

WEDNESDAY 16TH DECEMBER 2009

The Deputy Speaker, Honorable Clement Kengava took the Chair at 10.45 am.

Prayers.

ATTENDANCE

At prayers, all were present with the exception of the Ministers for 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.

PRESENTATION OF PAPERS AND OF REPORTS

- Report of the Bills and Legislation Committee on the Truth and Reconciliation Commission (Amendment) Bill 2009 (*National Parliament Paper No. 47 of 2009*)

QUESTION WITHOUT NOTICE

Mr Speaker: Honorable Members, the honorable Member for West New Georgia has requested my permission to ask a question without notice under Standing Order 21(4), and I have granted him to do so. Therefore, the honorable Member may ask his question now.

Mr. BOYERS: I rise to ask a question without notice under Standing Order 21(4) and the question is directed to the Prime Minister and it is relation to the Evaluation Committee's selection of BeMobile as the new entrant of mobile

network provider in the country. This is in pursuant to the Telecommunications Bill 2009 which was liberalization of the Telecommunications Industry.

The question to the Prime Minister is: Does the Bill limit the amount of mobile providers to only one network provider, and if not, can the Prime Minister explain the liberalization process for public awareness purposes that will allow more than mobile network provider to be in this country?

Hon. SIKUA: I would like to thank the Honorable Member for West New Georgia and Vona Vona for his question without notice. With your permission, Mr Speaker, I would like to ask the Attorney General to provide an answer to the question. Thank you.

Attorney General: Thank you Mr. Speaker and thank you Honorable Prime Minister. The process which has just been completed by the Evaluation Committee was made under Section 128, and in that process they were selecting a new entrant. Now, the definition of new entrant in the Act says, "a new entrant means the first person other than Solomon Telekom selected to receive a license to provide telecommunication service and use radio frequencies pursuant to Section 128". That was the process of selecting a new entrant, and it is the first person other than Solomon Telekom.

As regarding any other competitor that may come later, there is a process for that as well, and I will start with section 129 and section 129 says, "Notwithstanding any other provisions of this Act, no person may provide telecommunication service before the first day of April 2011". Under section 128(7), the new entrant may at anytime after issuance of the new mobile license import telecommunications equipment, and it can do this prior to the first day of April 2010 to build a telecommunications network, market its services and take any other steps. However, the new entrant shall not commence providing telecommunications service under the new mobile license to the public generally prior to first day of April 2010.

The sections I have read earlier on today, section 129 says that, "Notwithstanding any other provisions of this Act", which means notwithstanding what is said in section 128 including, "no person may provide telecommunication service before the first day of April 2011". There are two Aprils, and one is April 2010, which applies to the new entrant, and another one is April 2011. After April 2011, any other competitors can come in and they can apply pursuant to the provisions provided starting on section 35, Part 5 that deals with service licenses. Part 5 has the process for new applications after April 2011. Thank you.

Mr. Boyers: Does that mean the license issued at the moment is a service license and it will not be able to operate until 2011 as a service provider of telecommunication services? Or will it be in 2010 when they will be able to activate their logistics and then in 2011 when they will provide telecommunications service. After that, are there any other people or any other persons or any other entrant that can apply for mobile network license?

When does a new entrant, besides Bemobile, can get a license approved to operate in the country? From what date onwards, is it after 2011?

Attorney General: The first entrant is for mobile services. But as I said it cannot provide the telecommunication service under new mobile license prior to 1st day of April 2011. You will generally see that the allowable period is April 2010 to April 2011 for mobile services, and then April 2011 will be open market.

Mr. Boyers: What I am asking for is whether after 2011 anyone who applies and is qualified under the conditions of an applicant or a new entrant can be given another license or does that service begins with Bemobile, and there are only two service providers in the country. I am just trying to find out where the liberalization process comes in without discrimination. I want to know whether after 2011 other applicants can apply for licenses and be granted so that we can have three or four mobile network providers in the country?

Attorney General: The answer is yes.

Mr. WAIPORA: Supplementary question and my question is directed to the Honorable Prime Minister. I want to know when we were dealing with the Telecommunications Act we were thinking that the other applicant was the hot one in the country and we thought it would be taken onboard. However, that does not seem to be the case now. What are the criteria used in the selection of the new entrants? What are the criteria taken in selecting the new entrant, Bemobile, is chosen at this time? I want to know the criteria.

Hon. SIKUA: I think that is a substantive question, which I would request the Honorable Member for West Makira to put on notice so that we can fully respond to him in relation to the criteria used by the Evaluation Committee in selecting the new entrant. Thank you.

Mr Speaker: May be that would be the best thing to do. Frame that into a written question so that the answer can be fully given to you, MP for West Makira.

Mr Waipora: I will do that.

Mr Boyers: I have no further questions and I would like to thank the Prime Minister and the Attorney General for their answers.

Bills – Second Reading

The 2010 Appropriation Bill 2009'

Hon. IDURI: Thank you for granting me my request to be the first speaker this morning on the 2010 Appropriation Bill.

I rise to contribute in support of the 2010 Appropriation Bill 2009 moved by the Honorable Minister for Finance. I would like to commend the Honorable Minister and his officers and the Honorable Minister for Development Planning and his officials for the preparation of this Budget. Indeed, I agree entirely with the Honorable Minister of Finance that the 2010 Budget was prepared during a very challenging period, when the global economic crisis is affecting the growth prospects of our country and when government needs to take strong and decisive actions to minimize the effects of the crisis on our country, and yet needs to ensure that essential services and support continue to be delivered to our people.

I support that the Recurrent and Development Estimates will be fully funded and require no additional borrowing by the Government. This means that existing services will continue to be provided for our people. I would like to commend my good colleague Minister of Finance for ensuring funds are provided for our Fee Free Education policy, the 2010 National Elections, essential infrastructure maintenance and for the purchase of medical supplies and equipment. These are very important areas for both the Government and the people.

In regards to priority areas in the Budget, I must support that in the face of the need for Government to be vigilant, the Budget must continue efforts by being fiscally responsible and focus on delivering the key CNURA Government policy objectives. In this regard, I am pleased to say that this Budget continues to focus priority on promoting sustainable peace throughout the nation through peace and reconciliation activities. Whatever people or others may say on this, it remains true as indicated by the report of the Foreign Relations Committee on its inquiry into the Facilitation of International Assistance Notice 2003 that in the people's minds the underlying tension that resulted in the ethnic conflict continues to exist, and unless the root causes of the ethnic tension are addressed

while RAMSI remains in Solomon Islands, there is the threat that frustrated groups will take up arms again, and this time perhaps resulting in a bigger conflict.

Peace is a cross cutting issue, and is the responsibility of every ministry to support the promotion of peace under their budget. How can the Ministry of Education promote peace, how can Infrastructure promote peace, how can the Ministry of Livelihood under its project funds and the Ministry of Lands through its land reform program and so on can promote peace? Peace is everyone's responsibility; we Members of Parliament, the Government, Independent Group, the Opposition Group and everyone in the nation.

