards common outcomes.

Sir, with these few remarks, I support the Bill.

Mr. KWANAIRARA: Hon. Speaker, I rise to contribute to this budget speech. Mr. Speaker, at the outset, I wish to express my gratitude to the CNURA government for producing a responsible budget. It is a responsible budget because it is fully funded. Mr. Speaker, we can also call this budget an Action Budget. It is an Action Budget because the government has “tried to do what it said” in its policies. The government, through this Budget has managed to put money in the six major sectoral areas as follows: reconciliation and rehabilitation, national security and foreign relations, infrastructure development, social services, economy and productive sector and civil Affairs.

Sir, this is more than a billion dollar budget and therefore allow me to urge all Government Ministers, Ministries and staff to move a bit faster with implementation of the budget. It is through the implementation process that our rural people benefit from government support and monies.

Secondly, Mr. Speaker, there are many ways of measuring the success of a budget. As MP for our people who has to deal with more problems than one, I wish to emphasize rehabilitation. Mr. Speaker, it is the aim of this government to create opportunities for all Solomon Islanders to get on with their lives. This is the reason why government should stretch out its hands to assist our rural people as far as possible.

In this time and age no one can stand up on his own or on her own for long unless the government gives a helping hand. I wish to thank the CNURA government for their assistance to my people in this respect. Mr. Speaker, it is therefore important that we keep the rehabilitation component of our policy clear. I urge the government to keep the rehabilitation process going. Let us not think that the country has fully recovered. It has not. Rather, the government should appreciate that rehabilitation is a slow process. It will continue for some time to come. If we are successful in this, it will provide both economic growth for and rehabilitation of the lives of our people.

Thirdly, Mr. Speaker, to ensure government policies are efficiently and effectively implemented, I suggest that we put a system in place. This system is to vet government policies – in terms of programs and projects so that the right things are carried out in good time. This system should have an effective monitoring capacity so that what the people want should be done in ways that are meaningful and useful for them.

Mr. Speaker, I cannot emphasize this point enough. The government should increase its support to the people in terms of projects and programs. But that cannot be done unless we have the capacity to implement these. I suggest the government increases its manpower recruitment and put people in place where they are most needed. For example, with the Rural Livelihood Funding, the Ministry of Rural Development should recruit a few more officers to carry out the work of administering such a million-dollar program. Mr. Speaker, this is not easy as some would think. We have constituencies in different localities, with different capacities. And the distance between the different constituencies on our various islands do not make the implementation of projects any easier.

Finally, Mr. Speaker, this budget speaks of the essence of national unity. This budget is possible only because we, as a government and as a nation, are united. This budget speaks of the government bringing all the resources from the four corners of this nation and then using them – as its policies dictate – for the welfare of every Solomon Islander. Mr. Speaker, sir, for a person that works so hard to keep the government together and encourage MPs to work and look forward, I am proud to say that our unity expressed through the various works we do for our government has reaped dividend for all of us.

In conclusion, allow me to thank you for your fine leadership. Without your presence, your patience, and your encouragement, we would achieve less than what we have succeeded in so far. In the same manner, I wish to thank all members of North Malaita Constituency – my constituency for their support towards me. I extend to the best wishes and Merry Christmas as we look forward to prosperous 2009.

With these few words, Mr. Speaker, I support the budget.

Hon. RIUMANA: Thank you, Mr Speaker, for giving the floor to the Member of Parliament for Hograno, Katova, Kia/Havulei constituency to contribute on the 2009 Appropriation Bill 2008 that is before us.

Before I do that, Mr Speaker, may I on behalf of my people from my constituency, thank all Members of Parliament here present for all the valuable contribution, support and understanding in the implementation of my Ministry's programs and projects, which are of common needs and interest to our peoples in the rural areas.

Mr Speaker, I must also thank and congratulate the Minister of Finance, the Prime Minister and all members of the CNURA Government and all of us in this honorable house for successfully implementing most of the programs within the short timeframe since the passage of the CNURA Government's first budget in April 2008.

Every one of us in this honorable house has a role to play by guiding and directing the implementation of the budget and as we have done together this year. Let us therefore join our hands together should to shoulder as we address the needs and aspirations of our people in the implementation of our 2009 Appropriation Bill 2008 to satisfy the needs of our people for improved living standard and qualities.

