

TUESDAY 15TH DECEMBER 2009

The Deputy Speaker, Honorable Clement Kengava took the Chair at 10.17 am.

Prayers.

ATTENDANCE

At prayers, all were present with the exception of the Ministers for Department of Planning & Aid Coordination; Justice & Legal Affairs; Foreign Affairs & External Trade; Commerce, Industry & Employment; Women, Youth & Children's Affairs; Fisheries & Marine Resources; Environment, Conservation & Meteorology; Communication & Civil Aviation; Lands, Housing & Survey; Agriculture & Livestock Development; Forestry; Infrastructure Development and Home Affairs and the Members for West New Georgia; East Are Are; West Are Are; Mbaegu/Asifola; Ngella, South Vella La Vella; Central Honiara; Temotu Nende, East Makira, East Honiara; North Guadalcanal; Shortlands, Malaita Outer Islands; West Makira and North West Guadalcanal.

BILLS

Bills - Second Reading

The 2010 Appropriation Bill 2009

Mr Speaker: Hon. Member's debate on the 2010 Appropriation Bill 2009 continues. I would like to remind Honorable Members that according to Standing Order 61(2), a maximum of four days is allowed for the second reading debate. Today is the second day, however, whether we use up all allotted days depend on Members. When no further Member rises to speak on the Bill, I will call on the Honorable Minister for Finance and Treasury to wind up debate before the question is put. The floor is now open for debate.

Mr. KEMAKEZA: Thank you for allowing me to contribute very briefly to the Bill before the House, and that is the 2010 Appropriation Bill 2009 delivered by the hard working Minister for Finance and, of course, the Government. It is very

important to thank the Minister and his staff for putting this Budget together, which the Minister delivered to Parliament. The Minister is not new to that portfolio. He was once a Permanent Secretary and also a minister in that ministry for many governments. He is the most experienced Minister for this portfolio, and the Prime Minister did no mistake by putting him there. I thank him for that.

Secondly, the Budget Unit deserves my thanks for doing their very best in putting this Bill together at this very difficult and challenging environment. My gratitude and appreciation goes to the Permanent Secretary and the Budget Unit, not forgetting other Ministries who put in their submissions that form part of the Budget. It is not easy coming up with a budget in many ways because there will always be people for and against it, the demand is high and supply is low so therefore it is not easy.

I also want to pay the same courtesy and acknowledge the Prime Minister and the hard working Ministers in ensuring their portfolios are allocated with money so that they can work in 2010 delivering goods and services to our people provided for in the Constitution. The Cabinet is the first checking valve of this Budget making sure it is tight and not leaking before it finds its way to the Public Accounts Committee, and I thank the Chairman of the PAC for being the second checking valve of the budget. In fact, it is a little bit late, and I think the Chairman will have his opportunity to share his disappointment for the manner in which this Budget was formulated. However, I am not going to criticize the Budget on that aspect because I will be doing injustice if I do that because I have appointed myself as the chief whip to whip both sides of the house, and that will be the manner of my debate today.

The Attorney General's Chambers must also be thanked for putting the words together, unlike the Parliamentary Entitlements of Members of Parliament. I thank them for their good work and congratulate them. As the Member for Savo/Russells, I am going to share observations that I make of this Budget. First is the general overview of the Budget, the economic outlook of the Budget itself and also my conclusion.

I am not going to provide facts and figures, like the Leader of Opposition because that is his profession. Perhaps it would be good to check those figures when we come to consider it at the committee of supply to see whether the Minister's figures are balanced or not. Because reading through the books last night I can find a lot of errors that need to be corrected, in case some of you who did not read the report do not know. Before I go on to discuss my four pillars, I called myself the chief whip because both of us, Mr Speaker, are in the middle years, yourself and myself.

To recap on history, this Eight Parliament has had two administrations starting to throw mud at each other as of yesterday. The first one halved the Eight Parliament and another one is completing it, the two administrations; the Sogavare Government and the Sikua Government. If you look very carefully at these two administrations they are just the same administration except that they divorced because the Leader of Opposition became the Prime Minister and so they both carry out the same policies, have the same ministries with no change, the Ministers are the same except the Deputy Prime Minister was the Leader of Opposition then who found himself in a very hot seat, and I do not envy that seat.

The GCC Government came into power making a lot of statements. I think the Minister of Education was the advisor of this government; he cannot put himself in a different canoe. When you look at the GCC Government and the CNURA Government they both committed the same offence. Therefore, the Leader of Opposition throwing mud to his friend, I think is unfair, because they both commit the same offence including the Minister of Education because he was not recruited on the way but was recruited in the first place. Whatever happens in the two administrations, these two administrations and the Minister of Education are equally in the same boat.

We started off with a riot and then we started making statements like, "you are caught with your pants down" and we also expelled diplomats. I am starting to analyze these two administrations because this is the eleventh hour so that people of this country can see and judge for themselves what we have been doing in dealing with the affairs of this country. That is why I said I am now the chief whip, whipping this side of the house and that side as well. Therefore, do not throw stones at each other because both of you committed the same offence. There was no confidence, and nothing was done during the time of the two administrations for the people of this country. In fact, they only dealt with petty little issues and ended up with nothing for this country. We are just like a football team running to the field and the referee saying the game is over. Now we are trying to put more money into the private sector like the Leader of Opposition said yesterday, but I am sorry your time is up and my time is up because the referee has blown the whistle, and so let a new team come into play and we go outside and become spectators, the New Hope and Autonomy Solomon Islands Government or whatever. That is the scenario of the GCCG. Then came the CNURA Government and continues to commit the same old mistakes. I was in prison, when you sent your Foreign Affairs Minister to Iran. What a silly idea that was. Do you know that the United Nations of which we are a member of, put sanctions against Iran, but here you are, the Prime Minister sending his Foreign Affairs Minister to Iran for what reason. The Minister of

Finance is also finding it difficult and this is becoming contradictory in a way in that you wanted to ask for aid donor's assistance. What for? That is one of their sources according to the speech. They were saying they will give you this much. They said wait and are playing time until a new government comes in before they will release the money. You watch this Minister of Finance, it will happen.

Our traditional donors including Taiwan must understand that the United States of America is also behind Taiwan; they are whispering too. And who are we really causing embarrassment to by the action of the CNURA Government? It is the USA, the boss of the world, the super power. Surely, they are going to whisper behind locked doors saying, "hold on to that money because the Prime Minister of Solomon Islands is stupid by sending his Minister to Iran". I am sure that happens. That is why I said we continue to commit the same crimes, and we are busy with petty issues and forget about the Auluta basin, we forget about Allardyce in Santa Cruz, we forget about the Varahito Basin in Makira, we forget about Rob Roy in Choiseul, we forget about Allardyce in Isabel, we forget about Vangunu in the Western Province, we forget about RIPEL in the Central Province, and we forget about the World Heritage Site in Rennell and Bellona.

The point is that let us concentrate our efforts, and that is why I said the Leader of Opposition only talked sense for the first time yesterday, let us concentrate our effort only on one thing because we do not have time to do many things, and we do not have enough resources. Just one, so that it is successful and when you go out from the office they will say Sikua Government does this and that. I have never seen one yet, or the Sogavare Government does this. The Kemakeza Government established the GPPOL, in the constituency of the Prime Minister. That is already successful except the unions are interfering, which is a very sad story. It is like a child who is still crawling but was booted and kicked almost losing his life. That is what I mean.

It goes down in the history of this country what these two administrations have done, so Leader of Opposition you cannot criticize your friend as you are equally the same. You are both incapable of running the affairs of this nation. You normal human beings in this country, the next time you put these two to become prime minister, and that will be the saddest time ever in the history of this country. They are the two most qualified persons.

Let us go back, and I was part of the CNURA Government too. But the boss is the leader because we, who are the crews, only carry the basket. However, remember the saying that a fastest growing economy generates more revenue and so there are more services and investment. A fastest growing economy generates more revenue, and so more services and more investments. A slow growing economy means no funds for clinics, schools, roads and services are slow. And this is the book we are talking about; a slow economy. Therefore,

stop promising the people of this country that you are going to deliver goods and services expected because there is none of that in here. In fact, you have already predicted in this speech that there will be an economic growth of one percent next year. What about in 2006 when economic growth was 5 percent and in 2008 it becomes 6.9 percent? What is wrong? Are we starting to blame the global economic crisis? What about the ethnic tension? You easily forget. What about the ethnic tension? Even investors are scared of coming to invest during the time of the two administrations. That is the simple answer, and that is why in my first remarks last week I said that we have not broadened the tax base. That is why I said the Budget Unit in the Ministry of Finance & Treasury is finding it very difficult to put these words together. It is very difficult. Another budget speech made in here in 2006, and I compared these two books, one is the gateway for the former parliament and another one here is the gateway for this House. When I compared these two speeches, they have the same wordings in the beginning, if you care to read the other speeches. That is how I analyze the budgets. In 2006, it was found to be very good. Let me tell you what was said at that time. In 2006/2007 it says the economic prospects are encouraging. That is what they said in this book. The economic prospects in 2006 are very encouraging. When we come to this year, it says the economic prospect of 2010 is challenging. They use the two words 'encourage' and 'challenge'. This is the Minister's speech and so it cannot be who. And it continues to say in this year's budget speech that government finance is very tight.

The outlook of this budget in 2010 is uncertain; we are not sure. This is in the speech. Economic growth will be 2% but I said 4%, compared to 2006 at 5%; under collection of revenue, uncontrolled spending and indecisive decisions. It is all here in this budget speech. What does that mean? We are telling this nation contradictory things; and that is your six pillars. Let us not make our people to have high expectations or make very big promises that we cannot deliver when our four years, the Eighth Parliament is a negative picture, like the Leader of Opposition has said, but he throws it to the Sikua Government. No, no, for me, it is both governments, namely the Sikua Government and the Sogavare Government; both governments are giving a negative picture. These two speeches said it because from 5.6% growth it went down to 1% this year. That is why I said the people who wrote this speech are having difficulty writing it. We started to blame it on the reduction in export in logs as well as the effects of the global economic crisis, which is true and also our Asian trading partners are like this and that. But let me tell you that all these are lame excuses. Our problem is our total failure of broadening our tax basis, and no more no less, in whatever form or shape, investment. What has happened? The picture of this country now is that there are no new investments coming into the country. The

Minister of Commerce is not here, but I know that if what I am saying is true, but he will say there are many investments, but where are those investments? Stop talking about the Heritage Park because that is my government's investment. Stop talking about Gold Ridge because that is my government's investment. Stop talking about the Bank of the South Pacific too as it is also my government's investment brought in from Papua New Guinea. Stop talking about the Credit Corporation too as that is my government's investment. Stop talking about GPPOL because that is my baby.

Members (*interjecting*): And RIPEL too.

Mr Kemakeza: RIPEL, it is those two governments that ruined it. Commission after commissions, taskforce after taskforces were set up but nothing happens, my people are still suffering and they also blamed me for it too. I was blamed as the reason why RIPEL cannot be reopened. No, it is in fact those two governments, namely the Sogavare Government and the Sikua Government. My people from Russells/Savo, you hear this, it is those two governments of Sikua and Sogavare that ruined RIPEL so you better vote me back in 2010. That is exactly what it means.

Hon Sikua (*interjecting*): You are going to lose in the High Court.

Mr Kemakeza: It does not matter because I am going to come back because you are the one who sent me there. That is what I mean. There are no investments, nothing whatsoever. I must thank my Minister of Finance then, a hard working minister who was a special envoy bringing in investment into the country and now he is Chairman of the Public Accounts Committee. He was my Minister of Finance during my time, and yourself, Mr Speaker, was a very strong person behind us and so we succeed. We almost kick start Rob Roy but the Leader of Opposition told us to put a hold on it. Hold on for what when we should be moving. I want to introduce a bill at that time but the Leader said 'boss put a halt to it and it was on halt until today, and there is no Rob Roy.

In analyzing these two very important documents, to go back to the speech again, there is a great difference between these two books. I do not want to compare it with the 2007 speech although it is there, and so is 2008 and 2009. I only make comparison between the 2009/2010 speech and the 2006 speech because these two books come at the crossroad where we are going to change from that side to this side. That is why I put these two pictures so that we can see that one is cloud, and you know Mr Speaker, when it is cloudy maybe there is glory, and when it is raining there are showers of blessings. But it always does

not work out that way because cloudy means cyclone, and sometimes it is manmade disaster. Cyclone, earthquake, all these are natural disasters. Manmade disasters are riots, strikes and so forth.

I also noted in the Public Accounts Committee report that there are no risk analysis to this budget. Maybe this is the one, the strategy outlook that comes later. That is what is also wrong, because these books were not given to us earlier so that we could think about what we are going to say to assist the Minister on this.

We are now in the second scenario of this budget where slow growth means less funding for clinics, schools and roads. The 2010 budget is also slow, it is a growth of 1% or 2%, not like in 2006. Hence, let me start off with the 2010 Budget, and as I said the source of revenue is from our local revenue, aid donors and surplus funds; these three. The same is with the 2006 Budget. I think this one is copied on to this one because the people writing these speeches are basically the same people, they have not changed yet and the same Minister too. Therefore, it is good that the Minister is honest; the Minister is honest except for the Prime Minister who is not listening, and that is the problem here. The Minister is very cautious but the Prime Minister and some Ministers are not listening to the Minister of Finance. The Minister is already out of breath and is almost drowning and yet they are saying give us some more RCDF and Livelihood funds. Sometimes he was told to fund another commission. There was commission after commission.

As you know, budgeting is a simple thing; everybody has their own budgets, but we must live within our budget. That is what I meant when I said the Minister of Finance is in a very hot seat because whilst the boss says, no, we form another commission for RIPEL, and another commission for the land on Guadalcanal, another one for the riot, another one for the commission, another one peace and reconciliation. Do you know that these are liabilities? This is like opening all the taps and water running down. That is exactly what we are doing. But that man says, 'boss, we are sick and then the Minister for Education, who is going out now, comes up with his fee free education and totally messed up the education policy. It was not meant to be fee free. I am surprised that the Prime Minister was a Permanent Secretary of Education for many years. In fact, I was the one who put him there when he returned from his studies overseas. I told him to come and help me, and in fact I put him in the right place. And the Minister of Finance now was the Minister for Education at that time, and they did very well. In fact, they were the best. But when the Permanent Secretary became the Prime Minister he spoilt his Minister for Education and so he runs up and down on something not budgeted for. Lucky enough, the ROC came to our assistance, and the Prime Minister is very good at that, and I thank him for that.

Both him and the Ambassador of ROC used to play golf together and so they talk with each other for some more money to come and it came. That is very good about the Prime Minister. He knows how to negotiate for funds.

I am not surprised as well because I think it was because of that reason that the entitlements of Members was thrown out I do not know, maybe or maybe not. But it is quite interesting because in 2009 our local revenue is \$1,420,400,000.00 billion, external is \$190.0million, and in 2010 according to the book it is going to be \$1,664,000,000million and \$253million external, and there is an increase. What I would like to tell the Minister of Finance is that you cannot squeeze milk out of stone. It is very hard. Who else is going to carry the burden? Our current tax payer's are already paying high tax and now we are putting more on top of that. What we are actually doing here, Minister of Finance, you must be very careful is that you are killing the hen that lays the golden egg. This is true. At such a difficult environment as this when you start to panic and so increase tax and charges, mind you that other charges are already taken over by the private sector, and surely you are going to lose this one. It was lucky that I and the Leader of Opposition now brought that in, and that is when, if you could remember, I should be voted out off Parliament because I introduced the Goods and Services Tax on this floor of Parliament. I did that when I was Minister for Housing and Government Services and the Leader of Opposition was my Commissioner of Income Tax. That is a record I establish in this country which nobody has ever taken away. That is the survival of goods and services tax otherwise you forget it.

What I am saying here is, where are you going to recoup that what you lost it from export of round logs? This was not even mentioned in the speech that there is going to be an increase in revenue. Or is it because of compliance that you have to tighten up the belt in terms of enforcement that you get unseen taxes that goes behind the doors? That is a very fragile way of collecting tax. You must be sure. Or are you going to tax smokers and people who drink beer and wine? I think they are already taxed at 150%. Where are you going to recoup it? I want the Minister of Finance to tell me where he is going to recoup the loss in revenue from the export of round logs. I would have thought that it should be from the fisheries industry. I would have thought that it should be from the tourism industry or in commerce or agriculture. But it is not mentioned in the speech. It only says compliance in this book. Do you know what compliance means? It means Inland Revenue officers and Custom Officers at the wharf must make sure they have to follow the rules, so that when a person gets a match box it must be taxed, or a roll of cigarette must be taxed, which is good but that is not going to be sustainable in the long run. It is not going to be sustainable. What if importers want to play around with the government and so

they do not import for the next six months. Because this is the area we are banking on; import/export.