The Ministry of National Unity, Reconciliation and Peace is given the task to promote sustainable peace throughout the nation as part of the overall process of addressing the causes and impacts of the ethnic tension, especially through facilitation of activities to promote national identity, peace and reconciliation. This task is not easy, simple or quick fix. Indeed, it takes time and many resources to influence people's attitudes about each other or to devise and implement effective ways of dealing with the concerns of our people after the violent conflict. Eight years on we still have yet to come to grips with the fundamental task of rebuilding our country into a united and peaceful nation.

Dare I say, it is imperative that we continue the task, for without sustainable peace and a strengthened sense of unity within our nation, our development aspirations are threatened by the risk of damage and destruction through future violence. It would be sad if this were to be, for then our other efforts will stand to waste.

The CNURA Government firmly believes that national unity and sustainable peace are crucial elements of our national sovereignty and future prosperity. It, therefore, places high priority on continuing the peace building process. Even this difficult time is forced by necessity to put the focus of the budget to apply our meager resources, among other very essential spending on pursuing meaningful reconciliation between people at all levels of our society.

Having said this, I now wish to enlighten this honorable House on the proposal of my Ministry to spend on the 2010 estimates. You will note allocations in the budget for expenditures for the Ministry of National Unity, Reconciliation and Peace is \$19.3million, Recurrent and Development estimates added together. The sum of \$9,324,842.00 is allocation for recurrent expenditure, which is an increase of \$1,742,781.00 over the 2009 revised estimates. This is 23% increase, and is accounted mainly by increased allocation of \$5,142,753.00 for expenditure on the Truth and Reconciliation Commission.

You will recall that the Truth and Reconciliation Commission is a new and important initiative of the Government to promote and foster reconciliation and

peace in our country. Although it was established by an Act passed by this Parliament in 2008, it had not been possible to bring the Commission into full operation until next year, though preparations for it started this year. The Commission should, according to strategic plan, commence maximum operations by January 2010, and the allocation in this budget estimates is to cater for this. The first public hearings are planned to take place by February 2010. It is to be noted that there are only five commissioners whose remuneration plus other benefits will constitute much of the costs to Government and International Support Facility. Above that, the commissioners will be supported by a complement of executive and other staff on whose account there will be expenditures in terms of payroll charges plus, of course, other charges as itemized in the draft budget document. The work of the commissioners will involve truth seeking through research and much travel for interviews, statement taking and consultations for several months throughout the country will take up much of the cost estimate.

In regards to the estimated recurrent costs of Ministry alone, there is a net decrease of \$3,399,972.00, mainly reflecting the fact that estimates for administration of the TRC is now separated from that of the Ministry, and to reflect priority given to the TRC, an additional \$1.6million in new funding is allocated to the TRC. The actual increase in the recurrent estimates for the MNURP is therefore \$274,943.00, reflecting decreases in almost all the other charges sub-heads in the 2010 Budget estimates.

The mandated task of my Ministry is also to promote and foster national unity, reconciliation and peace. In 2010, the Ministry proposes to undertake this function with a program budget estimate of \$5million which appears under Accounting Code 494-7597-5799: National Reconciliation Programs, in the draft development budget document of the Appropriation Bill 2009. There are four components in this program. The objective of the major component of the program is to undertake activities for promotion and advancing meaningful reconciliation at all levels of our society. Allocation for this program component is a budget estimate of \$3.5million.

The Ministry plans to undertake a broad range of facilitation activities in this program component. So far under this program component, the Ministry has sponsored the intra reconciliation programs within the Malaita and Guadalcanal Provinces by which reconciliations have been staged between families, tribes, communities and wards. Within Malaita the second phase is completed this year, and now moves on to the third phase, which is expected to be completed in early 2010. With the expected completion of this third phase, the Province is now ready for talks on reconciliation between the Malaita and Guadalcanal Provincial Governments on behalf of their people. Initial talks

between the two provincial premiers had already occurred informally in November, and further talks will take place early 2010, which hopefully should lead to reconciliation between the two provinces towards the end of the year.

For Guadalcanal, the intra provincial reconciliations have continued between families, tribes, communities and wards in the province, while at the same time effort is now also focusing on inter-reconciliations between the Solomon Islands Government and the Guadalcanal Provincial Government; between the Royal Solomon Islands Police Force and the Guadalcanal Provincial Government, and between Marau and the Guadalcanal Provincial Government. Taskforces have been set up to pursue these reconciliations, hoping that the reconciliations would happen towards the last month of this year.

For one reason or another, these reconciliations will have to be moved to the 2010 program, although the Taskforce to pursue the reconciliations has completed some of its work on this during the months of October and September 2009. For the reconciliation between Marau and the Guadalcanal Provincial Government, further consultations by the Taskforce is required in view of the reluctance of Marau people to participate in reconciliation as a demonstration of their dissatisfaction over the decision of the Constituency Boundaries Commission not approving their submission for a separate constituency for the Marau area. Similarly, further consultations by the Taskforce for reconciliation between the RSIPF and the Guadalcanal Province are required following strong expressions by communities favoring reconciliation first between their communities and the RSIPF.

In regards to the reconciliation between SIG and GPG, the Taskforce is also to pursue this further following demands by communities and victims for reconciliation to first take place between them and the Royal Solomon Islands Police Force. Forthcoming under this program component in 2010 is continued facilitation of the reconciliations until the parties are ready for them to happen. This is also a big task. The reasons for delaying these reconciliations demonstrates that reconciliation is a long process, which has to take its own time and cannot be forced until the parties are ready. The National Reconciliation and Healing Day could not be possibly celebrated in December 2009 as intended, is partly for this reason, and that the nation has not yet achieved reconciliation and healing at the other levels of society.

The second objective of the program is to undertake activities to encourage a sense of national unity, identity and peace amongst all people. Budget estimate for this program component in 2010 is \$750,000.00, which is planned to cover costs of the peace dialogue process including stakeholder workshops, seminars, summits, rallies as well as promotion through media communication and education. The budget allocation under this program

component is also to cover cost of research, analysis and monitoring activities towards addressing the underlying causes of the ethnic conflict and the spillover effects of the Bougainville crisis.

The third objective of the program is to enable leaders of communities deal with conflict and prevent outbreaks of violence. That is, to undertake activities for building capacities of traditional authorities for peace-building and management of conflict. The allocation in the budget for 2010 is an estimate of \$375,000.00, which is planned to cover cost of relevant training workshops for traditional, church, women and youth leaders. The estimates will also cater for engagement of Solomon Islands eminent persons, leaders of communities and relevant organizations in resolving conflict at different levels of the reconciliation process.

The fourth objective of this program is to undertake enabling activities for stakeholder participation in peace building and reconciliation process. There is an estimate of \$375,000.00 in the Development Budget to cater for activities in this component, in addition to the support which should come under the UNDP direct mode executed project: Strengthening capacities for peace building in post conflict Solomon Islands. Activities in this component focus on development of policy guidelines on proactive and responsive strategies to conflict and to set up appropriate mechanisms through which stakeholders can act in partnership to address conflict issues.