Mr Speaker, I sincerely thank officials of my Ministry, particularly the Permanent Secretary, directors of various departments of the Ministry, senior staff, personal Secretaries and all staffs of the Ministry for their dedication and commitment in addressing ministerial protocols for the people we serve for our nation, Solomon Islands. The Ministry will continue to do all it can within its resources and capacity in addressing government policies, visions and missions to rural development. At this juncture, Mr Speaker, I also wish to sincerely thank my Honorable Colleague Minister for Public Service for seeing the need to allocate additional manpower for my Ministry.

The rural advancement policy of the CNURA Government is to enhance and empower rural people. The majority of our population living in rural areas is currently dependent on government and the rural advancement policy of the government will

enhance and promote equitable distribution of economical activities for the rural people to equally participate and contribute to economic development. Under the CNURA policy objectives, the over-arching policy is also building National Unity and Advancement of Rural Development. The government has made rural advancement its priority recognizing the ingredients for building lasting peace and security.

Mr Speaker, the Ministry of Agriculture and Livestock Development is a development ministry and therefore the CNURA Government places the Agriculture Sector as one of its priority areas under its development objectives which aims at promotion and encouragement of food production, expansion of the level of services in our rural communities and upgrading the required necessary skills amongst the field staff and respective stakeholders.

Mr Speaker, agriculture is about raising producing food. We must produce food to eat and live and not live to eat. We have a total population of more than 500,000 people and in the not too distant future the population will no doubt reach 1,000,000 people living on rather constant land surface of about 28,000km². The total population must eat to work, they must eat to school and study, they must eat to perform economical activities, everybody must eat to do routine daily activities and so every body must eat to live. Food security at all spectrums throughout the country is important and the CNURA Government is seriously addressing this in the 2009 Appropriation Bill 2008.

The continuing and rapid population increase against the constant land mass will result to:

- A reduction in fallow period,
- Decline in food production,
- Increase of pests and disease infestation
- Accrued land/soil degradation.

To avoid these problems compounding upon the food security needs of the country, the government is seriously addressing the following strategies:-

- (i) To undertake Sustainable Land Management. This is a collaborative effort with donor partners and it is building the capacity to manage degradation lands caused by unsustainable logging activities, agro deforestation for commercial development and impacts from subsistence farming.
- (ii) Changing of farming practices such as crop rotation and improved husbandry practices using appropriate technology.
- (iii) Improved pest and disease surveillance, enhance prevention measures and control using mechanical, chemical and biological agents.

Mr Speaker, the noble intention of agriculture were to enhance farming communities achieve self-sufficiency in basic foodstuffs; increase rural cash in incomes;

improve the efficiency of production and enabled the country increase its export earnings and broaden the economic export base.

The government is focused on people centered development recognizing that more than 80% of the population depend on agriculture for their livelihood and well beings. The program of the government supports rural advancement goals to achieve, secure sustainable livelihood for rural households.

Copra and Cocoa Rehabilitation

On the Copra and Cocoa industry, the government through the Ministry recognizes the contribution these two crops have contributed over distant period of time as these two crops were important traditional cash crops for our rural dwellers. Although there are existing coconut and cocoa plantations throughout the country there has been no new planting for both commodities. The existing plantations were those planted during the subsidy schemes. It is therefore the intention and determination of the government to rehabilitate existing plantations to boost production for export.

Since this program was undertaken there has been significant increase of export by these two commodities as stated in various reports including the Central Bank Report of 2007. The government further recognizes the fact that most of the existing plantations are aging without any new planting over the years and hence the introduction of subsidy schemes.

Solomon Islands in 2005 exported 4,927 MT with a value of \$49.8million. In 2006 it exported 3,849 MT valuing \$32.6million, in 2007 it exported 4,249 MT with value of \$47.0million and in 2008 (to September) it exported 3,496 MT with a value of \$58.0million. From the revenue received the average of 75 percent each year returns to farmers in the rural areas. It has been estimated that the current level of cocoa exports of 4,000MT can be doubled or even tripled, hence, targeting production within the next five (5) years to a new level of 10,000 metric tons.

Current cocoa plantations throughout the country are generally aging and poorly maintained. Hence, there is urgent need to replant and undertake heavy maintenance in cocoa plantations throughout the country. The rehabilitation and replanting work in existing plantations coupled with the doubling of the hectare when done simultaneously will go a long way in meeting the target of increasing export volume thrice. Realizing the importance of cocoa to the economy of Solomon Islands, the government recognizes the need for our rural farmers to be supported and assisted with appropriate assistance.