Mind you also that in Inland Revenue, sometimes it is not hard cash. Tax is just an exchange of papers. What about our taxes, is it in cash? It is just in papers. Is this true, Leader of Opposition? Exactly, because I was a Minister of tax and I have the experience. Although I do not have knowledge of bookkeeping but I know it, I cannot be a Minister for nothing there if I do not know how money comes in and goes out. And so if I talk about this I am talking on experience and that is why I cannot write a speech on paper to read. I will tell you right here what it means.

Hon Sikua (*interjecting*): As if you know how to write?

Mr Kemakeza: You only read it when they wrote it for you. That is what you have been doing, and that is why you have not been doing anything. PhD for nothing! Sorry, I withdraw that statement, he is my uncle and we two normally joke with each other.

Now I will go to the details of the budget, and I shall begin with agriculture. On the Ministry of Agriculture, and the Minister is not here, is another weak point. The Prime Minister, you have to ensure your Ministers must be present here to take note of what we are saying. Next time, Leader of Opposition if you see Ministers not here, this afternoon you better call for quorum so that there is no meeting so that the government's program is delayed because Ministers are not here. That is what it means. During my time I have sacked two Ministers for not attending Parliament Meetings.

On smallholders, I am very grateful and thank the Minister for putting more funds into this, but it is still not enough on copra and cocoa, rice and other root crops. Put more funds into cassava because we have to export cassava as well. We have better cassava in Solomon Islands than what is exported out from Fiji and other Pacific island countries. I want Vangunu and Auluta basin palm oil to take off, bio fuel project in Santa cruz, the Warahito cocoa plantation, Rob Roy and Allardyce in Isabel. We must do something even though we are at the eleventh hour, we must do something. I do not want to see the Premier saying in the Solomon Star that our Prime Minister is not telling the truth. I am a government backbencher and I do not want to see that.

In regards to the Ministry of Education, I want to raise the point on the fourth campus. The current Prime Minister and the present Minister of Finance were the two I sent in the past to talk about this, and it should have started but what is the problem? I saw this remark in the report of the Public Accounts Committee and I quote, "the Committee inquired as to how far is the progress of

the planned USP fourth campus established in Honiara. The Permanent Secretary advised that the fourth campus will not be implemented in 2010 “. Solomon Islands people and those who expect this will happen in 2010, hear this; that is no longer the case now, according to the Permanent Secretary of Education. It will not, so do not dream about it, and this is due to lack of funding.

We went to Iran so why do we not ask Iran to fund this? Why? This is a good program. In 2010 the US campus in Honiara will offer face to face study. What does that mean, those of you who are educated? They will be doing a 100 level studies at the Honiara Centre as of 2009. This means we will just be the same, there is no hope for a fourth campus, which started way back then when I sent the Prime Minister now and the Minister of Finance to go and discuss this and bring it during my time, now to administration, we are now in the eighth parliament and maybe we will go for another 12 or 13 more years with no hope.

The reason why we want a fourth campus is twofold. The first is that it will bring money into our country because students from other countries will come to our country to study. It will benefit Solomon Islands because it will reduce the cost of sending students overseas, like to the USP, to Papua New Guinea, Australia and other institutions in the region because our students will take units locally, except those that are not available in Solomon Islands can then be sent overseas. That is the benefit. The fact that it is further delayed and yet there is increase to the budgetary provisions on education, health and security, I would have thought this fourth campus is part of the increase. But the PS who deals with operational matters told the Public Accounts Committee that is not possible in 2010. That is the end of what I am quoting, otherwise the Minister might twist it and we will go hey wire.

The other issue is this fee free education. The fee free education, as mentioned here by the Permanent Secretary, and I quote, “enrollment in schools have increased substantially with the introduction of the fee free education. Its downside effect is contribution and support from schools and parents with an increased environment, the enrolment now becomes doubtful. Again, what is happening here is that this good policy is going to create more problems for us. We would have problems like what we have in the past to the extent where the Minister wants to take authorities to the court. What is that? Is this policy ill planned? It is because of this. The policy that was initially put in place was to do away with the class six exams, do away with the form 3 exams so that everyone proceeds on to form five, and form five will be the cutoff point. That is why the government then started to assist rural training centres by meeting the salaries of their teachers. Is that true Prime Minister? That was done during this time as minister for education. And then aid donors will come in and subsidize.

New Zealand was very interested to come in here, and that is why New Zealand is giving grants to primary and secondary schools now. That is the program, but now we are mixing it up. We wanted to do it for class six, and then form three, and they agreed and now we wanted to negotiate for form five, and they are willing to look at it. That is where the ROC will subsidize it. The Prime Minister and the Minister of Finance then called for the National Educational Board meeting to review the school fees and they came up with a figure because school fees charged by private schools or government or provincial secondary schools are quite high. I have seen that report, and so that is the only thing that we should subsidize. That was the thinking then but now it is not the case; all the parents stop paying fees, only the Minister for Education, Finance and Prime Minister will pay for the school fees. When this was introduced all the parents run to Members, and I do not know about you, but for me, parents came to me because that is not true, they still pay school fees; they pay caution fees and all sorts of fees to the extent that those other fees almost exceed school fees. So we are not telling the truth here. This is exactly what the Public Accounts Committee spotted in its deliberation. That is why I said it is not right, and so we must put it rightly. The Minister inspected the schools and yet he has not put it right as yet. What is it, are you an auditor to do surprise checks?

On the Ministry of foreign affairs, I think I have covered it today, and that is the Iran issue, and so I do not want to repeat that so that we give time to others. I want to thank the Government and congratulate the Government for building two of our offices in Port Moresby, Papua New Guinea and another one in Canberra, Australia. Thank you very much indeed.

Hon Sikua (*interjecting*): That one belongs to you too.

Mr Kemakeza: Well, I started it off and you complete it. That is why I said that the things I started off are completed by you. I am coming behind to check on you whether you have done it or not and you cannot convince me that it is because of this and that that you do not do it. No. I think I was in prison that you carried those things out.

On the Ministry of Infrastructure, and the Minister is not here as well, but I asked him to build a wharf in Savo but he still has not done it. I want the Minister of Finance in your reply to answer me what is the status of the wharf project right now, in what province. Make sure you come back to Central Province because we also contribute to the economy of this country. There is coconut at Savo and also in Russells. In fact, we produce more copra than any of you, but you instead ruined it. I also want a road built around Savo and Pavuvu, and the Minister is not here, but I will go and see him after the meeting.

On the Ministry of Forestry, I thank the Prime Minister and the Minister of Finance for still maintaining this very good program of planting trees. I started it off and you continue to maintain it by giving \$8 million, but that is still too small; \$8 million is small, it should be \$20million. Tell aid donors to come into this sector as this is the future of our country. I have proven that because when I deal with the Eagon Company at Viru, and that is my baby too, people criticized me left, right and centre and at that time I think the Prime Minister was at the College and he did many writings. That was in 1989 – 1993, somewhere during those years. But if you go there now, the investment at Viru in the constituency of the Minister of Finance is not million dollar investment but it is a billion dollar investment. The time I visited that place when I was Prime Minister then, it was a \$1.7 billion investment. Compared to our debts, our debts are very small. At the present time, I think it goes up to 2billion or 3billion dollar investment. But we want more of such investment. I am very grateful to see allocation to smallholders for reforestation continues. I want to congratulate the government for that.

On police, national security and correctional services, and the Minister is also not here, I am talking to empty chairs, anyway, the Prime Minister and the Minister of Finance are here. I want to thank the Prime Minister for visiting the Central Prison when I was there. I owe you so much for that courtesy visit I cannot repay as it is a very big thing. One day some of you must go there so that you experience what it is like there. No, it is such a good place to learn. But when you come back you cannot win the elections. When you come out of that place and go for the elections you cannot win because I am a different kind, I come back, I went for the elections and I won. What I am saying here is I want the Minister of Finance or the Deputy Prime Minister is much better as that is a much higher authority to go and visit the prison; make a program to go and visit our people there. You remember what the Bible says and what Jesus says that when I was in the hospital you did not visit me or when I was in prison you did not visit me. Go and visit people is what the Bible says. The fact is that paying a visit to the prison is a blessing, and that is why the Prime Minister has blessings always because he visited us when I was there in prison.

One thing I would like to say is that there is no exit strategy. If any disaster happens in the prison blocks, all the prisoners will die, and that will be the saddest part. I was thinking very hard about this until I was released. Where will prisoners run to when there is a fire? Some people must go and visit the prison and design it, and I am sorry the Minister is not here to see what I am talking about. I still keep this in mind that when I got re-elected I will raise this on the floor of parliament, and that is what I am doing now. I am raising this so

that you will also hear it because you will also go in there someday. The Member for Central Guadalcanal can also confirm this.

The other issue is, and when I was there I wrote a lot of recommendations to the Commissioner of Correctional Services, and that is the prison headquarters at Gizo must be moved to Noro so that there is area for farming and rehabilitation of prisoners and there is more space. The Gizo prison is too crowded and no space, and Auki as well. The Auki prison should be relocated to Fote or somewhere there so that prisoners can work in a farm. Also, Kira Kira must be moved closer to the airport. There is a lot of land at KiraKira. Those are some of my recommendations.

Another issue as well, and the Minister is not here but the Prime Minister, please take note is about those people who are on remand in prison. Some of them have been on remand for two, three or four years without going to court. I think that is against human rights or if not then other laws. If those people come out without being charged they are going to sue the government for compensation and the government is going to spend a lot of money on them. There are just too many people on remand there in prison, they almost outnumbered those who are convicted. I do not know who the right authority is to look into this. The Minister should be here but he is not. I think he has left for his constituency because he is worried the former Governor General is going to stand against him. We must look into this whilst I have this time to voice it out on this floor of parliament on behalf of my friends there.

On the Ministry of Provincial Government, the Premiers' Communiqué is also very important as this is another time bomb. I say this because I think you have opened two Premiers Conferences, and you keep promising the Premiers but nothing is going down to them. You must try and address some of the issues in the Communiqué. I am very grateful for the new Minister, who is young and has the energy to go and visit the provinces. My only concern is that the Communiqué is a time bomb. They are our people and so we should look into this. But if you cannot do it then leave it after the election when we will all try and look at helping them.

On tourism, I am very grateful with the Minister, the hardworking Minister for Tourism for doing the war relics. Do you know that that is what benefits Vanuatu at this time? The sunken ships boost the tourism industry in Vanuatu. But we have a gold mine of sunken ships between Savo, Guadalcanal and Gela, the Iron Bottom Sound. I want my Minister to do something about this so that it becomes a tourism attraction where people can go to so that they go and sleep in my rest house at Savo. Go ahead and push for this one. I thank you also for opening up the new tourism school. I think only the Minister of Tourism

works harder than any other Ministers, and I applaud him for that. I thank the Prime Minister for putting the right person in the right place at the right time.

On the Ministry of Home Affairs, I want the Government to come out clear on the boundaries commission. Are we going to do it or not? The government's position is not clear on this. But I think that is an issue we should put more emphasis on. The National election is timely. In fact, I can remember we tried extending the term of the house from four to five years but they almost burned down parliament, and so let us not attempt to do this so just leave it at four years.

On the Ministry of Mines and Energy, Tina hydro is very important. Thank you Minister. The Minister is from the same area, so hopefully he will do that to subsidize the shortage of fuel. Tina hydro is very important for this country, especially Honiara. But next time go and check the Volcano in Savo. This is an additional idea that I am giving you. The volcano can give you thermal power which is very cheap and can supply electricity to the whole of Guadalcanal. You better start now before it is late. Send somebody to go and check it out. In fact, I was already three quarters into investigating this. All the documents on this are already with me. If your Ministry wants my assistance I can assist you so that we do that for the future of our country. I have a special file on that and I can give it to your officers and the thing will be completed. I have contacts in America. I do not know what percentage of the population in America survives on thermal energy, even New Zealand and Australia, our next door neighbors. But they do not use volcano but use heat from the ground. This one I am talking about is volcano, and so it will give power that can supply the whole of Guadalcanal, extended to Ngella and Russells, and even much better it can reach Malaita.

Finally, it is a very sad story that we pay very little attention to the Ministry of Environment and Conservation. This is very important, and so I congratulate you Prime Minister for sending the highest team to the Climate Change Meeting. But here at home we are doing very little in regards to the environment. We should put more emphasis here, and I am very grateful that you start to be concerned about climate change. Climate change is already affecting us. I heard somebody talking about this yesterday and he mentioned Savo. I think it is the Leader of Opposition, so thank you very much indeed. The Government has to make an evacuation plan for the Savo people. I am already three quarter into that plan already. You only need to come and get the plan from me and then it be completed. Honestly, it is from my own initiative and work. In fact, I already bought land for this and so you just come and help me complete it. I have already met with leaders of Guadalcanal and the Guadalcanal

Provincial Government some 10years ago about this issue, and yet you still ignore us. This has almost cost me my seat because I fail to do this.

The first question I want to ask is, is Solomon Islands a poor country? Is Solomon Islands poor? The answer is no. It is very rich. We have tons of untouched resources. If you talk about gold, oil and whatever minerals, we have them all here. We have fish, the best scenery in the whole of the Pacific. We have the biggest lagoon and lake in the world, which is in the constituency of the Minister for Tourism. This country is full of resources and we have a very bright future for our future generations. The second question is, what about the population? We have a very small population despite of the fact that we have the highest birth rate in the world. I do not believe this. Do you know why I do not believe that? It is because they only get records from the Central Hospital for the population in Honiara. If you go to the provinces it maybe after half a day or two days after before there is a birth. That is why I said I do not believe that Solomon Islands has the highest birthrate in the world. We have a very good number of populations just between 500,000 to 600,000 people, and this is manageable; we can look after this population. That is why I posed these questions in my conclusion.

Are they good people as well? Yes, they are very good and nice people, Solomon Islands people. In fact 99.9% of our people are Christians and they are religious people, unlike most of you Members who never go to church or read the Bible. We have nice, colorful, diverse cultures, traditions, customs, norms and values, which is well respected and honored. That is the bottom line of our diverse country.

We have the land, sea and air, which are all God given resources to us. But what happened? Does the Solomon Islands Government have a plan for this country? The answer is a yes and no. I said yes because there is one in existence now. The Chairman of the Foreign Relations Committee, who is not here and the Minister of Fisheries and Marine Resources is the Minister who brought in the plan for this country. He is a hard working Minister. This plan is already in existence and is called the NERDDP, and that is why I said yes. When I said no, it is because nobody bothered to read the plan, instead what we are doing in this country is doing things on ad hoc basis. Just like the colonial people when they planned for Honiara they put one house here and another one there with no proper plan, and that is why Honiara looks differently from Port Moresby. This is because Honiara is not planned. That is exactly what is happening in this country. There is no proper national plan for Honiara for the next 10 to 20 years. The Prime Minister knows this very well when he brought in, during my time, the Vision 2020. We did that at Maravagi. That is what I meant. This is a very rich country with very good people who are Christian people with a lot of

resources, but we do not have proper plan and priorities on how to utilize these resources for the maximum benefit of our people so that next time when the Minister of Finance comes with another speech he will say there are lots of money that we do not know where to spend them. Like Nauru and then all was gone. Why? We must not be proud. We must not say that we know everything. But let us all work together with the people who want to come, listen to us and want to help us because we do not know everything. Because if you start to behave that way then that is exactly what God did to Lucifer when he was cast out from His Kingdom. Perhaps that is exactly what is happening to the Eighth Parliament. Let us come down so that we are not cast out like Satan because he was so proud thinking he knows everything very well and wanted to takeover God's kingdom.

I am very happy with the Budget because almost between \$170million to whatever amount the Leader of Opposition mentioned yesterday, for the first time ever, and I congratulate the Prime Minister and your Government for putting more money into the private sector. Unfortunately, the referee has blown his whistle saying your game is over, you better go out and allow a new team to come in and play. God bless Solomon Islands, and I support the Bill. Thank you

Hon. FONO: Thank you for allowing me to contribute briefly to the 2010 Appropriation Bill, 2009 which the Honorable Minister of Finance moved through the Budget Speech introduced to the house last week. In doing so, I would like to thank and congratulate the Minister of Finance for this third budget introduced under the CNURA Government, which is timely before the end of the fiscal year.

I would also like to thank all public officers who have contributed tirelessly in putting together the 2010 Budget. Before my debate on this budget, from the outset I would like to thank God, the Almighty Creator and Sustainer of life for his provision and guidance and sustenance of my life during the two weeks ordeal at the hospital both here in Honiara and at the St. Vincent Hospital in Sydney. God is good all the time. I also wish to thank colleagues who visited me when I was in the hospital and the many prayers offered by many Christian friends, relatives and people of my constituency for early recovery, which God has answered, and now I am back in my seat here today as the voice of my people of Central Kwara'ae contributing to this 2010 Budget.