I have alluded earlier to the important initiative of Government and the Truth and Reconciliation Commission in fostering reconciliation and peace in our country. In the Development Estimates there is also project allocation of \$5million to support the operation of the Commission. This is to be funded from the Solomon Islands Government consolidated funds, and is the Government's one-third contribution under International Support Facility for the full operation of the Commission. The allocation is to cater mainly for cost of capital expenditures on tools and equipments as well as for media and awareness programs, reconciliation programs, statement taking, public hearings, reports production and publications.

Having said so much, I feel somewhat compelled to dispel the observation that it is wasteful investment of public funds like many of our people and even some of us here in the Parliament said that reconciliation is just a waste of funds. But as I have said, it is a process and it needs us and money to facilitate it. What tangible results or achievements do we expect from the peace and reconciliation process? Is it that reconciliation should be dictated as a gift for our people? No, it cannot be dictated but can only be encouraged so that people participate in it, inclusive of those who suffered directly, those who inflicted the suffering and their communities.

Might I say again that reconciliation is a long process. It is a means of achieving a future aspiration. In our case our future aspiration is to achieve improved sense of national unity, sustainable peace and harmony, which should enable progress and prosperity. It is very much the present way of dealing with how things are, which includes the search for truth, justice, forgiveness, healing, and so on. The process involves finding a way to live alongside our neighbors, to coexist with them, to develop the degree of cooperation necessary to share our society with them so that we will have better lives together than we had separately.

The reconciliation process attempts to design the relationship between us. If a new relationship between us is built on respect and a real understanding of each other's needs, fears and aspirations, then the habits and patterns of cooperation that we develop should be safeguards against a return to violent division. This is what government is promoting, and the fiscal resources allocated for this purpose so far have on the contrary not been wasteful investment.

There is progress. Funds allocated by government are put to good purpose to undertake reconciliation promotion activities ranging from actual mediation between parties in the conflict to facilitation of dialogue within the wider community, including improving the capacity of our people to deal with conflict, so to minimize resorting to violence, and conducting actual reconciliations.

The peace summits, seminars, consultation workshops and discussions sponsored so far on Guadalcanal, Malaita, Western and Choiseul Provinces have had useful outcomes. They provide opportunities where representatives of a cross-section of communities gather and discuss issues and problems, learn about government priorities and policies, contribute ideas and propose solutions to obstacles undermining reconciliation and promotion of unity and peace. They also help to instill in people the sense of ownership and take responsibility for reconciliation. Communities and leaders have come to realize that reconciliation cannot be given by government, and have taken the initiative to accomplish unrecorded reconciliations in their own communities according to their customs and tradition.

At the intra provincial reconciliation level, the outcome of promotional activities made possible by government funding have been accomplishment of no less than 70 community and ward reconciliations in various parts of Guadalcanal and Malaita Provinces. Many more cases have been identified and mediated and would have been accomplished had it not been for difficulty and delay in release of funds for logistic and administration support for bringing the

parties together for the symbolic ceremonies. I have earlier, in this debate, indicated the progress made at the inter reconciliation level and will not repeat.

This is not a debate on the report of progress on the peace process of Solomon Islands, but on the Appropriation Bill now before us before Parliament, and so I will not prolong your time by going into a detailed report. However, suffice to add that the CNURA Government, for the first time, had invested funding levels that enabled the Ministry to implement its peace building programs. The launch of the Truth and Reconciliation Commission is a major success. Donor confidence is also increased in our peace building, which is reflected in the UNDP comprehensive assistance to the Ministry.

Let me conclude by repeating the message that reconciliation is the responsibility of all of us and that it is fundamental to our future social and economic progress. The CNURA Government sincerely believes in this, and so in difficult times as now sees it even fit to allocate our limited resources to pursue this end.

I beg to support the Bill.

Mr. TOSIKA: Thank you for giving me this opportunity to speak on the 2010 Appropriation Bill 2009, presented to this House by the Minister of Finance, for which I would like to thank the Minister and the staff of his Ministry for their hard work and commitment in preparing the Budget. The 2010 Budget is a financial plan of the government to achieve its policy intentions. It is upon implementing this budget that will give life and reality to such policies.

The 2010 Budget has an increase of \$43.9 million or 2.2% increase from the 2009 budget. This indicates that the 2010 budget, comparatively is almost similar or same as the 2010 budget. Any budgets must have standards and criteria, such as, it must be achievable, realistic and affordable, with a firm commitment to implement the desired programs, especially allocations in the Development Budget. The recurrent budget is an ongoing commitment by the government or any government at all to deliver its services to its people and the country. Hence it is a senseless labor to argue its merits.

The government in its approach has identified six main priorities, namely reconciliation and rehabilitation; national security and foreign relations; infrastructure development; social services; economic and productive sector and civic affairs. Give me some time to go through these six priority areas. On reconciliation, we have just heard from the Minister of Reconciliation on reconciliation and rehabilitation. One must not forget that reconciliation and rehabilitation is the responsibility of the Creator and is not the responsibility of us on this earth. If you read the Ten Commandments, it is the beginning of reconciliation, and this is what I want you to take onboard. Our Lord Jesus says,

“Hear oh Israel or hear oh Solomon Islands, the Lord our God is one Lord, and you shall love the Lord your God with all your heart, with all your soul, with all your mind and with all your strength”. Human being as it is has these four things. He has a heart that engulfs his soul, he has a mind and he has strength to do all things. Therefore, if you do not begin reconciliation with God and not end it with God, it will be a futile exercise. That is why you will find that you cannot achieve things because you want to do it with your own strength. The Lord says that unless I say yes to it you cannot be successful.

Solomon Islands as a country is just like that that unless God says yes this is the budget for Solomon Islands to move the country forward then we can do it. It depends very much on the sincerity and the honesty of us MPs in here and those who are going to carry out these programs in 2010. It is the beginning of opening the gate where Solomon Islands so that we people own the budget. We must have the sense of responsibility in implementing the budget.

Talking about implementation, we all know that only 48 % of the budget is implemented. Why do we not go 100%, the full way? Because some of us, implementation is our bread and butter, we only want to steam from those projects. Nepotism exists and wantok system exists. We have just talked about the Aviation funds where people are stealing the Aviation special fund, and that is why airstrips are not tar-sealed and cannot be improved. But who are we to continue blaming? Blame the people who implement the policies and those who are responsible for the funds. This budget is adequate, it is more than adequate to meet all the demands and all the projects we want unless we re-tune ourselves so that we see this is what we want to achieve. We all must work together.

I urge the Ministry of Finance not to withhold projects unnecessarily just because you want to be tapped on the back. No, if the projects are clear release the money on them. If money is due to them give it to them, so that we run this country in the way we want it to progress. If we remain the same and have the same mentality, attitude and behavior, this country will remain the same.

This budget is a very good budget; it is a very good budget that although it is not perfect it addresses the needs of the country. I wonder why we always want big things in this country. I want to tell you that big things always start from small things or small beginnings. We should cherish this budget, look after it and nurture it and create opportunities so that an opportunity can create another opportunity and the country will prosper. Based on reconciliation, we can use this as a base of developing this country. But you and I have to reconcile our thoughts and reconcile our intentions properly because if we do not do that then it means we just come here to lie to people. And it is us leaders now in 2010 that must move this country forward with one heart, one soul, one mind and one

strength. That is how we will prosper, and with God's help we can do it. Nobody can deny it.