Coconut

Copra production ranges between 20,000 and 3,000 metric tons annually. From 2007 up to the first half of 2008 we have experienced one of the highest copra production levels since the ethnic tension. Higher price during this period was responsible for this high level of production and exports like cocoa, coconut urgently needs replanting, maintenance, proper drying facilities, marketing arrangements and reliable supportive services in terms of output and inputs. The above production level is earning the country foreign revenue almost equivalent to the current cocoa export volume.

The CNURA Government through the Ministry of Agriculture and Livestock is mandated to pursue the rehabilitation and expansion program and this includes provision of tools, providing of drier parts, assist in addressing market and related issues, ensuring best product quality, capacity building among both farmers and field workers, assist as much as possible in addressing transport issues, establish a network of seed and nursery gardens throughout the country, enhancing credit facility, and organizing farmer organizations and screening guidelines and procedures.

National Rice Development Programs

On the National Rice Development Program, Mr Speaker, the Government through my Ministry will seriously address facilitating full scale commercial rice projects of not less than 100 hectares and rural commercial rice project of not less than 100 hectares. Mr Speaker, rice is a single crop and most important economical crop to date because it is responsible for draining the economy of the country. The substantial increase of rice importation over the past years is no secret and yet there was no serious attention over the years.

Mr Speaker, according to predictions based on statistics, increase population, high cost of fuel and impacts of climate change, Solomon Islands is expected to import rice worth of SBD\$200m in year 2008. Mr Speaker, this is a total drain to the economy of our country. Had we put our priorities right, if our policies is to encourage boosting of local rice production, we can save this million dollars loss from rice alone to improve social services such as schools, clinics, hospitals, security etc. Solomon Islands being in the tropical region has the conditions and climate ideal for rice cultivation and there is no reason why we should not grow rice.

Mr Speaker, the dramatic and significant increase on rice importation over the years was the result of population increase and hence pressure on our limited arable landmass and the climate change impact will continue to increase food prices.

Mr Speaker, rice important will continue to increase and the economy of the country will continue to drain if remedial measures are not put in place. Realizing the importance of rice to our economy, food security and social security, the Coalition for National Unity and Rural Advancement Government has seriously embarked on rice production.

The CNURA government is the first ever government that sees the economic loss from rice and hence is seriously addressing rice cultivation throughout the country. Solomon Islands need at least 6,000 hectares of land to achieve self sufficient level. Mr Speaker, land suitability for rice cultivation is not a problem contrary to what was reported in Solomon Star newspaper but rather it is access to land that is the problem. However, Mr Speaker, the 10 hectare rural commercial rice program is gaining momentum and has attracted significant interests from farmers, groups and communities throughout the country.

Mr Speaker, in this program, farmers will be identified through standard selection criteria and farmers identified, will be provided with appropriate farm machineries such as power tillers, equipments, appropriate tools and farm inputs. All

participating farmers and communities will sign an MOU with the Ministry prior to delivery of farm equipments and any community failing to implement rice cultivation will have their machines, equipments and input retrieved.

Mr Speaker, at this point I wish to make mention of a particular rice project in East Guadalcanal, Tamsimboko area namely Bolikolu. I have for whatever reasons overlooked this project during my answer to the rice question raised by the MP for South Choiseul. The officials from my Ministry and Taiwan Technical farm have visited the project site and have satisfied the conditions and requirement for Rice cultivation. The Bolikolu rice project in Tasimboko, North East Guadalcanal is also part of the rural commercial rice program of the Ministry.

National Cattle Development Program

On the Cattle program, Mr Speaker, the government has rehabilitated the Tenavatu farm as the quarantine holding ground in preparation for the shipment of actual stocks. The government has successfully facilitated the ground breaking ceremony and is now addressing the importation of cattle herds.

The government through my Ministry will import pregnant heifer, however, the Ministry is at this stage developing the import protocol. It is an international requirement as a measure to safeguard and protect the country from any serious disease outbreak that may pose serious risk to our agricultural livestock commodities. The last import protocol is by now outdated as disease status may have changed. Mr Speaker, the government through my Ministry is expecting to import cattle in around April 2009 if the progress in developing the import protocol is not prolonged.

Vangunu Oil Palm Project

On the Vangunu oil palm project, Mr Speaker, it is a national project and the government through my Ministry will continue to ensure the out grower component is assisted in their endeavors for oil palm undertaking. The Ministry has finally appointed a project manager for this project who shall oversee the routine activities in close collaboration with the officials of the Ministry. The out grower component is being implemented as expected.

The nucleus oil palm estate of this project, Mr Speaker, is currently undergoing review according to the policy of the government of the day. The review will be based on the physical topography of the terrain model so as to enhance sustainable practices and easy husbandry measures. On the review, the Ministry will work in close collaboration with the investor.