Firstly, I would like to touch on the word economy. As we reflect back to last year 2008, there were a lot of uncertainties in our minds as to what the year 2009 will bring. The world was experiencing economic recession. We learned from large economies like the United States, the United Kingdom and most

European countries, their governments have dished out stimulus packages to bail out large multinational companies as their means of survival. We have also learned that a good number of these large multinational companies have gone bankrupt and liquidated because of the world economic recession. Closer to home, even Australia, at a lesser extent and New Zealand are also dishing out stimulus packages to their citizens, as a way of increasing their spending to create stimulus incentives in their economy. We have also heard of the world being divided into economic groupings such as the G7, the G20, the G77 and so on and so forth. Members of these economic groupings meet regularly to find ways and means of addressing the effects of the world recession. The Group 7 and Group 20, which consists of the most powerful industrialized countries of the world have met several times to discuss the global recession.

Solomon Islands, being a member of the G77, which also includes most developing economies had also have several meetings last year and this year. Two of these meetings, I have the privilege of attending on behalf of the Solomon Islands Government. The first meeting was held in Accra, Ghana and the second one was held in Doha, Qatar. At these international conferences I presented the position of Solomon Islands and how our government is addressing the global recession through its own fiscal and economic policies and called on industrialized countries through the Bretton Woods Institutions such as the World Bank and the International Monetary Fund to step in to financially assist developing countries like Solomon Islands.

One of the outcomes of the Accra Meeting is what is now known as the Accra Declarations which outlines among other things the principles and effectiveness of aid for developing countries. In a nutshell, what these international conferences are trying to address is the effects of the global recession. In my humble view, these conferences only try to address the symptoms and not the effects of the global recession, and not much of the root causes of the recession were addressed. Even now, after various mission teams from the World Bank and IMF, Solomon Islands is yet to see any tangible benefits derived from these Bretton Woods institutions as a result of these various international conferences. Even some of the stimulus packages promised to us by our development partners including the World Bank have direct budgetary support to the government are yet to be materialized. We only hope and pray it will be in early 2010 and not later.

On the local economy, even with the global recession in 2009, Solomon Islands as a developing country continues to survive and withstand the many challenges as we have heard in the Budget Speech. Although Solomon Islands is a price taker in terms of commodity and international trading, we continue to see increased prices for commodities such as cocoa, timber and logs, palm oil, fish

and even minerals like gold has reached its peak. Take for example, cocoa price is now at its highest compared to the past two or three decades, over 30 years. The price now ranges from \$2,000 Solomon Dollar per metric ton or around \$18,000 to \$20,000 per metric ton. Even in the rural areas on Malaita or Guadalcanal wet bean trading is around \$6.00 a kilo or buying at \$18.00 a kilo for dry beans. What I am trying to say here is that producers that are involved in these commodities are receiving benefits of high international commodity prices.

As I have alluded to earlier, we have seen some steady growths in other sectors like tourism, which I believe the Minister of Tourism will touch on the goals or achievements we have received so far in that sector. Whilst the forestry sector being the major foreign earner to the nation and the largest government revenue contributor to government coffers, the major players in this sector are foreign owned hence very little money is left in the country for further investment and economic development. This is an area, which I must admit successive governments including this present government have failed to implement any tangible reforms either through policy initiatives or reform through legislations to see our resource owners benefit fully from their God given resources.

Amidst this global recession, our rural people in the villages continue to enjoy their normal village life, which is quality life compared to other developing countries in the world. Our subsistence way of life has given our people a more adaptable life to face such challenges in today's world. In our rural villages there is no poverty in terms of hunger. People go without food unless they are lazy to grow their own food, do fishing, so on and so forth for survival. Even in times of disasters where gardens do not produce food, our people can turn to edible foods, such as swamp taro or what we called kakake and so on for survival. In Solomon Islands, there is no evidence of poverty, only malnutrition because most of our families turn from eating our healthy local food to canned fish, rice, noodles and so on. This is an area that health educators are trying to address for healthy living.

The economy focus for 2010 and beyond as outlined in the Budget Speech is very interesting. Although there are hurdles to overcome and many challenges on the way, with strong growth in sectors like the tourism sector, fisheries sector and increased commodity prices for cocoa, copra, palm oil and timber and a booming mineral sector, Solomon Islands is forecasting a moderate growth of up to 2 to 3 percent in 2010 as highlighted in the Budget Speech.

Sometimes it is the economies that uses certain criteria or yardsticks to measure economic growth or the gross domestic product that compared the country's GDP to its standard of living. However, to a subsistence rural farmer it has no bearing or effect on his way of living. In today's world one standard of

living is measured by the type of executive house one has, how many cars one has, how many TV sets, how many DVDs, how many computers or laptops his family has and so on and so forth. However, in the Solomon Islands context these yardsticks are not important. It is our quality of life we have in the rural areas that is more important to us than these materialistic things. However, I am confident and optimistic that 2010 will be a rewarding year for Solomon Islanders.

I am calling on all citizens of this country and our friends who reside with us here to work together in building our nation. It calls for a lot of hard work and commitment in building our nation together so that our children and their future generations will continue to live in harmony, peace and unity as one people and one nation.

Solomon Islanders should learn how to grow the economy by involving more in the productive sector. More Solomon Islanders should be encouraged to participate more in economic activities in the productive sector so as to increase employment and increase productive services so that our people's involvement in the productive sector such as commodity trading in copra, cocoa, timber and so forth, which nearly 80% of our rural people are involved in. Our private sector should be broadened in order to create more employment for our people and to increase government's revenue for its budget.

There are prerequisites or conditions in order to achieve sound economic growth. Whilst our ultimate goal is achieving a vibrant economy and one which promises a lot of economic activities that allows money to flow freely in the hands of our rural people, having a higher purchasing power such as an Utopian society cannot come that easy. There are prerequisites that we as a nation have to meet before we can achieve such a vibrant economy in 2010 and beyond.

Firstly, I see law and order as very, very important. Law and order or the rule of law must be upheld and respected in our society. The events of the past years, more especially this year we have heard and seen in our media increase criminal activities, especially stealing, drug abuse, drinking of kwaso, public disorders and criminal activities that greatly tarnish and damage the good image of our country both locally and internationally. Such activities must be stopped and discouraged.

Fellow Solomon Islanders, do you want your children to live in a safe and peaceful society or do you want your children to grow up in a society of lawlessness, the rule of the jungle as one might call it, or no respect for the rule of law? Such lawlessness frightens and scares off our foreign investors, as no foreign investor would like to invest millions of his dollars in the country and lost his investment through public disorders or riots. The events of the 18th and 19th April 2006, and even the recent Solomon Cup 2009 in the burning of SIFF

building must be condemned, discouraged and stopped at all costs. It needs the concerted effort of all Solomon Islanders to rise above such criminal activities, especially in our capital here in Honiara because it is the gateway to Solomon Islands. Therefore, I see law and order as a very important prerequisite for the country achieving a vibrant economy.

Secondly is infrastructure, development. Infrastructure development is vitally important for socioeconomic development in a developing country like Solomon Islands. Solomon Islands being an island nation, a good reliable shipping service to move people, goods and commodity services from the rural areas to the export market is very important. The Government through its rural advancement policy is committed to make improvements in both road infrastructure and marine infrastructure.

Our development partners should support the government to embark on its multimode transport program by linking the rural areas to the main export ports. Apart from the current road maintenance program under SIRIP, our development partners should consider building new road infrastructures to link agriculture potential areas in our main or large islands such as Isabel, Makira, Choiseul, Guadalcanal and Malaita. A very good example is the road network on Guadalcanal and Malaita, which has been a catalyst and stimulus for more economic activities to be carried out by our rural farmers. This is evident in the total production of cocoa for these two provinces increasing considerably over the past years because of the good road network covering half of these islands. Infrastructure is considered an important prerequisite for the nation achieving economic growth and a vibrant economy.

Thirdly is the land reform program, which I understand successive governments have been trying to put in place including this current government. Land reform is urgently needed if our nation is to progress further to achieve sustainable economic growth in 2010 and beyond. Whilst the government is committed to establishing some national projects on Malaita, the current process of acquiring customary land for large national projects needs to be reviewed. A case in point is the land acquisition for the Bina industrial centre and the international sea port. Some land reform is needed in this process to fast track the acquisition of customary land for development purposes. Whilst the current government has put down funds for acquisition, the process is very, very slow. This is because after determination by the land acquisition officer, there are appeals to the magistrate court and after the magistrate decision, again there are appeals by losing tribes to the High Court. Such a process is not only tedious but slows down the process that government very much wants to see fast tracked in order for development to take place in those identified projects.

It is sad to see whilst some foreign investors have great interest to invest in Solomon Islands, there is no more industrial or commercial land in Honiara for such investors. Whilst the government encourages decentralization of industries or commercial activities to provinces, most of our provinces lack infrastructure, hence government programs need to be targeting industrial centers in the provinces to create added incentives so that it encourages foreign investors to move to these provincial centers in the provinces. The government would like to see investment packages given out to foreign investors or local genuine investors to include commercial and industrial land for development.

I would like to see proposed land reform policies to cater for customary landholding groups register their own customary land and subleasing plots of lands to Solomon Islanders to engage in more commercial farming, something similar to the agriculture land lease arrangements in Fiji where the Matangali land is leased for agriculture purposes. Such an arrangement will allow more hardworking Solomon Islanders to be involved in commercial farming, not only to earn their living but to increase production of commercial crops for domestic markets and export markets.

Fourthly, one of the prerequisites or conditions that I see as also important is more savings and investments. Without mobilizing savings from our people there will be no investments hence economic development. Our private sector should be encouraged to continue to invest in order to create new jobs, increase production of goods and services in the country. At this juncture, let me congratulate the commercial banks that are currently operating in Solomon Islands for playing the very important role of mobilizing savings and assisting our private sector with investment funding to grow the economy for without such investment lending, there will be no private sector development hence there will be no economic growth. However, whilst we have seen over the last two years some increase in the interest rates on savings and investment, it has not increased proportionately to the bank lending rates. There is a ratio of three to one. The banks' lending rates are three times more than the banks' interest given out on savings and investment deposits. Furthermore, our people's mindset and attitude needs to be reformed and changed. Our people should learn how to create wealth; wealth creation is a new phenomenon or concept. It is a propensity to save money or deposit savings for investment for the future.

Fifthly, I see education and skilled workforce or manpower as a prerequisite for the nation's economic development in order for the nation to achieve a vibrant economy. Solomon Islands needs an educated population. Our target is to reduce the illiteracy rate at 20% by 2020. One of the millennium development goals is universal education or education for all, and that is why the current government's policy of free fee education is a policy that is well

accepted by most parents because the government subsidizes fees right up to Form 3 at secondary level. Therefore, when I heard the MP for Savo/Russells criticizing the free fee policy, I questioned what he said because most parents that I know of really appreciate the policy the CNURA Government has put in place to subsidize school fees. As you know some parents might have four or five children in secondary schools. Therefore, that policy just comes in at the right time to allow education for all and to allow Solomon Islands to achieve the millennium development goal.

Our tertiary education institutions such as SICHE should be producing skilled manpower graduates in the various sectors so that skilled manpower is utilized in various activities in the economy. In this connection, I would like to congratulate the Government and SHCIE for the establishment of Tourism and Hospitality. We hope this school will produce qualified and skilled manpower for the tourism sector. Other sectors such as fisheries, agriculture, industrial, manufacturing and the forestry sector need to follow suit by establishing their own schools to train their manpower in order for qualified manpower to be productive and grow the economy.

What are the implications for the 2010 Budget? Looking at this 2010 Budget one can say that the CNURA Government is committed to its rural advancement policy of service delivery. The priority sectors being the education sector and the health sector are services sector that touch the hearts and lives of our rural population. As we know, 90% of our nation's total population lives in the rural areas. It is of paramount importance that Government continues to provide free services in the education sector by paying for teachers' salaries, free fee schooling from grade one primary to form three secondary level and provision of school equipments and materials and providing school grants where necessary.

On the health sector, our people in the rural areas do not buy fees at clinics or hospitals when they go for medical checkups, nor do we pay for hospital beds when we are admitted to our hospitals as the Government helps pay for these costs including the provision of drugs and medicines and, of course payment of nurses and doctors' salaries.

In the Ministry of Rural Development there are allocations for the Rural Constituency Funds funded by the Government of the Republic of China and of course the Rural Livelihood Funds funded by the Solomon Islands Government. This will be the same level as in 2009. At this juncture, I would like to express, on behalf of the Government and our people our appreciation of the Republic of China Government for funding the Rural Constituency Development Funding which touches and improves the livelihood of our people in rural Solomon Islands. Although there are a lot of criticisms against the Republic of China

Government and its Embassy here, one would only have to visit our constituencies to make their own assessments on what ROC's funding is doing at the constituency level.

A lot of criticisms have been level against the government and successive governments as well and the current MPs for not properly utilizing these funds in their constituencies. However, the most important factor about such an allocation to each constituency is that it is equitably distributed even to most remote constituencies like Temotu Vattu, Malaita Outer Islands, Rennell/Bellonna, Shortlands or even Choiseul constituencies on the far border with Papua New Guinea. Once, such funding comes through government departments or provinces, but only those closer to the provincial capital like Auki, Gizo, Taro, Lata, Buala will benefit. We also found out when funds go through government departments most rural communities missed out. A classic example is the fisheries funding in 2008 where we noted most of our constituencies, although MPs endorsed the fisheries projects, not even one of them was funded and it was also noted that three fisheries projects were funded for one community. Why is this? It is because it goes through the Fisheries Department and so they did not properly allocate it. These are discrepancies we can see when funds are channeled through government departments.

As I have said, even with a lot of criticisms leveled against us Members of Parliament on the use of these constituency funds, I believe that most constituencies including my own have seen how these funds have been used. They have benefited from improved social services, such as health services, education, rural water supplies, building of church buildings and, of course, income generating projects. In fact, I have documented a documentary on the socio development projects that I have implemented with the help of my communities constructed over the past 12 years during my time as Member for Central Kwara'ae. It would be interesting to show this document to my other colleagues here in Parliament. I can avail copies of this documentary to my other colleague MPs should they want to see it, and I hope my good friend, the Member for Savo/Russells since he is 16 or 20 years now in Parliament would show a lot of improvements in Savo and Russells over the past years he is a Member. I would also encourage other MPs to do that so that we brush aside criticisms leveled against us that we have not been properly using the RCDF in our constituencies.

During my midyear visit to my constituency I took with me somebody who documented that documentary. I will be giving copies of this documentary even to our donor partners for them to see it because most of them still do not believe in us Members of Parliament when funds are channeled through us. They have their own models whilst I am trying to prevent and defend the

government's programs. This is not a perfect model but we have to start somewhere, and I am proposing greater political reforms in constituency funding for next year after the General Elections, and this is for the new government to contemplate. I believe the Government has learned a lot from lessons on the implementation of the CNURA Government's Rural Livelihood Program for 2008 and 2009. I believe it is the best program once implemented properly. Some constituencies have embarked on social housing projects. I am the one who normally approved requests that come through the Ministry, and quite a number of my colleagues have provided roofing irons to their people. But when my officers go out for visits, they also heard stories that people who got those roofing irons sold them. Goodness sake, do people not want to improve their standard of living? Our people's attitude needs to be changed. The Government is trying to improve their standard of living by embarking on social housing. It would be good to see the non use of sago palm leaves but permanent houses that last, let alone lighting it up with solar, like my Minister of Finance here who is providing solar lighting for his constituency and so as the MP for Renbell who is lighting up Rennell and Bellona with solar lighting. These are improvements to the living standards of our people; improvement to the livelihood of our people. These are programs the Government is committed to in trying to improve the lives of our people in the rural areas.

As I have said some constituencies have embarked on social housing projects for their rural people, some have provided solar power lighting for their rural communities and some constituencies have built new classroom buildings, rural clinics, water supplies, and other constituencies have financially assisted their people to involve in income generating projects. These programs are part and parcel of the rural advancement program the Government is currently embarking on.

I am using examples in my constituency here. In 2008 about eight communities were assisted with water supply projects for the first time ever after their existence as a village some centuries ago in the highlands of Central Kwara'ae. An estimated population of more than 3,000 people now has good running water in front of their houses, something that was lacking over past centuries. About 50 cocoa farmers were given hard cash as working capital for commercial cocoa trading. About one 100 local churches will be assisted with solar power for churches in the whole constituency. A 10kilometer road is currently in progress with the support of CSP to one of my large communities in the highlands of Central Kwara'ae. As you can see, these are tangible developments through the CNURA Livelihood programme or Rural Advancement Policy will make a lot of difference in the lives of our rural people.

As we know, our country is basically a nation of half a million rural people occupying more than 5,000 villages scattered throughout the many islands separated by a vast ocean. All attempts to develop Solomon Islands is a real challenge to any government including the current CNURA Government. Since taking office as Minister for Rural Development in December 2007, I have been leading a truly dedicated and committed staffs who have been tirelessly engaged in meeting the rural development challenge.