This country is a wealthy country, it has a lot of resources, but it is us ourselves that deny our own resources. This is because people only wait for handouts and cannot put their hands into the ground, cannot put their ideas to support their future generations. When are we going to do it? Reconciliation has to begin from the Creator and has to end with the Creator because His word says so.

The second point is national security. I am happy to see the project on police housing progressing well. A lot of police houses, as you can see in Auki and I have been to Auki on several occasions and I see it, are not fitting for police officers to live inside them as they are really run down houses. Also, some houses here in Rove are rundown and need renovation and need to construct new houses. There are a lot of spaces there, and I will continue to say that there are lots of spaces there. To be a bit more advanced, a three to four storey buildings can be built as units or apartments for police officers. And advise other people not to come and live with police officers who are their wantoks so that it lessens the burden on police officers. The Police Force is a disciplined force and it is quite sad to see a lot of police officers housing their wantoks and housing other families. In the past, I understand that police officers should live on their own and concentrate in providing law and order in the country, and they are very disciplined during that time. Today that is no longer the case. Maybe because their wantoks live with them and their houses are often filled and a lot of them cannot make ends meet. One thing I also understand at this time that is a burden to them is having to meet their own electricity and water bills. In the past, the Government meets the electricity and water bills of police officers living at the Rove Married Quarters starting from the rank of constable up to sergeant or inspector. Now, they are paying for their own water and electricity bills thereby causing a bit of difficulty to them. No wonder why people are going around the streets trying to make ends meet, and so they have to do that because we created such a situation for them. Nobody can live and survive with \$300 or \$400 a fortnight. That is only enough for one bag of rice, and having to support 10 to 20 people in a house. We are actually creating a burden for them, no wonder those people are undisciplined. We say they are disciplined officers but then at the end of the day they are undisciplined because their commitments are beyond their reach and beyond their earning and means. I would like us to look seriously into this, and if possible the Government to meet their water and electricity bills. Today, if you go to Rove, you will see a lot of houses without electricity, and some of them because they cannot reconnect their electricity have to go to someone and ask him money for reconnection of electricity to their

houses. We are actually encouraging people to seek money from where they should not, creating opportunity for corruption to creep into the system which we do not want to happen. At the end of the day it is us that must make the decision for them. That is on security.

Security is not only the responsibility of the Police. Each one of us has to look after our own family. Security begins from a father and mother in the house, securing their own children from intruders that come our way. We have that sense of security in us from a long time ago. During the time of our forefathers they have warriors standing at the gate to question anyone that comes to them. They have discipline codes with them. For us today, we apply the same thing but how come we drifted away from it. The security of the country is the responsibility of every citizen in the country. If you want this country to move forward for peaceful co-existence, you as an individual person in the whole country has to apply it; you have to look after yourself and apply security in your own sense. It does not need the police to do that for you. If every one of us acts responsibly, we will not need the police in here, we would not need foreign troops to come here, and this is if we take the first step in looking after ourselves.

I will now come to foreign relations. It is quite sad to read in the newspaper and watch on the TV that Solomon Islands is losing her friend or brother and takes on another one into her house. The person who used to live in her house was chased outside because she does not like him. That is exactly what we are doing. We have diplomatic ties with Israel but we do not recognize Israel instead we recognize a person that has no diplomatic ties with us. Mind you, I want to tell you this, and this is not from me but it is from the words of the Almighty. It says that if anyone curses Israel, God will curse you. If anyone does not support Israel, God will also not support you. Let us put it straight as that because if you read the book of Genesis you will see what I am saying or if you read Deuteronomy or Leviticus you will see it. Read all these promises of God. You read the book of Psalms and it will tell you. It is not something to play around with. God supports Israel, God is with Israel in various wars and when he put up Samson, Samson only used a bone of an animal to kill the Philistines. He did not use a gun, spear or knife, but a mere bone of an animal. God stands for Israel and fights for Israel. How dare would a person living in the middle folds his hands and says, kill me. He has to stand up and protect his citizens and his people. So how dare you, a person named after the king of Israel, the richest and the wisest king of Israel could say I do not want you? Alvaro de Mendana named our country after King Solomon of Israel and then today we neglect that very name. Solomon Islands should be a partner of Israel to progress this country. Today, we do not do that. I think satanic forces must have been

working very hard to influence the mentality and the thinking of people, which in today's thinking, corruption begins from corrupting the mentality of human beings so that you fall down and do otherwise. I am a bit concerned about this, not because I said it; rather it is God that says it. We will fight for the wrong in supporting something that is not allowed for us to do. We say this is a Christian country instead we act like a heathen person. What is Christianity all about? Is it to say one thing and then act the other way? This is worrying to me because if we do not redirect our thoughts and foreign relations and begin to do improper deals, we will find our own answer; we will definitely find our answer. No one could question this because God's word says it.

I am even surprised too that it is the first time ever in the whole world that an indigenous person was appointed as its consular in Solomon Islands. Israel does not look elsewhere but gave that right to a Solomon Islander to be its consular in Solomon Islands.

Members (*interjecting*): It is a lost tribe!

Mr Tosika: It is not a lost tribe but it gave that right. It has become a reality that it gave that right to an indigenous person of that country to be its consular on its behalf because it knows that Solomon Islands was named after its king. I believe if you ask Israel to fund the medical students' trip to Cuba, it will certainly fund the trip. It was you that did not ask them. You did not want to ask them because you are already rich; your basket is already full and so you did not want Israel's money. If you ask them, I am 100 percent certain they would have helped us. They went on the news saying why is it that we make relationship with you but you did not ask us? They have posed that question already. It is us that have to make the request, my Honorable colleagues. We have to change, we have to be truthful. Truth must prevail and something that is true is true that even though you are taken to court, the court will also say it is the truth. But if you tell lies they will find out and say you are a liar. Because it only comes down to two things, and that is if you tell lies you will have a guilty conscience but if you speak the truth you will not hide anything, you will say, this is it.

That aside I will now go to the Ministry of Infrastructure Development. I am happy to see roads, airstrips, wharves and so on in the Development Budget, but what I am concerned about is that we budgeted for these things and yet we do not implement them, for instance, the airstrips. Why can we not start with just one airstrip a year? Maybe we should start with Gizo by tar-sealing the airport there or tar-seal Gwaunaru'u so that it builds the confidence of people to travel and also their safety. We have been talking about tar-sealing airstrips for

30 years now, but not one single airstrip has been tar-sealed. I think only the Munda airstrip was tar-sealed but its condition is deteriorating too at this time.

In regards to roads, we have built many roads and we want to build new roads, and yet the existing roads are filled with potholes. Why can we not maintain and improve on existing roads? I tell you that if roads throughout Malaita are all tar-sealed Malaita will become very productive because a lot of people will be involved in business. If the roads are tar-sealed and the condition of roads improve transport fare will reduce, maintenance cost will reduce, people will arrive at the market on time, road accidents will reduce and avoided. So we must not only talk but put it into practice. Do it!