Auluta Oil Palm Project

On the Auluata oil palm project, Mr Speaker, the government through my Ministry has successfully completed survey of three land units in East Fataleka region. The land areas surveyed totaled more than 500 hectares and are now with the Commissioner of Lands for documentation, registration and thereon transfer of the titles. The East Fataleka three land units are as follows: Inatafu LR104 – 204.03 hectares;

Maloulalo LR1055 – 332 hectares; Rofaba Baule LR1057 – 85. 56 hectares, which is a total of about 534 hectares.

Mr Speaker, survey work is currently ongoing in the Auluta Basin and so far an additional four more land units have been successfully surveyed and details are with the Commissioner of Lands for documentation, registration and thereon transfer of the title to respective tribes. The survey work on Auluta is progressing smoothly and more land areas that are free of dispute are expected to be surveyed.

With the pace of survey work undertaken by the Ministry and cooperation by the landowning tribes, the Ministry anticipates to achieve more than 1,500 hectares, a requirement by the developer before this year ends.

Mr Speaker, the groundbreaking ceremony that was scheduled for this month has been postponed to the first week of February 2009 because of the current Parliament Meeting. The Government through my Ministry has selected and accordingly appointed a new project manager to oversee the overall implementation of this project in close collaboration with resource owners and both the provincial and national governments.

Taking into consideration the rural advancement policy for equitable distribution of economical activities so that a majority of our rural population in Malaita Province equally participates in nation building, this project is very important for long term social stability and security.

Waisisi Oil Palm Project

On the Waisisi oil palm project, Mr Speaker, the Ministry wishes to acknowledge the understanding that participating communities in Waisisi have pledged towards this project. Waisisi oil palm project is rather a community driven based project and government through the Ministry is ensuring support and assistance accordingly.

The government through my Ministry and the Ministry of Lands has appointed two land acquisition officers for Waisisi oil palm project. The government has the trust and confidence of the two land acquisition officers who will be deployed to the project site before this year ends after additional sites.

East Choiseul

On the East Choiseul oil palm project, Mr Speaker, is a very important project in terms of strategic location so that our peoples on the western end of our nation equally participate and contribute in economical activities. The government therefore will continue to work closely with resource owners and provincial government.

Mr Speaker, progress on the implementation of this project has not been up to expectation due to various obvious reasons. However, the government through my Ministry is desirous and committed to this project and will soon identify a potential and able candidate for the position of project manager who shall assist the Ministry to oversee the overall implementation of routine activities.

The Oil Palm Out grower Scheme

The out grower scheme in the Guadalcanal Plains Palm Oil Limited is very promising and has attracted a lot of interested farmers. The government through my Ministry have assisted a total of 23 farmers with total funds of SBD\$512,000. The government will continue to assist genuine and interested farmers with substantial allocation in the 2009 Appropriation Bill 2008 of that our rural people participate and contribute to the economic development of this nation and at the same time enhance rural living qualities.

Quarantine and Biosecurity

On quarantine bio-security, Mr Speaker, we are living a world of rapid change and with improvement in transport and communication, technology is at our finger tips. The ability to do great things and improve the standard of living for the rural population is possible. However achieving these, comes with risks that we must prepare to deal with.

Mr Speaker, the improvement of transportation has led to not only the mobility of people but pest, diseases and invasive species that are likely to cause havoc destruction to our food crops, flora, fauna and even human beings. They are a threat to food security and economic stability in Solomon Islands. They are likely to increase the cost of production, marketing and our ability to improve the economic status of Solomon Islands, as agriculture and the natural resource sector are our hope of resurrecting the country once all logs is gone.

Mr Speaker, the CNURA government has in its budget allocation funds to address these issues. We must be prepared at all costs through our development plans, legislations, and monetary allocation to prevent pest and diseases entering the country. We must also ensure that pest and diseases do not spread internally. This is because the cost to eradicate program from any pest and diseases will be far beyond the entire budget of the whole country, if we fail to address this quickly and critically.

Mr Speaker, my Ministry is working to put in place exotic response plan to control pest incursions. However, funds to execute a response system must be made available as and when needed. Over the years we have through strict budgetary control failed to make funds available as and when needed, as funds allocated for this purpose were taken back to the central revenue system due to lack of pest incursion.