Let me inform this Honorable House at this juncture that rural development is the cornerstone of the peace, unity and development aspirations of this nation. As you may be aware, the cry of our rural people is to engage in national development. The CNURA Government recognizes that our rural people owned all the land and most natural resources in this country. This Ministry has been set up to address the development process, bottom up approach advocated by the former GCC Government in order to advance the status of all rural Solomon Islanders, which is a major objective of the current government.

The Ministry of Rural Development is relatively new and small, but it is anticipated it will grow in strength as governments in the future recognize the importance and relevance of the Ministry's functions in national development and economic growth. The fact that it has the highest development allocation for 2010 speaks for itself. Although it has the reputation of being the most efficient Ministry in the utilization and disbursement of its development funds, since 2007 the Ministry has disbursed more than \$200million to all constituencies in the country to support individuals, churches, schools, clinics, water supplies, small businesses and entrepreneurs, making these funds the most equitably distributed throughout the country, as I have alluded to earlier.

In 2010 the total development estimates amount to \$102,500,000million. The budget allocations are as follows: Rural constituency Micro Funds - \$10million; Millennium Development Funds - \$20million; Rural Constituency Funds - \$20million; Rural Fisheries Enterprise Funds - \$2.5million; and Rural Livelihood Funds - \$50million. These funds will be allocated to each of the 50 constituencies at \$2,050,000million per constituency for projects ranging from small business enterprises, agriculture, fishing projects, schools, clinics, community development projects and many more. The development budget will be facilitated by a \$13million Recurrent Budget in my Ministry to pay for staff salaries, equipment, supervision, monitoring and evaluation of all projects in all constituencies throughout the country. In addition, the Ministry will also be administering funds from its Recurrent Budget to support the development of economic growth centres, the peoples' fastaem network and its associated rural development volunteer associations. As I mentioned earlier, rural development

is a real challenge but it is a challenge that has to be addressed. There are real issues involved and Ministries are addressing it. There are logistic issues, disbursement issues, management issues, even political issues, but the real crux of the matter is that our rural people are engaged in our nation's development process by accessing these funds. The 2010 Budget is an increase and an improvement on the 2008 and 2009 recurrent and development estimates anticipated in the Ministry's Corporate Plan 2008-2010.

As next year is election year, it is anticipated that the new government will come up with a supplementary budget, especially if more constituencies will be added to the current 50 constituencies. My Ministry is fully aware of this and will accommodate any changes that may take place. Currently, the Ministry is carrying out the monitoring and evaluation of the effectiveness and impact of these funds in the rural areas. Funds have also been allocated in the 2010 Budget for the outsourcing of an impact assessment of the funds since 2008. Sir, it is anticipated that as the economy improves and these investment contribute to economic growth more funds will continue to be channeled through rural development and in so doing achieve our national development objectives, and that is to provide a conducive environment where all Solomon Islanders, especially those living in the rural areas can contribute positively to national development, peace and unity. In that regard, this 2010 rural development and recurrent estimates is real value for money. I am calling on all of us Solomon Islanders to work hard to grow our economy.

With the passage of this 2010 Appropriation Bill 2009, let me remind all Solomon Islanders to continue to work hard in building our nation whether you are a public servant, a private sector employee, a NGO, a foreign investor or a smallholder producing copra, cocoa, timber or go fishing. Let us continue to work hard in our various works of life in nation building. Solomon Islanders, let us learn how to create wealth for the future of our children and lets us not be mere spectators in our own land. The Government is here to provide a conducive environment. However, it is up to us to work hard to earn a living and work hard to create a future for our children and our children's children. Our public servants too need to be reformed minded, to be innovative, creative and work cooperatively with any government of the day that has the mandate from our people to govern our nation.

Sometimes human as we are, some public servants are bias or favor one government from another, hence do not offer the same support and cooperation needed to effectively implement government policies and programs. Such an attitude or mentality should be discouraged amongst public officers whether they be in the public service, the teaching service, the police and correctional services, nurses or medical workers or even the state owned enterprises. Let us

put our heads together and work cooperatively to implement government's programs and grow our economy in 2010 for the good of our nation.

In conclusion I have covered a lot of important areas which I wanted very much to put across to our good people of Solomon Islands in my debate on this 2010 Budget. Like all governments in the past the ruling government's performance can be measured by how best the implementers had implemented their budget in a given year, whether they have overspent their recurrent budget and under spent their development budget or whether they do nothing during the year in terms of providing service delivery to our rural people. Our rural people too can be the best judge of any government whether there are tablets or medicines in provincial hospitals and our rural clinics in the rural areas or the government does not have money to provide for medicines.

There are indicators of Government's performances that can be waived against possible outcomes. I thank you for your indulgence, patience and understanding in allowing the voice of my good people of Central Kwara'ae to contribute positively to the debate of this 2010 Appropriation Bill 2009. I beg to support the Bill. Thank you.

Sitting suspended for lunch break at 12.21 pm until 2:00pm

Hon. SOFU: Thank you for recognizing me to briefly contribute to the debate of this very important bill, the 2010 Appropriation Bill 2009. In so doing, I firstly would like to thank the Minister of Finance for bringing this very important bill to Parliament on behalf of the CNURA Government for us to deliberate and finally pass.

I would like to register my vote of thanks to the Permanent Secretary and staff of the Ministry of Finance and Treasury for the good work in putting together this Bill. I must not forget to thank Permanent Secretaries and staffs of other departments and ministries for their contribution towards this Bill. I must also take this opportunity to thank the Chairman of the PAC, who maybe is outside, and the hard working members of his committee for going through the budget and compiling a report for the information of Parliament or even the Government to take note of very important issues that need to be addressed during the course of the implementation of the Budget. I wish to also thank my colleague Members of Parliament who have already contributed to this 2010 Appropriation Bill 2009.

I also want to thank our farmers, our rural populace who live in the four corners of this country, working very hard to participate in small economic activities geared towards promoting in contributing towards the revenue earnings of this country, although small their contribution maybe but indeed

counted the efforts put into very important activities in the remote and isolated parts of this country.

The budget is a budget; any government of the day must bring a budget for deliberation as it is a requirement under law in order for the Minister of Finance and the government to use the funds. In any provincial government, in any organization or any business activity, some individuals come up with budgets whilst some individuals are not, like those of us who do not have any business on things like that. But there must be a budget that guides the use of funds and they know how much income they have so that expenditure matches up with income. Whatever we say here on the floor of Parliament, the fact remains that the requirement is that we need to give power to the Minister of Finance and the Government to use the funds for the financial year because if not it would be very difficult. I think all good things have been mentioned by my colleague Members of Parliament who have spoken before me and so I will be very brief in my contribution dwelling mainly on the activities of the Ministry of Infrastructure Development.

First, let me acknowledge the financial support from donor agencies and financial institutions to Solomon Islands, especially through the Ministry of Infrastructure Development in terms of dealing with our road infrastructures, airstrips, wharfs and so forth. I acknowledge their great support in these important areas.

The contribution of the Solomon Islands Government as well as resource owners is very important in any infrastructure development. The Government has to make its commitment and resource allocation, and resource owners must be willing to avail resources as their contribution towards any infrastructure development, if not it would be very difficult. Whatever plans that any government of the day has to carry out in our nation to improve accessibility in regards to road connectivity, I think there needs to be understanding between resource owners and government. I said this because there were projects that my Ministry is implementing that are on halt. And so I call upon resource owners, whatever disagreements and arguments you may have amongst yourselves in your tribes must be sorted out. There is budgetary provision provided for that very important project and so it needs to continue so that it is completed. It is an opportunity and we need to get it moving.

The Government must be able to sustain services provided or financed by our good donor partners. In this, the Government needs to recognize that adequate funds must be made available so that the level of service delivery is maintained. We can ask our donor partners to construct new roads, bridges, wharfs etc, however, the government must be able to provide adequate funds for

the upkeep of these very expensive assets. The Government's commitment on maintenance could be justification for more support from donors.

I now turn to the 2010 Budget. As I said earlier on today, my contribution shall be specifically on the performance and progress in the transport sector. The key outputs of the Ministry of Infrastructure Development are the expected services to be delivered, and to achieve these objectives, the activities or strategies have to be financed.

Under the CNURA Government objectives, my Ministry relates directly to two objectives:

- (1) Promoting the development and construction of infrastructures in rural areas, namely transport infrastructure and buildings, and
- (2) Providing greatest opportunities for economical development in rural areas.

These objectives are currently being addressed by the Ministry of Infrastructure Development, not only with SIG financing but also under donor funding. In terms of infrastructure development and construction, the Ministry is directly involved in transport infrastructure development and building development.

My Ministry is progressing with the rehabilitation of existing transport infrastructures as well as the construction of new roads under a number of projects, namely the Solomon Islands Emergency Assistance Project (SIEAP) for Western and Choiseul Provinces, the Solomon Islands Road Improvement Project (SIRIP) for Malaita, Makira, Temotu and Guadalcanal, and the Solomon Islands Road Improvement Project (SIRIP 2) for Makira bridges, West Guadalcanal Road (flood damage). I can see the Member laughing there.

On the maritime sector, the Domestic Maritime Support Project (DMSP) is purposely to address maritime safety, construct new wharfs and subsidize uneconomical shipping routes. My Ministry's ultimate objective is to provide a well maintained transport network that is affordable and safe to attract economic development to the rural areas. The Franchise Shipping Scheme is to be implemented in 2010, which aims to provide regular shipping services to remote rural areas. This is hoped to encourage rural communities participate in economical activities. The line item under National Transport Fund, is a guarantee that the Government is serious about maintaining transport infrastructures or transport sector development. This is as approved in the National Transport Plan, though the rate of increase is not as planned. Such funds will, in the future, be transferred into the NTF Account where most, if not all, related sector funds from donors will be transferred into and managed by the

Ministry of Infrastructure Development and the Ministry of Finance. The main objective is financing of SIG priorities as set down in the National Transport Plan. The National Transport Fund Regulations have now been finalized and submission made to the Attorney General's Chambers for final vetting.

It is very important for the information of this Parliament that there is a component called planning in the Ministry of Infrastructure Development working very closely with stakeholders, especially Provincial Government, City Council and the Ministry of Planning to identify priorities in our provinces that will come under the National Transport Planning with funding from the National Transport Fund. Roads, airstrips or wharfs to be constructed will come through that channel. It is very important that infrastructures put there serve its purposes. I am glad to have received submissions from some constituencies outlining the priorities of their constituencies regarding infrastructure development in their provinces and constituency. I would like to assure Parliament that I have already submitted that to the Planning Division of the Ministry of Infrastructure Development and they will work together with relevant stakeholders in putting together the plan.

It is common knowledge that the Recurrent Budget is purposely for recurring expenditures and also to provide support to the Development Budget. If this is true then increases in the Recurrent Budget should correspond with increase services on the ground. What I am saying here is that in the transport sector, the implementation of the Development Budget will increase the transport network and therefore the maintenance program under the Recurrent Budget should correspondingly increase. The increases in the 2010 Recurrent Budget would have been more meaningful if the increases related to the increased network.

While this is the expectation, the current financial situation demands a more balanced recurrent budget. In this regard, you will note that minimal increases are provided under the Recurrent Budget and more reduction in the Development Budget for the sector. Development must be adequately sustained in terms of maintenance. A number of recurrent budget allocations, especially under the Ministry of Infrastructure Development do have higher percentage increases. These are repair of official buildings, maintenance of vessels and vehicle purchases. A lot of maintenance work is anticipated in 2010, which includes Ministers' residences and refurbishment of government houses. The practice that is currently being witnessed which we are so concerned about is that those occupying the houses do not have the care or feel of responsibilities for these very important assets. At times properties are damaged intentionally or items in the house being removed. I believe the Ministry responsible for housing will provide the management strategies to address this concern. I think it is very

obvious that the Ministry for Infrastructure Development has experienced maybe one house or an official building occupied by a government officer being repaired two or three times a year for damages intentionally done to it. This is not good enough. I think officers need to feel responsible and care for government assets because such attitude is affecting the Budget that the Ministry is focused on in carrying out its program that is totally caused by officers occupying the house. I think it is very important that those assets, those buildings, whatever is owned by the government, those who live inside must feel responsible so that money is saved to repair other government houses.

The same applies to those who are not entitled to use government vehicles at all times. If you look around the street some government vehicles are seen in odd places, and this is not good. The Ministry is looking at control measures to be taken so that government vehicles are garaged under a pool system so that there is control and care. Government vehicles that are involved in accidents happened during weekends and at nights, and this is not good. As the Minister for Infrastructure Development I am looking at revisiting the idea of pooling vehicles in one place so that there is control, and request for use of vehicles can only come from ministries before they are released for use of the vehicle for the purpose intended, and only then would vehicles be well controlled.

The increase on maintenance of vessels is purposely to cater for the refurbishment of the LC Vali. The craft needs repairs so that the Marine will be able to carry out regular maintenance on maritime navigational aids. Navigational aids form part of maritime safety requirements for both international and domestic shipping and their regular maintenance is important.

The increase in vehicle purchase (motor vehicle) allocation is purposely to cater for the purchase of outstanding vehicles for Ministers, Permanent Secretaries and Constitutional Post holders who are still without government vehicles. There is also replacement requirement for vehicle for the Government House. If you look at the Recurrent Budget under the Ministry of Infrastructure Development, you will realize that vehicle hire is being arranged but this is becoming very expensive. The vehicles that the Ministry of Infrastructure and Development is hiring now for those who are entitled, especially Ministers, Permanent Secretaries and Constitutional Post Holders are becoming very expensive. I apologize to those who are entitled since their appointments have had no vehicles until now. This is because of the financial situation we are experiencing now. Those who are entitled, as I mentioned earlier are not even using government vehicle but the government is hiring private vehicles for them. Even private vehicles hired for those who are entitled to use vehicle is also very expensive and the Government is looking into this very seriously.

The other concern in the Recurrent Budget is the payroll where figures provided in the Budget do not agree with those provided in the Public Service Establishment. I do know that the payroll as appeared in the Recurrent Budget reflects all filled posts in the establishment with the increase caters for all including vacancies. I believe the two Ministries responsible do have plans to reconcile their figures as soon as possible. I am, however, very thankful to the Ministry of Public Service for its understanding of my Ministry. The situation is such that qualified technical persons are not easy to get and therefore vacancies are not easy to be filled. The Ministry also has obligatory functions created under some of the recent legislations where establishments would be done in 2010.

I would also wish to turn to the Development Budget. The Development Estimates for 2010 appears reduced from \$31,750,000 to \$24,000,000. A number of projects that appeared in the 2009 Budget have either been completed or suspended indefinitely. The planned purchase of a rescue vessel for Marine was suspended due to the current financial situation. The reason being that the allocated funds were inadequate and also to have a rescue vessel would mean increasing recurring expenditures and therefore will inflate the Marine Budget. The Ministry is of the view that funds are already being provided for hire of shipping should there be need for rescue purposes. The MID has six (6) allocations in the Development Budget where three are obligatory SIG contribution to the projects.

One new project is to finance the construction of an engineering complex, which is about \$4.5million to house project officer, engineers, technical library and a national testing laboratory. These are requirements under the MID capacity building programs. The only two ongoing projects are the Ranadi Industrial Road, which is about \$2million and rural development, the 100 x 100km of \$10million. Projects that were suspended in 2009 have not appeared in the 2010 Development Budget and therefore I must make it very clear here that our people should not expect MID to implement these in 2010.

The \$2million allocation for the Ranadi Industrial Road will be used to complete drainage and road surfacing that started in 2009. The actual sealing is scheduled for 2011 as shown in the Development Budget Plan, for an amount of \$9million. While the MID would like to have all the funds in 2010 for sealing, affordability could be the main reason for its non implementation.

On Rural Road Development allocation, the Ministry has embarked on rehabilitating existing rural roads as of 2008 and continued in 2009. In 2009, \$5million was committed to reestablish connectivity along flood damaged roads in the West Guadalcanal Road. It is anticipated that considerations will be made for the already scoped Rendova roads, Vella La Vella, Ulawa, Guadalcanal roads

and East Kwaio, and rehabilitation in 2010. These roads have been surveyed and scoping work done already.

The existing road network is about 1,500km and my Ministry has only managed to rehabilitate around 800km. The Ministry intends to prioritize and continue with rehabilitation to complete the network and to establish the total estimate for maintenance on the network. About 70% of the road network is on Malaita and Guadalcanal, however, other provinces do have equally viable road networks which the Ministry will continue to address through rehabilitation and maintenance programs. I guess I need to mention here that the MID would like to deal with roads in all provinces quickly. There are limitations in terms of capacity, finance, manpower, local contractors and materials. New roads will also be considered but after complete assessment in terms of their viabilities are carried out. It is very clear that we all want to see repair and maintenance on roads in the provinces and in our respective places that are economical however because of the following factors I have mentioned, the work program of the Ministry of Infrastructure Development is hindered. We cannot do those things at one time because it depends very much on our financial capability.