Hon Fono (*interjecting*): The one who says it do it!

Mr Tosika: That is why we cannot achieve it because we always say, 'the one who says it do it'. The doing part is very important. I do not want to come back in 2011 and see the budget asking for another road, another airstrip and another wharf. I want you to start doing it so that Gwanaru'u is tar-sealed, Gizo is tar-sealed and so are the other airports in the country. We would be happy to see that happen because we are making progress.

The other thing I want to touch on is shipping subsidy. Shipping subsidy should be left to Solomon Islanders who run shipping business and should not be given to foreigners who come through the Investment Board and are given subsidy. This is denying the rights of the people of this country and the sovereignty of the country because they are not sincere in that they give money on this side, come inside get the money on the other side and then leave. Shipping subsidy should be given to local ship owners and not foreigners who come in to invest here. Does this mean we are not going to run any business and so our economy will be controlled by foreigners? And this is because Solomon Islanders do not have brains, minds, energy and strength to do it? I really hate to see shipping subsidy going back to foreign companies who come in and then take it out of the country. If that is what they want then it is better not to give us any assistance or subsidy, just leave your money. It is not meaningful when you give it to us and then you take it back.

On the same note, I often see copra getting \$19.5million last time when we debated the supplementary budget. What you see now is that those who have just arrived to start business like yesterday or last month are receiving the subsidy to buy copra. I think subsidy for rehabilitation should go right down to people owning cocoa and coconut plantations. What we should be doing is send field officers to visit the areas that have cocoa and coconut plantations, assess the quantity of coconut they have and the production of coconut and give them the

funds. There is no need for them to fill in application forms and sent over here to be considered before funds are given to them. A lot of applications sent to the ministries are not genuine ones. They are from those residing in town and when they received the money they buy buses and taxis with it and run it. I can recall a person who was given project money and he went to Australia for a walkabout and after he came back he applied for another project. I mean these are realities that we must address.

Our poor people at home are still waiting and they are the ones who have cocoa and copra plantations and they are still waiting for funds. On one occasion I went home and the people asked me about the cocoa funds that we often talked about in here and I told them that the cocoa funds are already exhausted because those who do not have cocoa get the money. We must address this. There is no need for people to fill in application forms and send the forms here. The field officers should go down and assess the plantations and if they qualify or meet the criteria, the farmers are brought to Honiara, interview them, go and inspect the plantations and give them the subsidy to rehabilitate their coconut and cocoa plantations. That is what we should be doing so that we are productive. If we cannot do this, and depend only on applications to determine whether an application is genuine for funding next moment no wonder there is not any increase to our production because we do not monitor, value and assess things to find the truth.

The economic and productive sector is very important, and I think I have touched briefly on cocoa and copra subsidy, but sometimes we would like to allow foreigners to come and invest in the country. Yes, that is a good thing; nobody stops foreigners for coming into the country to invest. The fact is that there must be foreign investment inside any country anywhere in the world. Therefore, Solomon Islands too must participate in investment and running of businesses because whenever anything happens we have a sure foundation that our people own the business because they will not runaway if anything happens in the country. They will not run away but remain in Solomon Islands. Foreigners come and go if anything happens. As I stated in my motion on lands some time back, this is their harvesting corn field where they come only to make money and invest in their country and so when anything happens in the country they will go back.

Also many times I am a bit concerned to see us still encourage the export of raw materials such as logs, copra and cocoa. We even want to plant palm oil plantations and provide that resources to industries that are far away from us in other developed countries. Why can we not change our mentality and create opportunities here so that we maximize our products and get maximum benefit

from the things that we have? We have been independent for 30 years now but we have never seen any change to these commodities.

Sometimes we must think seriously about rice. Rice has been draining a lot of our money and we are becoming too complacent that we depend so much on imported rice that we do not plant rice. Maybe we should put some kind of a quota on rice. We can only import this month or this year so that it allows people to plant their own rice. In other places it is only families that plant rice just beside their house becoming a part of their livelihood. If we do the same and not depend on imported rice, I believe we can do it. Nobody in Solomon Islands is going to die if he/she does not eat rice because we have plenty of food to eat from the market. Rice has become a staple food in our homes and so we think we cannot go without it, but if we continue to do this, the next generation will suffer more on this dependency on rice. I think we must look into this. It is not difficult to do it. Sometimes let us detour and do things that are not comfortable to us, but at the end of the day and in the long run it will be comfortable to us.

I strongly believe that we create opportunities so that Solomon Islanders are able to come up and involve in the business environment and also try and restrict some areas so that they are left for Solomon Islanders. Today foreigners are also involved in fish and chips, even selling of betel nut, running of taxi service, running of bus services; they are almost involved in everything and are virtually taking over business in the country and our poor people are struggling day in and day out for the survival of their children and the future of their children. Many times that is why we see people knocking at our doors asking us for money. And it is us that must do something about this. We cannot ask, 'why do these people come to us'. We must create the environment that enables our people to look after themselves. Today it is driven by money mentality and not driven by the demand of creating asset for them so that they can do business for themselves. That opportunity must be opened up to Solomon Islanders. If we cannot do it then who else is going to do it? It is us whom people elected that must do it for them and make sound and wise decisions so that the country can move forward.

On civic affairs, I think youth and women must be attended to. A lot of our youths are roaming around the streets. Give them some productive projects to engage them. A lot of them are very good at music, weaving, and other activities, because if we do not create an opportunity for them to see the future for themselves then this country will create a youth population that is unemployed and this will in turn create instability in our country.

With these few words remarks, I support this 2010 Appropriation Bill 2009.

Mr. BOYERS: I was not going to speak on the Budget this year but certain responsibilities made me think I need to voice out in this 2010 Appropriation Bill 2009. First of all, when the PAC interviewed officials from the Ministry of Finance, the objective for 2010 was to raise \$1.1 billion in revenue and in light of last year's revenue collection forecasted at \$1 billion with a collection only of \$900 million, it looks like it is an over projection on our part for 20% increase on actuals of this year based on 1% or maybe 2% growth next year. I think we are being over optimistic in our revenue collection thinking that we are going to move out of the global crisis, the depressing log prices and export commodity prices. I think what we have is a budget that we are going to see under spending reinforced by the position that there is still the so called moratorium on recruitment even though the reservation of 35% has been lifted. There is the expectation that next year is going to be a year we will float in trying not to expend too much. It shows when we interviewed the various PSs of the various ministries that again the objective of trying to perform government policy next year is not going to happen as the public service has mentioned in its explanatory notes in the Establishment Register. It looks like the government will not be able to achieve its policy objective next year basically because there is not going to be any recruitment, and that is reflected on reserve vacant establish posts which the public service mentioned cannot be advertised as there are no provisions for them in the 2010 budget, and that is why we have a budget this year based on actual bodies as reflected in the Ministry of Health where there is a 4 percent reduction on wages and salaries reflecting about \$4.5 million.