Mr Speaker, it takes these allocations to be relocated into the next budget and by the time this is done, pest population and the magnitude of spread by pest has increased beyond our capability to control and eradicate the pests. This increased the cost of control and decreases our ability to eradicate the pest. Take for example, Mr Speaker, when the Giant African Snail (GAS) invaded the country a mere budget of \$3,000 was available for that purpose and it was not until two years later in 2008 during CNURA government before funds were made available to control the pest. By this time the snail has increased to new areas and the Ministry has to work extra harder at extra cost to control the pest.

Mr Speaker, current classical examples are the melon fruit fly, which has now nearly covered the country and has decreased our capability to trade in fruits and

vegetables. Asian Bee, which has covered some areas of the country, has now devastated our hope of ever developing a honey bee industry and the Giant African Snail is now a threat to our food security.

Mr Speaker, my Ministry is working on a bio-security bill which will be put before Parliament when completed, and an exotic response system to address exotic pest incursion. Mr Speaker, the invasion of our country by the Giant African Snail, now poses extra costs which we must be prepared to deal with. The cost brought by the pest has led to increase cost to our exporters in treating containers for exports and of cause a threat to Solomon Islands food security. Pest, diseases and invasive species that pose threat to the country are increasing and the threat by avian influenza pandemic, cocoa pod borer, Asian fruit fly, are some of the examples.

Mr Speaker, Solomon Islands is a member of the World Trade Organization (WTO) and we must be prepared to meet the standards and requirements of WTO, Sanitary and Phytosanitary Standards (SPS) and other international requirements if Solomon Islands is to trade internationally. Meeting these standards is not an easy task which also comes at a cost. The call for increase export will imply meeting the requirements of international organizations, which we are signatories to. The CNURA government through my Ministry is committed to facilitate the requirements of the WTO and SPS to ensure that the country increases its ability to export in agriculture commodities. These increases will only be possible with increased private sector participation. This will lead to an increased monetary benefits dribbling down to the rural areas, benefiting the rural population.

Mr Speaker, my ministry during the year has also looked into the possibility of linking production to the market ensuring that the requirements of the WTO are met. We have been working addressing these areas through the development of import and export specifications, market chain and having this information available for our clients and the business sector. This is reflected in the budget through our market facilitation code with Quarantine and Bio-Security service. We have also worked in revitalizing our fumigation chamber which was destroyed during the ethnic tension, and compliances to improve private sector participation. This will improve our ability and that of the private sector to meet the requirements of the WTO and SPS.

Mr Speaker, at the same time we have also during the year worked on increasing our fees and schedule as required for by the agriculture quarantine act and as we sit and debate on this budget my staff will now start implementing these new schedules. This will increase our ability to collect revenue to assist the government in meeting some its recurrent costs. However, protecting the country from incursion by exotic pests and disease will not only will not only safeguard the country's flora and fauna and its food security but it also ensures the country meets international requirement in trade. It will also assist the country increase its export earnings and improve the country's economic stability.

Mr Speaker, archiving the above requires a collaborative effort by both the government and private sector. It will require a well developed market information system with market information dribbling down to the private sector and most

importantly legislative and regulatory control mechanisms to cater for pest control, surveillance, monitoring standards and compliances.

The CNURA Government will ensure in its budget and work programs through the Ministry of Agriculture and Livestock that the country's flora and fauna is protected and current standards and conformances are met through the amendment of the Agriculture Quarantine Act 1882 and its subsequent regulations to bio-security legislation. It will try to facilitate trade through the development of import and export protocol for agriculture commodities and encourage private sector participation as cost sharing measures and increase revenue collection to meet government costs.

Mr Speaker, the Agriculture Research and Development Division is engaged in a number of programs and projects with food security and nutrition, import substitution, livelihood, export potential. Some programs and activities are SIG funded while others are externally funded by donors.

The 2009 Budget, Mr Speaker, forms the basis and foundation which should act as the yardstick to measure the CNURA government policies. Mr Speaker, the CNURA government policy advocates rural enhancement and empowerment through rural advancement policies. The CNURA government recognizes the importance and existence of our rural population to economic and social development and determines to facilitate policies to engage the rural people becoming productive population.

Mr Speaker, the development policies of the government of the day will take place on nothing other than on land. The policy of the government in order to eventuate as anticipated requires resource owner 'mutual understanding. All stakeholders including landowners, churches, development partners, the government and investors must work in partnership to realize economic changes. All stakeholders alike must be part of the development. Resource owners must understand the economic benefits the policies will contribute to improving their rural living qualities and allow their land for development. The resource owners must not protect their land just for the sake of protecting their lands but must allow their land with mutual understanding. The human attitude towards development must be proactive and facilitative.