The 2010 Development Budget is realistic and with the non-appropriate funded projects, most of which are already on the ground, the capacity of the MID is already being stretched. As I said earlier, effective implementation of development projects will depend very much on the capacity of the recurrent budget. Therefore, with minimal increases in the recurrent budget, it is only logical to have a minimal development budget. The 2010 Budget appears to have improved in terms of being realistic and may be less ambitious as far as the Ministry is concerned. I am optimistic that implementation of the 2010 Development Budget of the MID will be achieved.

I think I have said enough, however, I still believe that the 2010 Budget will deliver the anticipated services to the people of Solomon Islands even in the current financial situation. At this juncture, I wish to thank the CNURA Government as well as the former GCC Government for the wisdom in introducing and upholding the rural development policy. Through the policy, funds are made available to rural communities in support of building of houses, provision of solar electrification units, water tanks, farming essentials and the list goes on. I believe our people are feeling the impact of these assistances as they see it with their own eyes, feel it and touch it with their hands when it lights up their house and they see it, they build houses and they see it, and so I would like to congratulate the present government and the GCC Government for coming up with such a policy that directly addresses the needs of our rural population. I would like to thank the government for that. I believe no Members of Parliament

would deny the fact that everyone in our constituency feels and see with their own eyes the impact of funding through rural development.

One thing our constituents should know as expressed by the Deputy Prime Minister in his contribution is that when our people receive good things they instead sell those things. Please, stop doing that. I think you are lucky and also fortunate to have things like that in your care and responsibility.

Finally, I wish to take this opportunity to thank the CNURA Government for recognizing the services provided by the Atoifi Hospital. The Atoifi Hospital is administered and run by the Seventh Day Adventist Church. The participation of churches in social services, the CNURA Government in its policy will give assistance to that private hospital in addition to the current assistance we can see in the Recurrent Budget. If you look at the Recurrent Budget under the Ministry of Health, you will see an amount of \$2.3million, and I think \$1million plus is the amount the CNURA Government puts in addition to the current amount. This is to assist the SDA church meet the cost of Atoifi staff salaries and wages. This is similar to education where the government meets the salaries of teachers. I want to thank the government on behalf of the SDA Authority, the chiefs, church leaders and people of East Kwaio for this policy that caters for staffs in Atoifi Hospital.

As we know, Atoifi Hospital does not only provide services to SDA people or people living in that area, but it also provides services to the entire nation. Anyone who would like to go there for medical treatment is most welcome to come to East Kwaio, and you will see the smiling faces of our people there, who will welcome you and you will get treatment from the doctors and nurses there. I hope we will continue to work together and promote the health in our areas around Atoifi, Malaita Province and even the country as a whole.

At this juncture, I want to thank the government, especially the Ministry of Health, the Minister my good colleague Member of Parliament for Temotu Vattu who works very hard in bringing this paper before Cabinet for its passage. I want to thank him, his Permanent Secretary and the Ministry of Health & Medical Services.

Once again, 2010 will be a challenging year for Solomon Islands and we must all work extra hard to achieve our set goals. With these few remarks, I support the Bill and resume my seat.

Mr. TANEKO: Thank you and I will be very brief in contributing to this very important Bill that is now in front of us.

Sir, the objects of the Bill under section 102 of the Constitution is straightforward as it is to authorize expenditure of \$1.8 billion as stipulated in the 2010 Appropriation Bill. Secondly, the Bill is also to authorize government to

borrow from external sources up to specified amounts to be applied for development and rehabilitation purposes. Thirdly, to provide for the limits in relation to advance warrants and contingencies warrants during the 2010 as also included.

The Bill itself speaks to us and can be seen in three parts. The first part is the Recurrent Expenditure of \$1,354,361,470. The second part is the budget support expenditure, which is about \$115 million. The second part is development expenditure, which comes to \$375 million, which gives us a total budget of \$1,844,361,470. The Budget itself speaks and it is preparation to meet every cost in 2010 under the Constitution of Solomon Islands. It is a preparation of the vision of government as to how it will run the country and feed its people to benefit in that particular year. When you look at these three parts I mentioned, the first one is about 29 ministries that are going to deliver services to the people. The nation has the normal practice which brings in the budget of the day for us to come and authorize it, approve it and to work in sharing it to our families in each constituency in each of the provinces.

I do not have any objection to the vision that CNURA had. There are six main priorities of the Budget in 2010, and they are as follows: reconciliation and rehabilitation, as the first priority; second -national security and foreign relations; third - infrastructure and development; fourth - social services; fifth – the economic and productive sector, and sixth - civic affairs.

Much has been said about this Budget already in this House. I would like to question the priorities we have seen. Which areas have we strengthened so far? The Budget speaks for itself and the figure given is a good figure but let us be reality on the practical side of it. I think that reconciliation and rehabilitation of this country is very much needed. We have approved the Truth and Reconciliation Bill. The Truth and Reconciliation Commission has been established and now there is a bill coming up to strengthen that area.

On national security we have seen when RAMSI arrived in the country in partnership with the Royal Solomon Islands Police we are doing well so far, but still more needs to be done to strengthen national security. On national security, I think enforcing the law should be a partnership responsibility by communities, by dwellers in the communities and the Police itself. We must not allow this country to strengthen national security whilst we fellow citizens not abide with the law. It is not going to work. Much can be put aside to strengthen that particular area of national security. But it also comes to that particular ministry to drive the partnership having the ownership, fellow citizens are dwellers of national security and foreign relationship, fellow citizens got to have the ownership of it. We can strengthen that particular Ministry or particular area in the priorities of the government but without having ownership of it we cannot

make it. We can pass how many budgets we want but if we do not see that point, I think we will not be able to improve our nation.

Let us come to the third point priority - infrastructure development. I thank the Minister for Infrastructure who has just mentioned a lot of improvements in his ministry, which you can see in the budget itself on allocation to rural roads. Our country needs rural development, infrastructures that improve the productive sector. I do not want to repeat myself here because much have been said already, it is in the Hansard which you can hear from debates that we made. But the question is have those Hansard reports read to pick out the wonderful visions that somebody mentioned in here and whether those things have been implemented according to government policy. Those are the things that we must always remind ourselves. Some of these points need to be taken note of but sometimes we forget to take those notes to implement it within the government policies because we are just repeating ourselves.

I can also see in our sharing today on this budget that it has about an 18% increase with the support of development partners. Development partners, I want to thank you today. The 18% increase on the budget is a very big thing. This is their taxpayers' money supporting the nation of Solomon Islands. Again, I want to reiterate here ownership of the budget. There is a fund coming to our country. They sympathized with us and by lending us their money. But we must have ownership of the particular areas they can assist us with. Sometimes we overlook this that after they help us and build good things for us we are the ones who in turn destroy those things.

We can see the incident that happened at Lawson Tama, and I am repeating myself here, this is a message to us. We built those buildings which cost a million dollars, but we destroyed that building it within an hour. These are the things we have to be sensitive about. We have to be sensitive with issues we bring in here because we can see an 18% increase by our donor partners. It is something we have to remember and bear in mind that there is something we can give and we thank them for what they have done, but we have to have the sense of ownership on these things.

I do not have much to say and as we have heard this budget, under the law and under section 102 of the Constitution it authorizes us and empowers us to spend in 2010. This budget of \$1.8billion will have a great impact to change our nation for the betterment of our people. With this small contribution I would like to thank the Minister of Finance for bringing this budget, which is under the Constitution where we come to say we support it. But let us see the implementation part of the policy of the Government for the vision it has for our people to enjoy the garden that we have approved. The budget is just a garden that if we do not work for it, we can budget for \$1.84billion but we have to work

for it to make that money come into our budget to be spent in our nation. The budget is not free, it shows us this is the money we need for our country and let us work for it to raise funds for our nation to give blessing to the Ministry that authorizes the 2010 Budget. With this brief remark, thank you.

Mr. NUAIASI: Thank you for allowing me to contribute very briefly to this important Appropriation Bill 2010, which most of us know is the 2010 Budget to be implemented by the Government. I would also like to thank the Minister of Finance and his good staff, officials and Permanent Secretaries of all ministries, the Chairman of the Public Accounts Committee and his Committee and all those who are involved one way or the other in putting together the 2010 Appropriation Bill, which is before us in Parliament now to be debated.

Much has been said about the 2010 Appropriation Bill and why it is here before us. The objective of the Budget is that it is a requirement under our Constitution that each financial year the government has to have a budget in order that all government policies are carried out during that financial year.

Today, we also have in front of us one of the big appropriation bills which totaled up to \$1.8 billion of which 1.3 is for recurrent and 0.375 is for the development estimate. This is the system we have adopted since independence, and all the time we have been seeing or realizing that our development estimates is very small compared to the recurrent budget, and one wonders why that is so, in only giving that development estimate certain amount of funds and the recurrent of which is the operational budget consumes a big portion of the budget.

When you look at the establishment register of this year, you will realize that some of the posts within the establishment have been upgraded and that already determines the amount of money these posts will consume. Hence we expect the Recurrent Budget to have a big portion of the amount of money we will be debating and pass in here for purposes of implementation. However, despite passing a lot of huge budgets within the financial years that have gone past, we are seeing less implementation. We have not experienced a lot of development or what we should say a lot of economic developments happening within our constituencies or provinces.

Again, that maybe so because of the government's structure we are placed under. The government structure we are placed in, and all of us realize is more or less like a consumer, a consumer structure where all funds spent within that structure before any actual development takes place. This is reality, and all of us in this honorable chamber have been talking about developments, economic developments, carrying out rural policies so that we raise enough revenue to sustain activities the country needs. We have been echoing this concern for the

many years since then which is a true criticism or a true statement which all of us have been putting across not only in this house but the rural populace too have been concerned and have been talking about economic development in their own areas. However, just recently with the establishment of the Ministry of Rural Development which has eventuated recently, all of us or some of us have now realized that there are some activities whether it be social activities, infrastructure or economic development, some of us have now realized that things are happening within our own constituencies.

As I have already said I will be very brief, this is the area I will be touching on. With all the ministries having had their allocations, I for one favor the Ministry of Rural Development for that matter. If we allocate more money to this Ministry, I can tell you that we will experience economic developments that all of us have been talking about and are still talking about. Let alone funds are allocated or put to that Ministry and then establish a structure that would enhance the operation of all the funds within the Ministry of Rural Development. By doing so we will realize that economic development should be taking place.

Not only that, but having looked through this Budget, all of us have been talking about equal distribution of development, and yet I fail to see this in this Budget in both the recurrent and the development estimates. There is an allocation of \$500,000 for a project in the West Are Are Constituency, and I urge the government to speed up this project so that we can address the urbanization of youths in the urban areas so that they can be given jobs or even given something to do within their own constituency with the establishment of big projects.

Looking at social services, we have been without an airport for a long time since the shutdown of one our airports given to us. I fail to see this in the Budget. When we want medical attention it costs us huge amounts of money to get it. Even if we go to Auki or come here to Honiara it does not make any difference at all in terms of cost. With the absence of an airport we have been victims when it comes to emergency cases. I would like to emphasize once again that if the government is serious about equal distribution of development, we really need projects to be established in our constituencies.

We also need our Police Station at Maka to be renovated. Today, all police officers are sleeping under leaf houses because there are no permanent buildings in that station. It was sheer luck that my people are not aggressive people and so they are safe living in such a condition smoking their pipes and chewing betel nuts. We need to have that station upgraded so that we enjoy the services provided by the station as well. We have many cases to report but how can we report them when there is nothing in place.

Having said that, I now turn to the Ministry of Lands and would like to suggest that we put to Parliament a bill that addresses land disputes on customary landownership where I know a bill has already been prepared called the Customary Land Registration Bill but nothing has happened to it. If this is speeded up or put across to Parliament, it would help to address the issue of land disputes and this in turn would reduce the problem of land disputes which is hindrance to conducive developments taking place in the country. Whilst we appreciate the Development and Recurrent Budgets and say they are very good and of high standard, we need to make sure they are implemented so that we enjoy or realize the importance of policies we are putting across in this honorable Chamber.

Sir, we have to be mindful about youths. In my own view or opinion, we need to consider youths at this point in time. Therefore, I would have expected the Ministry of Women and Youth to have a much bigger budget for youths so that we can address youths. These are the very people that if nothing is done about them, we will be having a hard time with them and therefore I urge the Government to look seriously into this Ministry. It is a very important Ministry that addresses the youths for today and leaders for tomorrow.

As leaders, I have one problem with this 2010 budget because we claim this budget to be our budget, however, I do not think it is our budget. After Christmas all of us will be busy with politics, and if we are not careful the implementation of this budget in the last four months or so left will be hardly realized. We are just human beings, and after all we realize that in some constituencies at this point in time, candidates who would want to contest the elections have already campaigned by giving out prizes and those sorts of things so that would be temptation to us. It is a good budget but if we are not careful this budget will not be ours because we will be confronted by so many interesting things that we too will forget this budget and somehow, somewhere we will be seen as not doing something expect of us.

I do not want to talk very much on the Development and Recurrent budgets but those are the points I want to raise in relation to the Appropriation Bill 2010. Without saying anything further, I support the Bill.

Hon. CHAN: First, let me thank you for giving me this opportunity to contribute to the debate on the 2010 Appropriation Bill 2009. Again, let me congratulate the Minister of Finance for bringing this Bill to Parliament. The Minister for Finance has made it clear that the 2010 Budget is being delivered in the most challenging of times when the world is struggling to cope and emerge from a global economic crisis. The Minister of Finance and his officials and the Minister for Planning and his officials justly deserve our praise and admiration

for putting together physically and responsibly the 2010 Recurrent and Development Budgets that will allow us continue with sustainable development of our nation despite the challenges prevailing in our economic environment.

The tough times we are facing has caused us in the Justice Sector to look very hard at our priorities and to focus our efforts towards those areas that are most essential and where we can achieve the most benefit. We want to deliver the best possible services within the budgetary and infrastructure restraints. The government can be confident that my Ministry will deliver outstanding value for the government from this budget allocation and will carry out our many and varied responsibilities with professionalism and efficiency that people in our nation have come to expect from us. Our record over the past year has proved that we can deliver plenty of bangs for our bucks.

Allow me to make some comments on the contributions that this Budget will make to the work of my Ministry. My Ministry is the foundation for the support to the Justice Sector. It supports one of the most important pillars of our democratic society, will provide fair and impartial tribunals and professional assistance and help all those people who come in contact with the law. Whether it be a criminal prosecution, resolving civil and business disputes, hearing land cases, resolving family law issues, our courts are there to provide a just, fair and accessible means to people seeking legal redress. The system is dynamic; it needs to evolve to meet the constantly changing socioeconomic political environment. It needs to be responsive to the needs of the community and the other pillars of government.

We can be proud of the effective and robust law and order sector that we have created and maintained in this country despite the challenges and threats it has faced. This strong system provides the backbone for the work and developments in all the other sectors. It is the foundation on which the future security and prosperity of our nation rests. We all have our responsibility to protect and nurture our solid legal system. I am pleased that the government has acknowledged the pivotal role that the Justice Sector occupies and has seen fit to support us continue to improve our performance.

My Ministry is mindful of the many competing priorities facing our government in these tough times. The priority sectors as stated in the Minister of Finance's budget speech are interlinked and demonstrate our determination to stay on the right path, to stay focused on the most important areas and to deliver sensible sustainable programs that have complementary roles and support and build upon the good work of others. When we face our current challenges it is most important that we face them together and work in unison to move our country forward. The justice system continues under the principles that we have enunciated clearly and held dearly. Our policy goal is a lofty one that we

continue to strive towards that the administration of law ensures a just and fair society where all persons in Solomon Islands, regardless of position or status, are treated equally and the law gives recognition to just and humane traditional values and customs including easy access to justice advise and legal services by all Solomon Islanders. This policy goal has been adopted by my Ministry and its various agencies in our various corporate plans. In summary whatever way they are expressed they call for access to a fair and just system by all people in Solomon Islands.

The resources, particularly financial resources we need to achieve our policy goals are provided for in the budgets we passed in this House. The 2010 Budget presented to this Parliament decides how our financial resources are to be allocated and how we are going to address the challenges confronting us to achieve the very high policy goals we have set for ourselves.

I would like to just take some time therefore to explain to the framers of the Budget and Members of this Parliament the outcomes we have envisaged by the responsible use of the financial resources we have given each year. I would also like to set down some of the major projects we have undertaken over the past years and the outcomes we have achieved. My Ministry has many unique challenges that must be addressed to achieve the policy goal set by this government. These challenges are easy to see but they are not easy to solve, for example, they can be categorized as, we have a serious and chronic shortages of experienced manpower at all most every level of our organization to provide legal and judicial services to people in this country. We are grateful to the RAMSI program for providing us with experts to fill these gaping holes in our establishment. We lack adequate and basic facilities and infrastructures in provinces. We have not been able to educate, attract and retain legal judicial personnel in this Ministry in the numbers needed to provide basic judicial and legal services. We do not have enough qualified people and we do not have adequate incentives to keep the ones we have. We must continue to provide and maintain easy, cheap access to both formal and informal justice throughout the country in a more complex and grown society.