The two areas that I really want to talk about are issues about the Foreign Relations Committee's report identifying where needs improvement in capacity building within the law enforcement and police and national security. We noted that when we interviewed the Permanent Secretary for Police who said he had submitted their requirement for vehicles and outboard motors but they have been cut out. If that is the case then I would like to appeal to RAMSI to make sure in their responsibility of capacity building our law enforcement in the country in light of the problems of kwaso in the provinces and the rural communities as well as roads in Malaita and Guadalcanal have been rehabilitated, can we please have some vehicles and outboard motors to enable the RSIP get to people when they radioed in on issues affecting their communities so that we are not reliant 100 percent on RAMSI logistics but we sustain it ourselves. We are very hopeful and I want that message to go out today.

The other issue is the medical services and this is pertaining to the special select committee that has been doing its work over the last three to four months in Honiara into the quality of medical health services provided at the NRH. It

was heartening in one sense to note that our development budget has been increased by 2.5million which goes to show there has been positive address in one of the recommendation of needing more quality diagnostic machinery and equipment so that we can have quality diagnostics and also in training but it is disappointing to see a 4% decrease in the payroll, noting that one of the weaknesses is not enough nurses and not enough doctors. What I am expecting out of this is that next year we are probably going to see the same amount of problems and complaints and the same level of service at least for the first six months until possibly there is a new government. Next year is what is called the fussy year where budgeting is going to be all over the place and services are not going to be delivered according to the Public Service statement of providing a knowledgeable workforce that is effective and responsive to the needs of the state and the people of Solomon Islands. I believe what we have is a lot of pretty words saying what we should be doing but it is not reflected in the budget. Either way we cannot help it because the Ministry of Finance says so and I do not know who the advisors are but I am sorry.

One of the other issues also reflecting on that, which is like a long playing records for the Public Accounts Committee and the country is what a budget does reflect. There are two areas to it; the recurrent and development and when we look into the development budget we see the number of projects that have been passed year after year. On fisheries there is pearl farming which has been there for the last eight years. I do not know where the pearl farms are, but it is a very technical type of industry. Possibly more should be on bechedemer and trochus hatcheries as they are much easier to manage. This does not make sense, and it looks like the development budget has been used as cash reserve for any shortfalls within the recurrent budget because of the lack of service delivery through the public service.

I just want to read a foreword of an audit report from the Auditor General. We have just received this report in our pigeonholes the other day. With your indulgence, Mr. Speaker, I would just like to read this short foreword, and I quote, "In the year 30th June 2009, the office of the Auditor General conducted 33 audits of the accounts and activities of government ministries. Reports on these audits were provided to the management of the agencies and ministries concerned and some of the reports were separately tabled in Parliament. Management agreed with all of the findings the AOG reported and accepted most of the hundreds of the recommendations. Many of these findings and recommendations were similar or identical to those reported, agreed and accepted in 30th June 2008. In the intervening period there have been improvements in some areas but the nature and scale of the control deficiencies remain basically unchanged despite the conscientious in Parliament and the

management of the Public Service that these internal control problems must be fixed if the Solomon Islands Government is to be seen as reliable, efficient and effective financial managers by the public of the Solomon Islands. In the Auditor General's opinion it is imperative that internal control structures in ministries and other government entities be made to operate affectively. For this reason rather than proving detailed information on each individual audits, he has reported this year in this report focuses on three major internal control weaknesses that audits have identified as being prevalent across the public sector. These are:-

1. the failure to comply with the required internal audit control and accountability procedures;
2. inappropriate use of funds; and
3. financial reporting which may be inadequate, inaccurate, untimely and misleading.

These internal control deficiencies allow waste inefficiency, corruption, fraud and theft resulting in the failure to provide essential government services. Many of these deficiencies would be corrected if public officers and officials complied with documented procedures and rules that exist and did not process transactions that did not comply with these rules and procedures.

Disciplinary procedures exist in the General Orders and these procedures should be used to motivate public officials to protect public funds from waste and corruption by complying with the rules, particularly the financial instructions. Failure to solve the internal control problems highlighted in my audit reports, thereby, providing a much lower standard of service than people expect and deserve will result in continuing and escalating public disillusionment with the government. The consequences of widespread public disillusionment in Solomon Islands have been seen before.

To support and prove processes and increased accountability in 2010, my auditors will be directed to make recommendations suggesting disciplinary action against individual officers who consistently fail to comply with financial instructions. This will mean that officers who do not regularly reconcile bank accounts they are responsible for, who fail to work within imprest accounts they hold or who regularly process or authorize transactions without adequate documentation can expect to be named in reports that go to the relevant permanent secretary with the recommendation and that disciplinary action to be commenced against them. "Signed of by the Auditor General".

What I am trying to say here is that we can pass budgets year in year out, but if we are not here to make sure there is performance auditing, controls and

mechanisms to stop leakages, all we are doing is passing a recurrent budget that is not going to deliver services to the people. I suppose this comes back to a lot of Members of Parliament requiring more of their rural livelihood because at the end of the day service is not being provided to the people.

I also note in this audit report and has been mentioned by witnesses of Civil Aviation that 94 percent of expenditure in the Ministry of Aviation was unaccountable for, no paper trail. I mean 94 percent of that is out of special fund and there is no verification of how those funds were spent. I mean this is 2009, we are talking about multi-year budgeting; and I have been saying this since 2005. If we are really going to go into capacity building of ministries, we have to have to make sure that our public servants are performing their duties with this budget, which is our responsibility as parliamentarians to pass on the floor of Parliament. That is why you will see in the development budget a lot of projects being carried forward year after year. Is it because public officers are not doing their work or are they too busy utilizing public funds to build their own houses or finance wantoks or what is it, I do not know? But next year is going to be an encouraging year because a government is going out, there is an election process and a new government is coming in. So goodness knows what is going to happen. But do not blame it on us, the politicians because we are just here to pass the budget.

This is a concern, and we have seen the release of the Code of Conduct of public servants by the Public Service Minister, which is very good but what we need is a conduct audit. In other words, the political will, the bureaucratic will to make sure internal audit is happening within the ministries, proper internal controls, records are there so that the quarterly audit reports, the paper trail is made. This begs to move the position of why the Ministry of Finance is under so much pressure because when ministries do not have a paper trail, there is a lot of pressure on the Ministry of Finance to take over the control of expenditure which can then create further delays.

I am expecting under spends out of this budget next year, even though it is going to be very tight. I certainly do not believe we are going to collect the revenue that is expected to be collected, a 20 percent increase when there is a 10 percent deficit collection this year, this is not going to happen. I think that is one way of trying to promote the budget by saying it is going to be a good outlook when in fact there is going to be under spends to make sure we have a balance budget or we do not have a budget that goes into debt.

I think those are the two areas of concern I wanted to raise that if we are really going to be serious about providing service delivery in national security they need the tools. As Winston Churchill once said, "Give me the tools and I will do the job". There needs to be capacity building in the RSIP so that basic

service is provided to the general public. If there is road put vehicles, and where there is no road then outboard motors. If the budget we are presenting here does not cover those sort of areas, then it is RAMSI's obligation to come into partnership and make sure they provide that; a one off may be and then the Solomon Islands Government later back it up with maintenance or replacements later on. But it needs to capacity building.