With those few comments, Sir, I beg to support the motion.

Mr. SOPAGHE: Thank you very much for giving me this opportunity to contribute to the motion before the House, as moved by the Honorable Minister of Finance and Treasury on the 2009 Appropriation Bill 2008.

First of all, I would like to thank the Hon. Minister for taking this Bill to Parliament at this time rather than later. It is already an indication that the government is prepared to start on time, come January 2009.

Mr Speaker, generally the government is delivering on its promise, and that is to focus more on rural advancement rather than pouring every cent in Honiara and hope that its gets to the rural areas in time.

Mr Speaker, I do not have much to say about the dollars that appear in all the cost items of the budget, nonetheless, I wish to put across a few general points that are of concern to the people in the rural areas.

First of all, as Chairman of CEMA, I am grateful to the Minister for seeing fit to increase allocations towards cocoa and copra, especially bringing back the agriculture subsidy scheme. It is my sincere hope that all willing farmers in the country will be able to access it through whatever structure the Ministry has in place.

In this regard, Mr Speaker, I would like to see the Ministry of Agriculture giving necessary financial and regulatory support to CEMA to enable it put in place quality assurance or quality control of copra and cocoa to assist farmers. In the past, we had big plantations such as the Levers Solomon Ltd that made sure copra and cocoa we export are of good quality. This has enabled such products to enter markets that would not have been possible for lack of good quality. Therefore, I would like the Ministry to ensure that CEMA, being the organization relevant to the industry, is given the necessary support to undertake this important task.

Secondly Sir, I have mentioned this before, but I would like to stress it once more that the out growers of North Guadalcanal Constituency and a good number in the Prime Minister's constituency of North East Guadalcanal constituency are really in full swing. It is a pity that there are insufficient funds in the 2008 budget otherwise you will see a big increase in the development of out-growers under GPPOL. In this regard, I urge the Ministry responsible that more attention should be given to GPPOL out-growers, as it can be a proven fact that \$1 million invested this year will give a return of \$40 million worth of foreign earnings three years down the track.

Mr Speaker, I would also like to register my people's appreciation to the various funding for rural arrears administered through the various productive sector ministries. I would only like to insist that fair distribution for all provinces must be considered rather than a selected few, or worse still only those living in Honiara, as has been the practice in the past.

Mr Speaker, if I can express some doubts on the capacity of the public service to deliver on the plans and programs of government. Though funds are there, the ability of the public service to deliver is of great concern. Mr Speaker, take for instance the 2008 Budget. I think not everything has been expended therefore some will have to be repeated again next year. It is like, 'taking one step forward', and 'two steps backwards' which means we are getting further and further back in our development aspirations. In some cases, it may be advisable to outsource the implementation of our projects rather only the line ministries to deliver.

Mr Speaker, in my culture of North Guadalcanal Constituency, and the same could be said for other parts of the country, during the harvesting of yams we do not cook all the yams that are harvested today, rather it is important that some are saved for tomorrow and some for seeds to plant in the next planting season. The government must also save for the future and not continue to have the 'hands to mouth' policy as we do not know what the future might bring in terms of the rise and fall of our revenue base. It is for this fact that our country must return to agriculture as the main basis of our economy.

Mr Speaker, on Rice Development, it was disheartening for my people of North Guadalcanal to see the project that was earmarked for 2008 – the Metapono Rice Development abandoned right in the middle of negotiations with landowners. Many of us believe that the most cost effective way of developing this particular product is to have good size farms as the logistics involved in having 10 hectares here and there is not easy or cheap. Only large farms enough like that proposed for Metapono are the ones that are going to make a difference in the shortest time possible. Sir, I call on the Ministry to continue with the negotiations for the start of the project in 2009.

On other areas of the Budget, like the Ministry of Education, I would like to express my gratitude to the government for making what was once a dream to become a reality, which is 'Free basic Education' for all our children beginning next year 2009. Mr Speaker, there are developing countries that have started on the free education policy for the first 50 years of their becoming a nation. Therefore, it is only fitting that they help us achieve our goal of educating our children to become better citizens than waiting to fund prisons because of the huge number of unemployed youth population resorting to unruly behaviors.

Mr Speaker, I would like to call on parents throughout country to ensure that money that should have been spent on fees are used wisely or put to productive use that will benefit families and their children.

With these very brief remarks, Mr Speaker, I once again thank the Hon Minister and I beg to support the motion.