The Justice Sector needs more experienced lawyers and judicial officers. The vacancies in senior legal and judicial positions have been with us for many years. The key to solving this shortage is providing sufficient incentives in the terms and conditions of service to entice them into the service. We also need to support them to stay in the service. Addressing this immediate chance requires the support and commitment of governments now and into the future. We need to plan now for the future ahead. It takes many, many years to develop the knowledge and expertise that is required in my Ministry to deliver justice to our

people. If we fail to address this shortfall now the problem will grow and the need will grow greater and the situation grow more critical.

I am very conscious that this Budget is framed in a time when we as a country are still feeling the effects of the global financial crises and so whilst I would have wanted more interventions through this Budget to address the challenges confronting my Ministry and the Justice Sector, I am also cognizant of the challenges of the Budget itself. I realize that we all need to tighten our belts and my Ministry has made the necessary sacrifices for the overall good of the country. For this reason, in 2010 we will continue to exercise restraint. In view of the strategy adopted in this Budget, my Ministry is prepared to strive with the resources it has been allocated. This means the challenges facing this sector will continue to be addressed only incrementally, little by little and step by step. We may not achieve the great leap forward next year but we will see incremental continual improvement as we move steadfastly towards our goals.

In 2010 my Ministry is being provided about \$18,686,460.00. This is about \$1,346,656.00 less than the 2009 Recurrent Budget. The reduction in projected expenditure is mainly the result of the cost of vacant posts not taken into account in payroll costs. Regardless of the vacancies, my Ministry expects to continue its activities and to strive for superior performance within resource constraints. However, this level of funding will allow us to continue carry out important undertakings for our people to have access to justice services that the government is obliged to provide. This challenge provides us with the opportunity to seek out and eliminate inefficiencies and to streamline processes, to re-engineer our administrative system and to learn to do more with less. We will concentrate our energies upon our core business activities, and confident that my Ministry will rise to the challenge.

Let me outline some of the proposals that we have in mind. My Ministry has been given an additional funding of \$426,000. This will allow us to carry important missions for and on behalf of the Government of Solomon Islands. \$226,000 of this additional funding will fund officials to attend the Asia/Pacific Group on Money Laundering Plenary Session in Singapore in 2010. That plenary meeting would deliberate on the evaluation report on Solomon Islands legal sector, law enforcement and financial regimes. The World Bank team is here conducting the evaluation this month.

Solomon Islands attendance in that plenary meeting is vital to ensure that the evaluation report on Solomon Islands accurately represents the true position and our commitment to combating money laundering activities and financing of terrorist activities. The Asia/Pacific group on Money Laundering Plenary Session outcome is very important for Solomon Islands, as it will impact greatly on

Solomon Islands domestic reputation particularly on its domestic financial and banking systems and its reputation in the international community.

Honorable colleagues may have noted that the government has been working very hard to prepare Solomon Islands for this World Bank mutual evaluation. The government has brought to this Parliament a number of important pieces of legislation. These are the Currency Declaration Act 2009 and the Counter Terrorism Act 2009. These acts are intended to strengthen Solomon Islands law, law enforcement and financial regimes to meet the challenges posed to this country by money laundering and terrorist financing activities. These Acts are only part of the commitment.

The Government through my Ministry is also working on bringing to Parliament in early 2010 the Money Laundering and Proceeds of Crime Amendment Bill and the Extradition Bill. These bills will complete the strengthening of Solomon Islands law, law enforcement and financial regimes to meet the challenges posed by money laundering and terrorist financing activities and to meet our agreed international obligations. We are also working shoulder to shoulder with the Ministry of Commerce, particularly the Immigration Division on the work on legislative framework to deal with our transnational crimes, like people smuggling and human trafficking. My Ministry is honored to be a partner in this national and international effort to deal with money laundering, terrorist financing and other transnational criminal activities.

The other additional funding support of \$200,000 will assist the Solomon Islands Financial Intelligence Unit, located within the Central Bank of Solomon Islands to carry out its monitoring of suspicious money laundering activities in Solomon Islands in 2010.

This year my Ministry has been able to carry out a large number of projects and activities to strengthen the delivery of justice, build upon and consolidate the good works that have been done in previous years. This will continue in 2010 with funds made available in the 2010 Budget. This should allow us to gain and hold more ground in achieving some of our key objectives, some of these activities are:

- (a) Supporting the delivery of judicial legal services to the government and people in Solomon Islands through the provision of legal advice, professional legal service and judicial services. The Attorney General's Chambers continue to provide legal assistance to the government to deal with legal issues and cases confronting the government. Its drafting section has continued to draft bills and subsidiary legislations for the government. The Public Solicitor's Office continues to provide free legal services to the majority of people who require legal advice and assistance

in this country. This service will continue in 2010. Further, the Public Solicitor's Office in collaboration with the Ministry of Forestry and the European Union has set up a Landowners Advocacy and Legal Support Unit to assist mainly resource owners aware of their legal rights. This Unit is set to continue to operate to the first half of 2010. The Director of Public Prosecution continues to actively prosecute those accused of violating or breaching our laws, especially our criminal laws. This is ongoing and will continue in 2010. These are highlighted to inform us that my Ministry's agencies will continue to deliver their core services on a similar level of services in 2010 as in 2009 with funds provided in the 2010 Budget.

- (b) My Ministry has also continued to improve the effectiveness of the justice system with major reforms such as the Evidence Act 2009, the Penalties Miscellaneous Amendment Act 2009 and the Criminal Procedure Code Amendment Act 2009. These acts have already commenced operation. A number of other bills are being formulated and should come up to Parliament next year or subsequent years. This includes the Tribal Land Dispute Resolution Panels Bill. Consultation is on the track on tribal land disputes resolute panel on the draft approved by Cabinet. Consultation on this Bill will continue in 2010 including making representations on the draft bill to provincial assemblies in 2010. We are forging ahead with our reform agenda. We have many years of inaction to rectify, but there is still an enormous amount of law reform to be done in the sector. I cannot recall a time when any ministry has developed and brought so many new bills and legislative projects to this Parliament in such a short period. The Law Reform Commission of my Ministry is working on a number of preferences. This includes a review of the Penal Code and the Criminal Procedure Code. Public consultations have taken place, and I expect a report with recommendations on the review of the Penal Code to be delivered in 2010. My Ministry will take up the report and proceed to enact in the necessary reforms. My Ministry and the government can then draw up a revised code of criminal laws that is relevant, suitable and addresses contemporary criminal law issues of this country.

Consultation work will commence in 2010 on the legal status of land below high and low watermark. I have launched the issue paper on this reference a month or so ago. This reference deals where an area of land that is very important to the socioeconomic wellbeing of people in Solomon Islands. A lot of our people depend on resources found in this area of land for their livelihood, wellbeing and for development aspirations. This reference has

attracted a lot of interest and the consultations provide the Law Reform Commission plenty of material and relevant information on how this land should be treated in our laws.

My Ministry is closely collaborating with the RAMSI Law and Justice Program in scoping around the country during the months of November and December 2009 to assist the RAMSI Law and Justice Program develop a framework on the RAMSI Law and Justice Program assistance to the Justice Sector within the ambit and in line with the Solomon Islands Government/RAMSI Partnership Framework document. This Framework should guide RAMSI Law and Justice Program assistance to the Justice Sector from 2010 to 2013.

We are also committed to a review of the means test under the Public Solicitors Act to review and come up with the mechanism and criteria to base eligibility rules for the Public Solicitors Office services and assistance. We must be confident that the Public Solicitors Office resources are being directed towards those who need them the most. The review aims to improve quality of service and efficiency in the Service. Considering our chronic shortage of public service legal professionals, we must ensure that those we have are being put to the best use possible.

My Ministry intends to carry out minor renovation work to the office of the Registrar General in 2009, and this will continue in 2010. The office of the Registrar General has been neglected over the years with its fair share of criticism for delays in the processing and registration of legal instruments. This office has dire infrastructure, manpower training and equipment needs. My Ministry intends to address some of these needs. Our legislation program for 2010 includes looking into intellectual property issues in collaboration with other ministries and stakeholders, and the coming years, so it is important to revitalize and modernize the office of the Registrar General, as it may play an important role in that endeavor in the near future. Work has taken place also in the Registrar General's office to reduce land registry application backlogs under an interim assistance project under the auspices of the Ministry of Lands in 2009. My Ministry with the funds available under the 2009 Budget was able to equip this office with furniture and office equipment and had carried out work to remove asbestos material within the office to ensure a safe work environment for its officers. Also in 2010, we intend to have the office continue with its work to reduce the backlog of applications in the Land Registry and Company Registries until this is taken up by the Company Registry of the Ministry of Commerce, and to review trademark and patents fees payable for the registration of trademarks and patents in this country. The funds provided in the 2010 Budget will allow us to carry out the activities mentioned.

My Ministry is also working closely with RAMSI Law and Justice Program and the World Bank Justice for the Poor Program to look at ways to carry out the government's policy intentions in its policy statement of recognizing chiefs and traditional leaders in the administration of justice at the local level, and in relation to custom and traditional norms and practices, including the revival of the Native Local Court system in the villages and wards in 2010. The World Bank Justice for the Poor Program will assist my Ministry to undertake some in depth research and consultation on areas detailed in the CNURA Government policy.

The office of the Director of Public Prosecution has, with the assistance of the RAMSI Law and Justice Program, carried an audit of outstanding tension related cases this year 2009. This should enable it to know the number of tension related cases still pending and to determine and resource it and other justice agencies may require to finalize those cases. We are working towards finally completing all the tension trials.

Turning now to the courts, the Judiciary's mission statement is to make justice visible, tangible and accessible to the whole community by hearing and determining cases according to law, upholding the rule of law and furthering the interest of justice. The Judiciary has a total of 189 posts in its establishment, of which 51 are vacant posts. Included in these vacant positions are those of principal magistrates for district magistrate courts, first class magistrate posts and the registrar of High Court and Court of Appeal. As you can imagine, it is enormously difficult to deliver a functioning and efficient court system with so many vacancies. The National Judiciary is allocated a total of \$40,698,424 in the 2010 Recurrent Budget. It is fortunate to be given an additional \$2,346,250 in its recurrent budget to enable them to undertake continuing activities and meet increased costs of some of these activities.

The key outputs of the National Judiciary in 2009 and which will continue in 2010 and years to coming include:

- administrating and dispensing justice impartially, independently, fairly and without prejudice according to law,
- interpret and develop Solomon Islands laws through case laws and decision,
- provision of public registry services,
- provision of legal information services,
- enforcement of court decisions,
- contributing to reform of laws, and
- provision of legal research services.

The National Judiciary has carried out the following activities in 2009 and this will continue into 2010 and in later years. The main activities are:

- case management services which include providing pre-trial case managing services to assist the judiciary and all parties to cases in managing the case loads of the courts to minimize delay and expenses of the court and parties to litigations. This has led to substantial reductions of backlogs in civil litigation.
- Hearing and determining both criminal and civil cases;
- Public registry services which includes maintaining accurate high quality records of the proceedings and other business of the courts, and a responsive and professional service to the judiciary and all users of the judiciary system;
- Security and enforcement services, enforcing court orders to ensure that justice is delivered in the community and to ensure everyone can pursue their legal rights safely.
- Improve resourcing of provincial magistrate courts and offices to improve magistrate court services in the provinces and improve their delivery of justice to the people throughout the country.

The courts have continued to perform their duties to this country with vigor, determination and professionally in a very challenging environment. The professionalism and dedication to duty of officers serving in our courts despite these challenges has gained them respect not only amongst our people, but also from those around our region. Our judiciary enjoys the full trust and confidence of our people.

I am immensely proud of the men and women in the justice sector who have contributed to the high esteem of our court system. I take my hat off to them and congratulate them for their dedication and service to our nation. I am also indebted to my Ministry for pursuing such an ambitious law improvement and reform agenda that has given the courts the legislative tools needed to perform so well.

This year 2009 has been a difficult year for the courts, especially the Magistrate Courts, as some of their circuits to the province have been cancelled in 2009 due to financial problems experienced by the government. Court services in Honiara and provincial centers with magistrates continue to carry out their duties. The National Judiciary is engaging with our development partners to address many of the challenges in accessing justice and delivering justice through the Magistrate Courts. This month the Chief Justice and some of his executive officers have recently toured the District Magistrates Courts to gain

first-hand insight on the challenges and problems they face in delivering justice to the communities, their aspirations for 2010 and beyond. This information will allow the National Judiciary to allocate its resource under the 2010 Budget to achieve better outcomes. While we face a lot of challenges to provide the level of judicial and justice services in terms of financial resources, human resources, infrastructure and logistical resources, the National Judiciary is committed to its duty to deliver justice to the people of this country with the resources at its disposal at present.

The National Judiciary has also been provided the sum of \$1,600,000 in the 2010 Development Estimates to continue implement ongoing projects. These projects are ongoing as we are unable to implement some of them this year due to the financial situation faced by the government. We hope to implement these projects in 2010 if the cash flow situation faced by the government improves in 2010. These projects are aimed at providing the infrastructure and support to roll out judicial services to provinces in the years to come. Infrastructure development in the provinces should pave the way to enable future provision of judicial services to be made from provincial centers, thereby reducing costs to litigants and making justice services more accessible to the majority of people and making justice more tangible in the lives of our people. Some of these ongoing projects already have central tender board approvals and the project on a renovation of provincial court houses is ready to be put on tender for work to commence.

In conclusion, my Ministry is well aware of the challenges to be faced in the years ahead and the importance of continuing and maintaining the gains and improvements we have made in this sector in recent years. We will continue to roll out our ambitious and dynamic legislation reform programme because we have many years of inaction and stagnation to rectify.

Overall, we are pleased with the progress we have been able to make and maintain over the past year in the modernization of our legal system. We are proud to have fulfilled so many of our international obligations and completed so many of our projects. However, we do not intend that 2010 would be a year to rest on our laurels. We intend to build upon the momentum for change and improvement that we have created and we intend to push forward with enthusiasm and energy for the task we are planning for the year ahead. My Ministry will continue improve our service to the community and strive to make the legal sector more efficient and accessible to all. We will continue to make maximum use of allocated resources and to strive to ensure that our court system and judiciary remain admired and respected throughout the region as a fair and just legal system of which this nation can truly and rightly be proud of.

With these remarks, I support the Bill.

Hon. MAELANGA: Thank you and I shall be brief. I would like to clarify some of the comments made in regards to my Ministry and then comment briefly on the 2010 Appropriation Bill.

First, I would like to clarify comments made by some of the speakers who have contributed to the Budget, especially my good friend, the Member for Savo/Russell's in regards to the Premiers Communiqué which he mentioned in his speech. My Ministry has been working very hard and has done a lot for our provincial governments in regards to the Communiqué. The CNURA Government has abided to its policies and my Ministry has done well in implementing what provincial governments have put in their Communiqué.

I attended the Premiers Conference at the time their Communiqué was brought. I have tabled the Premiers Communiqué in Cabinet and it has been noted, and my Ministry is still waiting for response from other ministries for them to submit their reports concerning the other areas that the Communiqué requires. That is the situation in regards to the Communiqué now so that we are aware as well as the Premiers. My good friend, the MP for Savo said it is a time bomb, however, I see it differently; it is not a time bomb to my Ministry and the CNURA Government. I think the provincial governments are happy with how the Ministry of Provincial Government and the central government are handling the provinces. I see this as not a time bomb to this government. After receiving reports from other ministries, the reports will be brought in and Cabinet is aware of that it is agreed that the report can be brought into Parliament. That is where the communiqué is at the meantime. That is briefly on the Communiqué. The government has almost addressed most parts of the Communiqué. The Government has addressed some of the issues in the Communiqué made during the Premiers' conference. That is why I have to clarify here that my Ministry is working very hard on this, and I see the other ministries addressing some of the issues as well, like the Ministry of Infrastructure has already addressed some of the things raised as well as the Ministry of Health.

I think it is the Ministry of Finance that sometimes delays my Ministry's work programs which is some of the requirements that provincial governments need. That is the reason why things are sometimes slow which makes provincial governments and their premiers to question why things are not happening. But as we are going through this financial crisis everybody knows that finance is a problem to us. Everyone knows this and so I do not need to elaborate on it. But as I have said, the government has done a lot even though there is the 35% de-reservation.

The Ministry of Provincial Government with the PGSP program and the PCDF handles it down to our provincial governments that helps our provinces to

build their administration level to high standard in finance, administration, training of staff, computing, rebuilding of buildings and so on. All these things are what the Ministry of Provincial Government is working on now. All these come under the PGSP project and this project is done according to how the provinces submit their priority areas on where they want money to be spent on. They have their own priorities.