As far as health is concerned it is disappointing to note and is a worry for people and MPs like myself who have the compassion and desire of improving health services in our country but has fallen on deaf ears. I do not think this is the Minister of Health's fault, but I blame it entirely on the Ministry of Finance on this. I think I have been very vocal in the past that there has to be synergies within us, the parliamentary committees to make very important recommendations to take weaknesses and turn them into strengths so that we provide an essential service to the standard that people can enjoy and be satisfied with. The Health Department has already said, it is expecting the continuation of reservations next year, and it is my recommendation that if Finance is going to make any reservations, then please do not impose it on health, do not impose it on essential services. You can put reservation on other ministries and make sure we do not cause suffering to our general populace. Our job as leaders is to make sure that this does not happen, but is also our job to make sure we act proactively so that we do at least supply minimum quality service to our people. Security of health, security of property and security of life is of paramount importance why we are in this Parliament in the first place.

Without going any further, those are the things I wanted to talk about. I would like to congratulate the government and the Minister for presenting this budget, knowing they have a difficult six months ahead of them before Parliament dissolves. But I wish the government all the best and I certainly hope that this budget can deliver with the numbers we have in the Public Service. With those few words, I support the Bill.

Sitting suspended at 12.14 for lunch break

(Debate on the 2010 Appropriation Bill continues)

Hon. ABANA: Thank you for the opportunity to briefly debate the 2010 Appropriation Bill 2009. At the outset, allow me to congratulate the Minister of Finance for presenting his third national budget to this Honorable Chamber. Likewise I sincerely thank the Permanent Secretaries and officials of the Ministry of Finance and Development Planning for their fine efforts in putting together this Budget. Further to that, I also wish to commend honorable colleagues who

have contributed to the debate of this important bill, and in particular I would like to recognize the contribution made by the honorable Leader of Opposition and to some extent, the honorable Member for Savo/ Russells. I also wish to thank the Chairman of the Public Accounts Committee and the honourable MPs in the Public Accounts Committee for scrutinizing the Budget in a very short period of time.

The 2010 Budget, as alluded to earlier by my honourable colleague Minister of Finance is being prepared and delivered in a challenging financial environment and impacts of the global economic crises. Nevertheless, it is my firm belief that the 2010 Development Budget will continue to progress in the implementation and delivery of various government policies and commitments.

Amidst the financial difficulties and challenges, we must continue to strive to progress and move forward for the betterment of the people of this country and to foster national unity and rural advancement. I thus say with confidence that the 2010 Budget, though, will continue to be yet another challenging year, it would also improve the Coalition of National Unity and Rural Advancement Government and its development through the policies there are before us, and that this Budget continues to fund these policies and to ensure they are implemented.

If I may also inform this House that the current Medium Term Development Strategy will lapse at the end of the 2010 and at the same time the preparation of the National Long Term Development Plan Framework is currently in progress and will be completed by the end of January 2010 paving the way for the next long term national development plan. There will be wider consultation throughout the country which will involve our stakeholders, and that should take about seven to ten months. The plan is expected to be finalized towards the end of 2010 and ready for implementation in 2011.

We do not want to have an overlap in our development plans as the MDTS is nearing its term and we have now about to finalize the document of the medium term review of the MTDS, and so to have that document and presented to Parliament. This reflects the seriousness of the current government to ensuring the need for another development framework to give direction to the development and subsequent investment initiatives of any government of the day.

The 2010 Development Estimates is at the heart of the Government's plan for the recurrent and future development aspirations of this nation as stipulated in the MTDS 2002/2010. This is all the reason why the Government is investing \$375million of consolidated revenue through the development estimates and \$80million of that comes from ROC, Taiwan. This represents about 20 percent of all funds that government controls. This is a significant sum of money and

shows that the government puts people at the heart of development. The CNURA Government endeavors to ensure that people should be at the centre of development. But before we consider the new spending initiatives of the 2010, allow me to reflect on the implementation of past development estimates budgets. In an effort to continuously improve the implementation of the Development Estimates, my Ministry has strived to draw lessons from past budgets. This year's Development Budget is the result of hard work of officials of both the Ministry of Finance and the Ministry of Planning. Their diligence and commitments have enabled the Government to deliver a fully funded budget. You will note that the development estimates document contains funding estimates until 2012. It also contains estimates of consolidated funds by sector. These changes demonstrate the forward looking nature of this Government.

As alluded to earlier by my colleague Minister of Finance, the implementation of the 2009 Development Estimates is hampered by the impacts of the global financial crisis on the country's fiscal position. Nevertheless, the Government expended more than 48 percent of the 2009 development funds despite of the difficult financial environment these important projects and programs operated under. Forty eight (48 percent) in such difficult times as compared to past expenditures and in normal situation speaks a lot for itself. It reflects the seriousness of the Government to remaining committed in ensuring that these important development projects progress in their implementation.

The 2010 Development Budget further consolidates the Government's commitment to these important projects. About 80 percent of the 2009 development projects are rolled over to 2010 development estimates. This is to ensure continuity of all ongoing projects and implementation of new projects.

Allow me now to give an overview of the 2010 Development Budget. This Government has allocated \$295million of tax revenue for development activities in 2010. Before we discuss the particulars of these new development initiatives, please allow me to briefly bring into perspective the big picture of the national development funding. Total donor funding for 2010 Development Estimates remain over a billion dollars. Donor funding has increased by \$77million, illustrating their strong support for this Government's policies. Indeed, there is no better way that donors can illustrate their support for this Government than to increase their funding.

Allow me now on behalf of the Government and the people of this country to convey our sincere appreciation to our donor partners for their commitment, assistance and support during difficult times this country sails through financial impacts of the global economic crisis. There is no way this country would have come this far without the helping hands of our friends. Donor and government funding in the Development Budget represents a huge

sum of money. It is much larger than the recurrent estimates. This Government recognizes that such large amounts of donor assistance are very important in helping us deliver results to the country and its people. Whilst some may point to a donor-driven budget, may I remind this house that donor projects are only ever implemented once they have been scrutinized, modified and then approved by the Government just because donor projects do not go through government financial systems. Be assured that donors are answerable to the Government. As donors have assured this Government that next year we shall see an increase in budgetary support approach where funds are paid directly into the consolidated fund. With that assurance, I hope that as of next year we should see that our donors will continue to have confidence in our financial system and paying money directly into the consolidated fund.

This Government recognizes improvement in security, the delivery of health and education services, and improvements to transport infrastructure will depend on continued donor support. We encourage donors to rally financial support around these key sectors. They are central to our rural advancement policies and we value donors' continued support in these sectors. We are committed to working closely with our donors in the spirit of trust, confidence and partnership. This is why in allocating government funding we have carefully considered where donor funds are flowing and have used domestic resources to complement such funding and to ensure Government policies and priorities are implemented. In this regard, donor funding to agriculture, forestry and transport infrastructure will be greater than last year, and that this trend is set to continue into 2011 and 2012.