Mr. BOSETO: Mr Speaker, thank you for allowing me to speak and to share my brief contribution to the debate of the 2009 Appropriation Bill 2008.

Mr Speaker, let me first of all thank the Minister for Finance and Treasury for his presentation to this Honorable Chamber this 2009 Appropriation Bill 2008. This budget is a national budget as it will support all our provinces and constituencies.

Mr Speaker, Recommendation 1 of the Public Accounts Committee, which reads as follows must be seriously considered when the CNURA Government prepares the 2010 Appropriation Bill 2009 for next year. It says and I quote the Recommendation "that the Ministry of Finance and Treasury in future provides the Committee with the detailed budget and documentation three weeks prior to the proposed budget deliberating in Parliament".

Mr Speaker, what the Public Accounts Committee says here means that the government of the day must begin to prepare its budget for the ensuing year early enough so that the budget and its background documentation must be ready at least three weeks prior to the proposed Budget Deliberation. I endorse this.

May I add to this concern for the early preparation of next years appropriation bill and say that the Budget with all its documentation must be ready by the second week of October or earlier every year so that the Public Accounts Committee meets immediately after that to screen the budget with all its recommendations by the last week of October so that the Parliament can meet earlier and finish earlier to avoid meeting late in December.

- Mr Speaker, my contribution will generally reflect:
- on the vision and the aim of the Budget.
 - The priorities of the Budget
 - The expectations and the implementation of the Budget.

The Vision and Aim of the Budget:

Mr Speaker, I think the core paragraph of the vision and the aim of the Budget is reflected on page 8 of the Honorable Minister for Finance and Treasury's Budget speech under the heading "**Budget and Economic Review**".

Mr Speaker, let me pick up certain points and comment on them. The aim and vision is to progress towards a sovereign Solomon Islands, that is confident, has high ethical standards with respect and sincere leadership.

My comment on the first point of this paragraph 2, is that Solomon Islands has not yet reached its political sovereign status unless we have confidence, high ethical standards and with respected and sincere leadership.

Mr Speaker, I think while we are still expecting our leaders to grow towards high quality of our country and nation's leadership at every level of our communities and societies, we should not use these qualities of our personalities to distort our Solomon Islands Independent political sovereignty as a nation amongst other family nations of the world.

Mr Speaker, I believe on multi-sovereignties of all independent nations of the world which are both members and non-members of the united nations because I believe that God is the God of diversities. It is, He who dismantled the Tower of Babylon in Genesis Chapter 11 because the problem of the maker or the builder of the tower of Babylon was that they wanted to reach God and to become God themselves. They imposed one structure, one language and one culture without recognizing that there are other races, tribes, languages in the world.

Mr Speaker, what is God's alternative when he dismantled the Tower of Babylon? The answer is, God poured down and sent His Holy Spirit on the Day of Pentecost to reaffirm the diversities of all nations, and challenged them through the witnesses of His apostles to repent and receive the gifts of the Holy Spirit of love, sharing, caring, encouragement, praying and worshipping together, sharing their food and money.

Here we see everyone and every nation were turned into asset and not remain a liability to other people and other groups. This spirit of giving and taking, listening and learning from each other, forgiven and forgiving, reconciled and reconciling, healed and healing, united and uniting must be the Human-Root-Base of our so called democracy in our societies, communities and nations of today.

Mr Speaker, what I have been trying to say here is simply that our Solomon Islands political sovereignty must not be distorted or mixed up with our expectation of high qualities of personalities of leadership. What we need, in my opinion, is to recognize each others multi-sovereignties between and amongst nations of the world and pursue our inter-dependence and inter-cooperation in our world of diversities.

Mr Speaker, our Honorable Minister for Finance and Treasury in his last sentence under Civic Affairs on page 17 nicely stated some of what I have said when he says, "The Government is committed to retaining our independence and sovereignty in a community of friends and neighbors".

The Priorities of the Budget

The main priorities of the budget for the year 2009 are according to the CNURA Government Policy Statement recorded on page 11.

Mr Speaker, before I proceed, may I mention what I think is the main theme or main motif of this Budget. **"It is Economic Growth towards Prosperity"**. I picked this up from the last paragraph of page 3 to the last paragraph of page 4 of the Honorable Minister's Budget Speech. Mr Speaker, I will confine myself to some remarks on the first priority namely reconciliation and rehabilitation.

Mr Speaker, the word "reconciliation" to me as a Minister of a church in this country is given a special place in the ministry of the Gospel of Jesus Christ. It must be seen from God's prefecture and action in and through Jesus Christ.