You can also see how the government is now working on the recurrent budget. You will see the distribution of grants. For the 2010 recurrent budget you can see my Ministry working on a formula on the distribution of grants to provinces. Whilst working on a new formula, my Ministry has not forgotten the old system. It still works closely with the old system because we cannot just get out of the old system and jump to the new system. We will slowly work with the old system until all the provinces come up to the new system before we can do away with the old system. The old system looks at geographical locations, landmass, and so forth. But the new system would be mainly based on population. That is a new criteria the Ministry has put in place which you can see in the current budget on how grants are to be distributed to all provinces.

You can also see in the recurrent estimates the fixed services grant which will be given to provincial governments for their use according to their priorities. That is why you will sometimes see nil allocation in the 2010 budget estimates. This is how the Ministry sees it that it is time we allow provinces to do their own projects from grants given by the central government so that they can do whatever with their own grants allocated to them. That is one new development to recurrent budget of the Ministry of Provincial Government and Institutional Strengthening budget.

There are no new changes to my Ministry. I think that is the only change you will see in our recurrent budget which you might question but that is why it is there. Like in the past you would see the grants under different headings such as shipping grant, road grant, road maintenance and all these, but now the Ministry puts all those grants under one heading as fixed grants. When this grant is given to the provinces, it is up to them to spend the grant according to their priorities so that provinces see that they are also part of the government.

In regards to education, as some have said as a government I would like to thank the CNURA Government for its policy on fee free education. I really thank the Minister of Education for working very hard in making this to happen, especially the fee free education. I see this policy as really helping our people in the rural areas, especially those who find it hard to earn money but have children attending secondary schools but the parents are not employed but stay at home. Therefore, this fee free policy really assists parents living in the rural areas and who are finding it difficult to earn money to pay for school fees. I am really in

support of this fee free education policy. Some may have their own reasons as to why they are not in support of this policy, but I thank the CNURA Government, the Minister and staff of the Ministry of Education for working very hard in implementing this policy and we are seeing our children go to school without paying fees, which makes parents to be happy.

On rural development, I support the Minister and thank the Deputy Prime Minister and his staff for working very hard enabling development to reach our people in the rural areas through the livelihood project. I support the government for this initiative as the funding allocated to the Ministry reaches our people down there. I think we should put more funds to this Ministry so that we can see economic development grow in the rural areas just like the urban areas.

On agriculture, I appreciate very much how the Ministry is working in regards to the projects that come under the Ministry, especially cocoa, coconut and the rice project. One rice project has just been harvested at the Prime Minister's Constituency, so I thank the Minister for Agriculture and staff of the Ministry for their hard work on how they implement projects within the Ministry.

I would also like to comment and thank the Ministry of Police and Correctional Services for upholding law and order

Hon. Sikua: It is now 4:30pm and so to allow the Minister for Provincial Government and Institutional Strengthening to finish his debate, and I can see a few more Members would like to speak to the Bill, I seek your consent to move a suspension of Standing Order 10 in accordance with Standing Order 81.

Mr Speaker: Leave is granted.

Hon Sikua: I move that Standing Order 10 be suspended in accordance with Standing Order 81 to permit the continuation of the business of the house until adjourned by the Speaker in accordance with Standing Order 10(5).

Standing Order 10 suspended in accordance with Standing Order 81 to permit the continuation of the business of the house after 4.30 pm until adjourned by the Speaker in accordance with Standing Order 10(5).

Hon. Maelanga: I would like to thank the Prime Minister for moving this motion to enable me complete my budget speech.

In regards to the Ministry of Police and Correctional Service, I thank the Minister for his budget, especially on police housing. I really appreciate the

provision towards that. I also want to thank RAMSI for the support they are giving to the Ministry to help build police housing.

In relation to the other ministries that I did not mention, I would like to thank them as well for their budgets to help people of this nation that whatever comes from their ministries go down to our people of this nation.

I would also like to thank the Chairman of the Public Accounts Committee and his committee for their scrutiny of the Budget, which is now before us for debate at this time. I would also like to thank the Leader of Opposition for your tough scrutiny of this Bill in your speech. I thank you very much for that. That is how we would know the areas we need to iron out and then come to the final budget that we want.

Lastly, I want to thank my Permanent Secretary, staff of my Ministry for putting together our budget that is now before us, the budget of my Ministry, the Ministry of Provincial Government. Once again I would like to thank the Minister of Finance, the staff of the Budget Unit and the Ministry of Finance for putting this budget together. With those few remarks, I support the Bill.

Hon. TORA: Thank you for allowing me to contribute very briefly to the debate on this 2010 Appropriation Bill 2009. But before I do so, I too would like to take this opportunity to thank my colleague Minister of Finance and all his staff and whoever is involved in putting together this very important document, the Appropriation Bill for us to debate in Parliament.

I also do not forget the Chairman of the Public Accounts Committee and his committee members for the good work they did by going through the Budget for one week, which I understand all ministries with other stakeholders appeared before this Committee.

I am not going to say much on this Appropriation Bill because the budget belongs to the government and it belongs to the people of this nation. I am glad to hear the Leader of Opposition throwing his support behind this Budget. I want to thank him for recognizing the importance of the Appropriation Bill and the need for it to be passed by this House so that the services our people deserve to receive next year continues.

I would also like to thank my colleague Minister for supporting the programs of my Ministry by allocating \$135.3 million for repair of police housing and maintenance of correctional services buildings. In the Development Budget about \$10 million is provided for Tetere Prison, Naha Correctional Services housing including police housing in Gizo, Buala, Marau and Auki. It is my strong conviction that in anticipation of increased business activities in Western and Guadalcanal Provinces, I want to see that additional infrastructures for Police is of utmost need at Noro and Tetere, which all of us know industrial areas

will expand in the future. If given the opportunity that the CNURA Government happens to come back and takes power next year, and if I happen to be in the same Ministry, I would want to pursue this intention very seriously. Although there is need for construction of new police houses in various locations in other provinces, I also realize the deep global recession we are going through. However, my Ministry remains committed and determined to build additional police posts in strategic locations in our provinces, and I am confident the government will assist my Ministry to do so.

In order for my Ministry to implement the programs it is mandated in 2010, the provision for logistic support is vital. I have visited two provinces since I was appointed Minister for Police and National Security, and I must say that the conditions of infrastructure in those provinces are appalling. At this juncture, I wish to acknowledge and thank the Australian and New Zealand Governments for their kindness in supporting the government on the police housing project. I am pleased to announce that construction of New Zealand funded housing project should start early next year 2010. Tenders are now being advertised by SKM and screening of applicants should be finalized soon. The new building and refurbishment scheduled plan for financial year 2009/2010 are as follows. In Honiara construction of 20 houses, land package houses and 8 refurbished executive houses. In Malaita construction of 20 Royal Solomon Islands Police Force Model 06 houses at Auki, refurbishment of 35 other police houses and possible purchase of up to 44 hectares of land for AusAID funded project. In Honiara a possible purchase of up to 4 hectares of land and I think the resources located here can be relocated to additional house land package for Gizo if land is made available to the Solomon Islands Government.

I could not agree more with my colleague Minister for Finance that we cannot rely on the assistance of our donor partners indefinitely. Eventually, we have to take over from them and build sufficient infrastructures in the provinces to provide more efficient policing services there. I cannot emphasize more the role of police and the importance of national security for without security there is no guaranteed safety in what we do, be it in business, work places, homes or in our daily life movements. Having said this, my Ministry needs to make preparation for the next year's national general elections, and to do this my Ministry needs sufficient funds and necessary logistic support. I am sure I will have the full support of my colleague Ministers and the Opposition to pass this important budget.

As I have said I will be very brief and because the budget belongs to the government, therefore, with these few remarks I support this Budget.

Hon TOZAKA: Honorable Speaker, thank you for allowing me to contribute to the 2010 Appropriation Bill 2009. I would like to acknowledge and convey my special thanks to those who prepared this important Bill to be tabled in this very honorable chamber. I wish to thank you honorable colleague Minister for Finance and National Planning for your hard work and dedication in coordinating and scheduling the production of both the Recurrent and Development Budgets. On the same note, I would like to thank public officers who have worked untiringly with demonstrated resilience to have the documents ready. In this instance, I recognize and acknowledge the work of the Budget Unit staff and National Planning staff for the development plan and Ministry staff for the manpower document, a supplementary document to the recurrent budget.

This is now the fourth and final quarter into our ministerial operations this year. Whether we have made an impact to the people of this beautiful nation or not is a question that is best left to our good citizens to judge and evaluate. As for my assessment of our performance, we have advanced a lot development amidst the challenges we have gone through. We expended in the course of implementing the 2009 Budget successfully, and I am sure our people are happy.

As you can see, we have increased our external reserves and also able to bring down inflation from 15% in January to 5% in November/December this year. Services continue to be delivered and capacity in government institutions strengthened through SIG assistance as well as from our various development partners. It is on this basis that I am confident in what this government plans to do next year as shown in this budget.

The 2010 Appropriation Bill is a bill based on the government's experience and assessment of the general socioeconomic and cultural environment we operate under. This Bill is cognizant of the global financial crisis and its continual impact on the vulnerable economy. Also the development needs of our people are seriously accommodated despite the pressure on our cash management. It can therefore be said that the 2010 Appropriation Bill is based on love and trying to achieve more with less. We have to work smarter this time.

It is based on love, as I said, because though the 13,000 public officers, the teachers, the police officers, prison officers, judges, magistrates, lawyers, doctors and nurses, fisheries officers, forestry officers, accountants, administrators, secretariats and registry clerks have received their salary increases in November this year as well as next year. This is the result of an understanding through negotiation and intervention of our industrial relations institutions.

There are noticeable encouraging features in the Budget that I wish to dwell on. I have seen that there is a 5% increase in the other charges. This is expected as prices of goods and services will surely increase next year. I thank

the Minister for his foresightedness in doing this. You will also note that we are not asking for any loans to fund this budget. It is funded from revenue we expect to collect from our economy with support also from some donors.

Also this budget will assist rural people through the various funding schemes. As you all can see there are various allocations geared to the rural men. I do not want to go through the Development Budget, but as you can see there is allocation under all ministries, which I am sure, will encourage rural development. For rural development to happen, it requires the serious participation and commitment of all parties responsible for the deliverables. The parties are the resource owners, the public officers and us Members of Parliament. The resource owner must avail his resources, especially their land to be developed. The public officer must facilitate in good time the needed resources, finance, materials and manpower when needed. And we, their Members of Parliament must take the leading role to ensure the development happens.

I am encouraged by the way we all spend our RCDF and monies channeled through us. I am sure we all know how best we should assist our people. It is sad, however, to note that most of our assistance is on consumables and less on development items. I hope there will be a turnaround when most of our assistance to rural people will be on developmental items and less on consumables such as rice, flour, radio cassettes and more on things like solar and housing materials, water supply materials, equipments for downstream processing and items that will add value to goods produced in the rural areas.

Solomon Islands is an agriculture country and I am happy that the government recognizes that as manifested in the various allocations to development in this important sector. The big picture is that we must squeeze agriculture to build our economy, and when we have enough money only industries can be identified and established. This is exactly what is happening in emerging economies like China and India, and that is the road we are taking. This is not easy and the government is calling for the commitment of all stakeholders, especially Solomon Islanders.

The success and development of our country depends on how hard we work. Working hard is not coming to the work place late and leave early. It is not satisfying when an employer pays and staging an illegal strike. In other words, the Government is paying the beginning of an ending. The government cannot do everything. It can only create the impetus for development and advancement, but it has to be us, Solomon Islanders that make sure it happens.

I have said this Budget is trying to do more with less and that is why the few projects and programs identified in the Budget are those that will certainly cause an impact on our economy and livelihood. Also, you will note that a lot of

our vacancies had been placed on reservation. This means some ministries are expected to work within their current manpower to implement programs. Ministries must now work smarter so that with the resources they have they will implement the 2010 Budget effectively. Therefore, 2010 is a year dedicated for much more development to take place. We will see a lot of activity taking place in the rural areas and other sectors of our small economy.

I know that there is a component contribution by donors like the ROC, AUSAID, New Zealand Aid, EU, RAMSI, JICA, UNDP, PNG and other bilateral and multilateral development partners. I pay them special thanks for recognizing our needs and being able to continue with their assistance. I am sure just as us, their taxpayers also would like to see meaningful use of their money, and I am sure we are doing that in all the assistances the government and people are receiving from donor partners.

I am also happy to see there is an allocation under National Parliament for the renovation of this building. If there is anything important that we MPs have to offer to Solomon Islanders, it is this Parliament Building. This institution is a symbol of our nation and statehood. The infrastructure must be maintained and keep to its form.

We all know that our Treasury continues to experience pressure and finances is not an easy coming. With the importance of this expenditure, I am sure Finance will work hard to source funds to finance these expenditure items, and once again call on public officers to do their work, to collect the cash that is required of them to fund these anticipated expenditure items. This is not easy, especially at this time when other service providers continue to perform below par. The electricity and water are not reliable. I note, however, the government is trying to address these problems through SIWA and the Tina Hydro budgetary allocations.

I wish to thank the government for the trust accorded to me in implementing by budget this year where I was able to ensure the functions I am responsible for continue to be performed. In response to the financial pressures upon the government, my Ministry took service wide measures to ensure a reasonable level of service to citizens is sustained. A freeze on recruitment was imposed in May 2009 following Cabinet decision to freeze recruitment of all vacant positions in the 2009 Establishment Register. Consideration was accorded, however, where replacements to vacant posts are justified, for instance, where officers retire or left the service but the posts are crucial for delivery.

Stringent control measures were applied to the Public Service rental scheme (PSRS) which costs the government \$43.1million for 1,226 leases in 2008. The Ministry of Public Service and the Housing Division of the Ministry of Lands

have been under immense pressure from line ministries to increase the number of leases in 2009, but my Ministry has to put a ceiling on the number of leases to sustain PSRS costs in 2009. My Ministry and the Housing Division of the Ministry of Lands have reviewed options in light of the 2000 Auditor General's recommendation to phase out the Public Service Rental Scheme. Several options are now before us to be considered seriously.

Restrictions were also placed on overseas travel by public officers where government is required to meet part of the full costs. Consideration is accorded, however, to relevant conferences fully funded by overseas donors. The Seventh Pacific Public Service Commissioners' Conference recently hosted by Solomon Islands was a success. Thanks and acknowledgment must be accorded to the Australian and New Zealand Governments as well as the Vanuatu Government for their financial assistance in realizing this very important regional initiative. A total of 40 participants from 11 Pacific Island countries attended as well as a representative from the Commonwealth Secretariat. This year's conference theme was "developing strategies for talent management in the Pacific Public Services", which focuses primarily on the issues of recruitment, retention of our public servants. Important challenges highlighted during the conference include the need to contain wage bills due to the often large size of public service. This means reorganizing and refocusing on core activities. The effect of globalization with more choices mobility for people adds its contribution to the brain drain issue. The need to put in place effective management strategies to address corruption are focused on ethics framework and transparent model from the top, the need to improve merit based recruitment processes, with the focus on effective promotion through good marketing strategies with integrated advertising methods, the provision of training and development of public officers are key factor managing staff satisfaction and their retention. The need to improve collaboration and communication between stakeholders through human resource managers' network for follow up actions on agreed targeted and actions.

As you can see from what I have stated, the problems and difficulties encountered by our public service are not common to our regional public service friends, our neighbors. I thank the government for having shown its continuing commitment to build the capacity of my Ministry with allocations under my Ministry. I will certainly try my very best to accord to my stakeholders the service they deserve.

You will note from this budget that the government is serious and committed to the development of Solomon Islands, and while government commitments continue to be tight, services will continue to be delivered. Our

economic outlook for 2010 remains uncertain, however, opportunities will be created and assurance for health and vital services to our people is given.

I also noted that government institute continues to be strengthened and ministries have been allocated with resources for service delivery. Based on these assurances, especially the emphasis of the budget be geared to the rural dweller, I see this as the best thing any government could do. Development is a continuum and it cannot be done by one government in its term but over several governments over time scale. With these few remarks, I support the Bill.

Mr. OLAVAE: Thank you for allowing me the floor to contribute briefly on this 2010 Appropriation Bill 2009.

Most MPs have already spoken in favor of this Bill and so I as well will also support it. However, before I contribute further on this Bill, I would like to take this opportunity to thank the Minister of Finance for introducing this Bill for us to debate. I also take this opportunity to extend my sincere thanks to officers of the Ministry of Planning and Aid Coordination and other various ministries for preparing this budget in a professional manner.

Having read through this Budget I have no problem supporting it. The strategies and the way we will continue expending this budget will be similar to previous budgets we have already expended and implemented. As far as the Recurrent Budget is concerned, we will be experiencing inflation in goods and services because most of the goods and services we have been relying upon are not produced here.

The political structures we have been adopting have been acting like an economic stimulus to our trading partners or our service providers. Under the system of government we adopted, our bountiful duty is to provide services whether costly or cheaply.

Under the policy of the CNURA Government, this budget is straightforward because we cannot do anything about it. Costs, inflation of goods and services will continue to confront us in the future. It is on that basis that the CNURA Government came into power and established the rural development ministry and it is on that basis that donor partners are here to supplement us with infrastructure developments throughout the constituencies to create economic stimulus to combat further foreign drain in the future to stimulate trade.

This political structure has been stimulating trading activities for importers. It has been going on and that is why we have been experiencing an unfavorable balance of trade year after year round, and that is why we have not experienced any appreciation of our dollar. To combat that we have to build infrastructures, which is an economic stimulus seen in this budget. But how we

are going to implement it is another thing because for the last 30 years we have already implemented 30 development budgets, 30 recurrent budgets and what were the results we have seen of those budgets that we passed? That is another thing. This country is not an easy country with too many scattered islands, and that is why it is not easy but with this rural development strategies the CNURA Government has put in place or allocated to each constituency will pave the way or allow constituencies to identify their economic stimulus to use that money for trading activities. There are no new miracles that will happen if we do not use that money to trade. That is why I really thank the CNURA Government because it has been your policy that South Vella La Vella completes its economic growth centre. I thank the CNURA Government and the GCC Government too because it started off that policy; let us not forget the GCC Government. I am thanking all of you.

This 2010 Recurrent Budget will further stimulate our trading activities so that we create jobs for our school dropouts. It is through trade that you create job opportunities throughout the rural sector, nothing else. I believe that most of you colleagues or some of you may have started your own priorities developing your constituencies. I know all of you really appreciate the CNURA Government for its good policies, and this is the last budget of the CNURA Government. However, I know and I am very optimistic at this juncture that next year if we come together again we will improve this budget much better than what is stipulated in the Budget now, if the Progressive Party comes in with its \$5million budget allocation.

I am not going to repeat the same things that other speakers have already raised here because everything is very clear in that this budget is a straightforward budget and we cannot do anything about it, and so I would like to take this opportunity to thank each one of you who are present in this chamber at this juncture. I also thank the Minister of Finance and finally I take this opportunity to thank you very much for a job well done.

Hon. HAOMAE: Thank you for giving me the floor at this late hour to contribute to the Appropriation Bill 2010. At the outset, I wish to take this opportunity to thank the Minister for Finance and Treasury for presenting the Bill to Parliament and also the Minister for Development Planning who handles the development part of the Budget and their staff in the Ministries. I also wish to thank all those involved in the formulation of the budget; the public servants and the Government for coming up with the budget. Although the books came in late, it is important that they are presented in time for our deliberations.

I will deal with matters of my Ministry because the Minister of Finance in his presentation has also dealt with the macroeconomics strategies of the

government and has already explained the backdrop of the budget and the challenges facing the country, especially in terms of the financial economic crisis from which the Bill was presented and the challenges the country is facing at the moment.

In terms of the Development Budget my Ministry has three projects. The first one is the chancery in Port Moresby, Papua New Guinea. The chancery building and structure has been completed and is scheduled to be opened in February next year, and therefore, you will not see the chancery in Papua New Guinea appearing in next year's budget because that has been dealt with. The only two projects that were carried out from last year is the allocation of \$23,300,000 for the Canberra Chancery Office, and I would like to thank the government for seeing fit in providing that allocation for the building of that important office. Tender has already been allocated to a constructor and the ground works have already been done and next year the physical construction of the chancery should kick start and will be completed by October next year for a new government to open it. The chancery in Port Moresby will be opened by this government, as it will be completed in February next year.

In terms of the VIP Lounge, the allocation was carried into next year of \$500,000 for appraising of the VIP Lounge at the International Terminal. I want to thank the Government for that. Whether we like it or not, the centre of gravity in the Pacific is shifting to Solomon Islands and we have to be prepared, and this is one part of the process of making preparation so that we can welcome and take care of the particular protocol aspects of it. Funds for the VIP Lounge at the international terminal will be utilized to start work on the architectural design of the lounge, which will be upgraded to international standards to meet the requirements of VIP traveling into and through Honiara. That is also an important project.

The other project is the enhanced integrated framework in the External Trade Division of my Ministry. Work has been completed in December last year. The design work has been done in order to ensure that trade policies, especially international trade or external trade is brought into the mainstream of the development strategies of the government. That is a very important aspect because if we are to benefit from the international agreements or international trade agreements that we have signed, we have to ensure we have the products to sell. It is not good to enter into agreement, especially trade agreements but we do not have the goods or products to sell for the purposes of utilization of those agreements. There will be coordination under funding from the Enhanced Integrated Framework. That work is being done in certain strategic sectors of the country like agriculture, forestry, tourism, trade, commerce and others more. These are selective areas we have strengths on for purposes of focusing, so that

we can also with other ministries, it is a coordinated effort, it does not only belong to the Ministry of Foreign Affairs and External Trade itself, but it is a coordinated approach with statutory bodies, the private sector and the civil societies so that we organize ourselves and work together in order to enhance and utilize the agreements and trade. We are a trading country. Whether we like it or not we also live by trade and we have to utilize international trade to promote the prosperity of the country.

In terms of the year, Solomon Islands visibility in the internal arena is lifted during the year. Solomon Islands was Vice-president of the United Nations General Assembly for sometime during this year. We held from February to July the presidency of the ACP Council of Ministers, and also the Co-President of the ACP/EU Council of Ministers. Solomon Islands is currently the vice chairman of the AOSIS (the Association of Small Island States) and our Ambassador to the United Nations in New York is doing a very good job as vice-chairman of that particular organization.

In the region too, we have played an active role in regional organizations. As frontline of the country in terms of foreign affairs, the government has been doing very well.

In the Recurrent Budget there is an item for overseas diplomatic travels. I heard that my friend, the Leader of Opposition has raised an issue on this particular item. I would like to take this opportunity to briefly reply, especially on the situation concerning Iran. I am a bit surprised that the Leader of Opposition raised this, because the position the government is taking now is the same position the previous government has been taking. There has not been a change, and so I was taken aback by the comments made to that effect. Our position is on principle. Our position previously and which the present government continues with is that Solomon Islands stands by the principles agreed by the General Assembly in reforming the human rights in Resolutions 60/2.5 and Resolution AC3 64/L29, all pertaining to human rights. Accordingly, it is strongly perceived that the Human Rights Council in Geneva is the appropriate institution to deal with human rights violations. Hence, countries specific resolutions outside the Geneva Human Rights Council are highly divisive, counterproductive and undermine the fundamental responsibility of the Human Rights Council in Geneva. Thus, Solomon Islands rejects the politicization, selectivity and double standard and must not exploit human rights issues under the pretext of the resolutions that we are accountable for our actions and preserve the impartiality of the Reform Human Rights Council and the significance of human rights as an international pillar of global cooperation. The insinuation that we are doing things for money is not true. The position we take is on principle.

I wish to reiterate that our country has always condemn human rights abuses throughout the world and would like to see it universally applied, hence strongly supports the work of the Council and the universal periodic review of all countries, both big and small. In fact, Iran will be undergoing universal periodic review of human rights status in February 2010, just in one month's time, after January next year, and we are in support of this process. Therefore, if the Leader of Opposition is very concerned about this then that would be the time when countries go to Geneva and present their cases because that is the time when the Human Rights Council in Geneva will look at the human rights of countries, and that is what we support. This Council will look at every country. I think Solomon Islands will be in 2012 when we will go for our universal periodic review of our human rights. That is what I would like to explain. It is not based on what is insinuated that it is money. It is based on this basic fundamental principle; the fact that the Human Rights Council in Geneva will deal with countries. Some people who pride themselves in being hot strategists were trying to make a lot of misinformation pertaining to the Solomon Islands position but it is just a straight one as that.

One other question that the Leader of Opposition raised is to do with the Gladstone report, and I also want to explain that as well. I take this opportunity to bring to your attention and to explain Solomon Islands' position and is voting in favor of the Gladstone Report straight by the United Nations Human Rights Council on the Gaza Military operations that took place in December 27th 2008 to 18th January 2009 and was adopted by the United Nations General Assembly on 28th October 2009. Some of those who commented on this makes me wonder whether they ever read the report because what I read and their discussions was quite different from that report. I must inform you that this report is the United Nations report. It is not just an ordinary report produced by any organization, but it is a United Nations report.

The Gladstone Report was first discussed by the Human Rights Council on the 5th to 16th October 2009 and then discussed by the United Nations General Assembly on 4th to 5th November 2009. This was after the mandate given by the United Nations Human Rights Council in Geneva to establish a fact finding mission on the Gaza Conflict to investigate all violations of international human rights law and international humanitarian law that may have been committed during the military operations. I want to give that back ground so that those who are not informed about this are informed about this small background. Because I have read in a number of articles some comments on this, but the facts are not right. The Gaza Conflict claimed 1,300 Palestinians and 10 Israeli lives. There are severe attacks that claimed the lives of civilians in their homes, schools and during religious occasions mostly in Gaza. Families in Gaza are still living

amidst the rumble of their former homes after the attacks ended, as reconstruction has been impossible due to the continuing blockade by the Israeli Military. Even the United Nations Center in Gaza was targeted by Israelis during the operations. The report also stated that there is evidence that Palestinian Armed Groups have also committed war crimes and possibly crimes against humanity. Therefore, it is a two-sided report and not one-sided. By deliberating launching rockets and firing mortars into Israel, calculated to kill civilians and damage civilian structures. The report accused the Palestinian armed groups of causing psychological trauma to civilians within the range of the rockets. It also concluded that killing and abuses of members of the Fatah Political Movement amount to serious violence of human rights. The report is a balanced one because it criticizes Israel as well criticizing Hamas on the Palestinian side.

Israel continues to argue that Hamas is a terrorist entity and considers the report one-sided. But the final release on 15th September 2009 has accused both Palestinian militants and Israeli Defense Forces of war crimes and possible crimes against humanity. It recommended that the sides openly investigate their own conduct and should they fail to do so, the allegations to be brought to the International Criminal Court. On 4th November 2009 the United Nations General Assembly passed a non binding resolution calling for independent investigations to be conducted by Israel and Palestinian armed groups on allegation of war crimes described in the report.

Solomon Islands voted in favor of the report, as expressed earlier, is not directed at Israel, as was claimed by others and implied by the Leader of Opposition, rather are all violators of human rights; those not upholding the convention on civilian persons in times of war and the principles and purposes of the United Nation Charter. It is just bad luck that Israel was involved in that. But we would have voted like that if any other country did that and the issue is brought to the United Nations.

Solomon Islands foreign policy embraces the principle of multilateralism, and it is fitting to ensure that we work through the United Nations system in finding peaceful and sustainable solution when addressing alleged violation against humanity. Fair and transparent process as well as cooperation of all parties to any conflict to ensure that justice is done not only from a one sided view, but one that will allow peace and the healing process to grow along with genuine relations and respect is reached for all. The point here like I have already mentioned is that the report is a balanced report as it criticizes Israel on some violations of human rights it committed during the period of conflict and it criticizes the Palestinians too, and so it is a balanced report. It is not a one-sided

report like some would want to say. I think those who commented like that do not read the report.

I have taken some time to explain that because the honorable Leader of Opposition asked me during his contribution that I should make that particular explanation, and I think I have adequately dealt with that in a nutshell. If he wants some more then he can come and see me in my office so that we can discuss this issue very well. But I want to assure Parliament that Solomon Islands' voting is not done for money. No, it is based on the matter of principle for humanity.

On the issue of our students travel to Cuba, the conflict just happened later on, maybe this year. But this arrangement consummated quite way back and so it does not affect the students travel to Cuba. Now we have 75 medical students training in Cuba. For the last 30 years we can only train about 111 doctors, around 111. If we can train 100 doctors in seven to eight years then that will be a great achievement. And the situation is paved by the government of the Leader of Opposition in the past and the former Foreign Minister, and the present government sees that it is a good arrangement that will benefit the country and so it continues with the arrangement. It is not a new thing so that we argue too much about it. We took the opportunity because it will benefit the country.

Having dealt with those economic policy matters, I would want to deal with two other issues as well. The first is on the free fee education. The policy just raises the basic education from standard 6 to form 3. That is the underlying policy rationale here. In the past from 1976 onwards, primary education from standard 1 to standard 6 is free fee. That one is defined as the basic education, and I think the Minister for Education will agree with me and the honorable Prime Minister on this because they have more knowledge on this. But I would like to explain a bit more on this. But the threshold of basic education has been raised from Standard 6 to Form 3 because of the reasons many Members have already mentioned. The effect of this policy is long term. Our human resource is a very important resource of our country and so we have to ensure we have an enlightened society. It will sustain the developments that we always talk about in the long term. It is sustainable. Although we politicians are looking forward to the next election, we should not do that in terms of major policies like this one but we should also look to the next 50 years. As political leaders of the country we should also look to the next 100 years and formulate and put in place policies that will sustain the country that far, and this is one of them, and so it has my full support. It is true that along the way we will have hiccups there and here, but the overall truth is that it is for the benefit of this country.

As Minister of Foreign Affairs, I would like to thank the development partners for their assistance last year, this year and their continuation of assistance towards the country next year. In terms of the development of the country, the state of development, there is no substitute for investment. We also have official transfers, is the terminology used in the official circles but it is assistance given to the country. The Minister for Development Planning, I think, will be dealing with that because he is the appropriate Minister of aid coordination but as far as Foreign Affairs is concerned, we want, especially myself I would like to register appreciation to our development partners for their assistance provided to the country. A number of these projects are inside there, and because self praise is no recommendation, I do not want to outline the projects that are being done or have been initiated by the present government, but overall I want to thank them. I also want to thank the European Union, Australia and New Zealand and other development partners like Taiwan or the Republic of China. On behalf of the chiefs and people of Small Malaita I would like to thank the Republic of China for its assistance to the country.

In terms of rural development, I do not know about your constituencies, but in my constituency it has made a difference for the better in terms of rural livelihood and the RCDF. One of our villages is located in the highest mountains of Small Malaita. You go there now you will see it lighted up with solar similar to Honiara. This is due to the Ministry of Rural Development's assistance, and there are others more. We are in the process of ensuring that Small Malaita is lighted up because it competes with East Are Are because we are just across the channels. But all these go along with the development plans of Small Malaita where the overall objective is lifting the standard of living of the people and this includes water supplies, rural housing, clinics, schools, and rural electrification through solar. In regard I would like to thank the Ministry. Despite of criticisms being made, I am aware of, not only in the country but also internationally, I have made some comments to that effect, but I think the assistance that they have given has made a difference in the constituencies throughout the four corners of this country.

As you may be aware, the RCDF proceeds from one of the policy papers during the Mamaloni Government that only education and health reach the remote areas of the country and other projects never reach places like Temotu, Rennell and Bellona, Lord Howe and Sikaiana and Small Malaita too. In terms of Malaita, Small Malaita is in the remote part of the province. They came up with this idea and it first went into a special fund and then SICOPSA and then I think it mutated along the way; it mutated into all sorts of name given to it, like Abarai's pig which is the same pig but has different names given to it. But if you look at it overall, it really helps the remote areas. Like the Deputy PM said this

morning, sometimes only areas close to the centers receive government finances and they benefit but those of us who live in remote areas are completely left out. Only education and health services reach us. But this funding, the RCDF and Livelihood Funds, if we can create a template for them so that they become more accountable, it will really benefit our people in the rural areas. I know that I was almost sacked over this funding when I suggested that the RCDF should be handled by the area assemblies when we reformed the Provincial Government Act. But then the SIAC Government came in and abolished the area assemblies, and so until today the Minister for Provincial Government at that time, the Member for West Makira abolished it and said he was going to bring in a new one, but up until today there has been no new bill. But that could be a legislative avenue that we can come up with. I think the Deputy Prime Minister and the Minister for Rural Development are working on it now. That is the idea. It is not a new thing, it started a long time ago in 1989. But the Minister for Provincial Government at that time who is the current Member for West Makira was the one who abolished the Act. He said he was going to bring in a new bill to replace that Act but until today nothing was done.

That is what I also want to explain because there are a lot of misunderstandings, and because election is getting nearer this issue has become somewhat a hot potato, but the government is ready to handle it even though it is hot. We are used to handing hot potato all the time.

I said I shall be very brief and I said that I will only talk on those two issues; major policy matters regarding education is all part and parcel of the rural advancement policy is the most important part of the government now and also that particular funding.

Once again I would like to thank the Minister of Finance for presenting the Budget. If my friend, the Leader of Opposition is not satisfied with the explanations I made, which he requested, I kindly ask him to come to my office and we will further discuss it. Thank you and I support the Bill.

Mr Speaker: Honorable Members, tomorrow will also be another day for debate on the Bill and therefore accordance with the earlier resolution of this House and pursuant to Standing Order 10(5), the House is now adjourned until 9:30am tomorrow morning.

The House adjourned at 5.36 pm