Mr Speaker, St Paul after his conversion has acknowledged and witnessed this ministry of reconciliation when he said, "From now on, therefore, we regard no one from a human point of view, even though we once regarded Christ from a human point of view, we regard him thus no longer. Therefore, if anyone is in Christ he or she is a new creation, the old has passed away, behold the new has come. All this is from God who through Christ reconciled us to himself and gave us the ministry of reconciliation that is in Christ. God was reconciling the world to himself, not counting their trespasses against them and entrusting to us the message of reconciliation. So we are ambassadors for Christ.

Mr Speaker, therefore when I look at this word "Reconciliation from the prefectures of God's intervention through Christ, I cannot simply think it with the word – rehabilitation from what I think the motif or the theme of this budget namely economic development towards prosperity although God's second economic order after the fall of Adam and Eve is to sweat and work hard to earn our living and to be prosperous. However, Mr Speaker, the statement made by the Honorable Minister for Finance and Treasury in his third paragraph under Reconciliation and Rehabilitation touches the inner conversion of God's transformation in our lives.

St Paul experienced this when he said: "Do not conform yourselves to the standards of this world, but let God transform you inwardly by a complete change of your mind. Then you will be able to know the will of God – what is good and pleasing to Him and is perfect."

Reconciliation does not only concern reconciling people to people, but reconciling to God the whole creation – environment and how we conserve, produce and distribute our resources of our one mother earth.

This is the area where I see the Ministry of National Planning & Development Co-ordination with the other ministries such as the Ministry of Environment,

Conservation, Meteorology, Lands and Survey, Commerce and Forestry must work together for environmentally sustainable and responsible development as we emphasize and focus on economic growth towards prosperity.

Expectation and the Implementation of the Budget

From pages 12 to 19 of the Budget Speech the Hon. Minister for Finance has given us a list of government programs, which the CNURA Government sees as priorities for action, which this Budget 2009 will fund activities throughout next year.

I am a believer of integrated human development at the grassroots level.

Program of Reconciliation and Amicable Settlement of Land Disputes by LLCTC

Mr Speaker, before I come to the end of my contribution, I want to share with members of Parliament how the Lauru Land Conference of Tribal Community has been trying in its voluntary capacity to carry out the ministry of reconciliation and peace in Lauru within the last 27 years. Mr Speaker, I can only read what the LLCTC has been doing in relation to what we have been trying to do through our holistic human development programs

I thank the Ministry of Environment, Conservation and Meteorology for the \$30,000 donation towards our last Annual General Meeting in Vuraqo. The only regret was that the Minister was not able to attend perhaps due to some urgent matters to attend to. I thank both the Deputy Speaker of Parliament and the Leader of Opposition who were able to come and address the LLCTC AGM.

The LLCTC has been trying its best with our voluntary commitment through our 12 area committees to educate our chiefs, leaders, young people and women to work together to support our common ministry of reconciliation and peace and to take positive move to put in order Lauru through we called "popoloto".

Mr Speaker, the first time during the last AGM we proposed three years budget and we hope that the relevant ministries such as the Ministries of Lands, Environment and Home Affairs may favorably consider our recommendation for supporting our budget. A copy of the LCCTC structures is available for those who are interested to learn the LLCCTC copy of the Bill.

Mr Speaker, I thank the CNURA Government for allocation South Choiseul \$1.36million for Phase 1 of the tsunami rehabilitation. Mr Speaker, on 14th October this year, I presented to the Prime Minister how the \$1.36 million had been utilized for those whose houses had been completely destroyed, collapsed and damaged.

Mr Speaker, I also wish to thank the Lauru People's Association's leadership and its technical group for their voluntary commitment and dedication for ensuring that the \$1.36m received from our Government was well spent on all who preferred materials and as well as those who preferred cash.

Mr Speaker, yesterday I wrote a letter to the Prime Minister recommending through him to the Cabinet that we still need some more money to continue with Phase 2. Mr Speaker, I must acknowledge that all credits must go to my Lauru Peoples' Association, its leadership and technical group.

Mr Speaker with those few remarks and words of thank you, I beg to support the 2009 Appropriation Bill 2008.

Hon Sikua: Mr Speaker, I move that debate on the 2009 Appropriation Bill 2008 be adjourned until the next sitting day.

Debate on the 2009 Appropriation Bill 2008 adjourned to the next sitting day

Hon Sikua: Mr Speaker, I beg to move that the House do now adjourn.

The House adjourned at 4.30 pm