A larger increase in donor funding is for transport infrastructure. Donor funding will total \$385million in 2010, an increase of \$180million over the 2009 estimates. This massive investment in rural roads, bridges and wharves will link people to markets and services enhancing rural development. Donor funding increased for agriculture in 2010 are even higher from \$13million to \$25million. Donors are also rallying support to the forestry sector and funding is estimated at \$49million. Given the predicted decline in the revenue from logging and the importance this sector plays in the economy, this spending will be targeted towards supporting smallholder plantation forestry, which will play an important role in the future of our economy.

Rural energy spending is also expected to increase over the coming years. Donor partners recognize the importance of rural energy and continue to invest in this sector; investments that will contribute towards socioeconomic development of our country. In support of all these spending on economic development, let us not forget the central role provided by our donors in the security sector. This Government is absolutely committed to a safe and peaceful

Solomon Islands, and this is why in 2010, 30 percent of all development spending will be on the security sector.

The Government also supports massive investment on law and justice and in recognizing that improvements in security have underpinned the country's recovery since 2003. Without the rule of law, people will not invest and the country cannot function effectively, and most importantly, people must be able to live their normal lives, free from fear and intimidation. I am sure everyone in this house will recognize the good work of RAMSI in keeping the Solomon Islands a safe and secure place for all of us.

Let us now consider the Government's spending initiatives as alluded to earlier in the Development Budget, which is the key vehicle the Government used in implementing its policies. The Government will spend \$295million of tax revenue on developments in 2010. Coupled with funds from ROC/Taiwan, the Government has over \$375million that will be spent on government-led development activities central to the Government's policies and its investment to generate income for economic development.

Allow me now to elaborate on the details of the spending. This Government will invest more than \$118million on economic and the productive sector developments including \$50million for Members of Parliament to generate constituency development. Major investments will be made on cattle, cocoa, oil palm, forestry, fisheries and renewable rural electricity. In addition, there is significant support in the production of traditional and niche crops which can generate large amounts of income for many people, and indeed, the 2010 marks a significant investment in agriculture, forestry, fisheries and tourism for many years now. Agriculture, forestry, fisheries and tourism are only part of the equation. If we are to deliver the services our people deserve, we need increased revenue and therefore we must grow the economy. This is why the Government will invest over \$46million in infrastructure to stimulate economic growth, enhance rural development and foster national unity. Projects under this policy include improvements to roads, wharves and airport infrastructure.

The Government also recognizes its responsibility of providing social services to the rural areas and the Government has therefore invested over \$28million to improve the provision of health and education services in Solomon Islands, including rehabilitating the facilities affected by the tsunami and contribution of the government to the fee-free education policy.

This Government is also investing heavily in a peaceful and safe society. About \$10million will support reconciliation across the communities and rehabilitation of social dislocations. Initiatives under this policy include the National Reconciliation Program and the establishment of the National Peace and Integrity Council. A further \$35million will strengthen law and order and

foreign relations. Initiatives under this policy includes prison and police housing in Auki, Gizo, Honiara, Buala, Marau and Tetere. Another important undertaking in this priority sector is the construction of the chancery in Canberra, Australia. It will be a challenge for the Government to implement these development projects. There are two major challenges this Government will focus on in implementing the 2010 Development Estimates. Firstly, all must concede that project implementation still remains a weakness across the country. Results require preparation and planning to ensure projects are successful. To ensure this happens, my Ministry is working closely with the Ministry of Finance to tighten budget procedures. Funds will not be spent without submissions and subsequently approval of work plans. All ministries will focus on the implementation of their projects. My Ministry will support all with training and information. This will enable officers to plan and deliver projects in a more efficient and effective manner.

Secondly, the Government will improve coherence and coordination. We will work together to deliver this Budget. To ensure this happens, the implementation of the 2010 Development Budget will be reported to Cabinet on a monthly basis. We will examine principally two things: the expenditure and process compliances. I stress the latter because too often in the past did government spending money with little impacts. Due processes will be followed by all to deliver the intended outcomes and results. In looking forward to improve budget coordination, this Government will also look at how the Recurrent and Development Estimates can better complement each other in delivering results. This will not only improve the understanding and the coherence of the budget process, but make it simpler and easier for all. The result will be a more efficient budget process and the better use of our scarce resources.

Before I conclude, I once again wish the Prime Minister, all the Ministers and their respective ministries a better implementation of the 2010 Budget. I support the Bill and thank you.

Hon. SOALAOI: Thank you for recognizing the Minister for Health, and I must also thank my colleagues for doing the same.

I must first of all thank the Ministry of Finance for finalizing the Budget. I must thank the Minister, the Permanent Secretary and their staff for the hard work in preparing the Budget. I also thank the Ministry of Planning for doing the same. I thank the staff of both ministries for finalizing the Budget, given the financial environment we are in. I must also admit that these are difficult and challenging times for any government to come up with a budget and implement it in such an environment.

I must thank the Government for keeping health high on its priority in terms of funding. This year has been a very difficult year for the Ministry of Health that we really have to reprioritize a lot of our priorities. Many times it is difficult to reprioritize because everything we do seems to be priorities. When you talk about life and death there is no priority.

I must also thank our aid donors for keeping the Ministry operational, especially during the time of reservations. Having said this, I must warn all of us and any government that comes after the 2010 elections if it ever comes up with reservation, I am asking you to please exempt the Ministry of Health from any reservations. This is a must because if our donor partners had not been there, we really would have cut back on a lot of important health services, especially the provision of secondary health services to the country. We had to redirect donor funds from the health sector support program to fill the gaps because of the reservations. I know it is really a difficult decision the Government had to take because of the impacts of the global financial crisis where all of us had to do what is necessary to ensure the Government keeps functioning. The Ministry of Health did accordingly and it still functions.

On the 2010 Appropriation Bill 2009, the Ministry of Health's Budget amounts to \$301.5million, which represents an increase of approximately 6 percent. We were given \$16million for this year on top of the 2009 Budget. In anticipation of any inflation next year, we also know even if there is an increase we might still come up with some gaps because of inflation. This Budget equates to per capita expenditure on health of \$568.27, which is an increase of \$20.05 from last year. This means for every person in this country, the Government spends \$568.00 on his/her health. Total funding for the Ministry of Health including recurrent and development expenditures is approximately \$575million. We were able to come up with this because of the SWAP mechanism we have in the Ministry at the moment, which enables us to capture the real cost of running health services in this country. That is one of the reasons we were talking with our donor partner to, at least, come through any established structure whereby we can capture the real cost of running health service in this country.

Coming up with the SWAP mechanism enabled us to know how much it cost the Government to run health services in one year. So for next year we estimate we would spend almost more than half a billion dollars to run health services. This includes funds from our donor partners and also other groups like the Global fund for T.B and Malaria, and it also includes funds for construction of the new Gizo hospital. We also have come up with a new project - SIG/AUSAID project for water and sanitation called a WATSAN.

Allow me now to briefly inform Parliament of the allocation of the 2010 Budget for the Ministry of Health. Of the amount I mentioned, 24 percent will go towards provincial primary health services, 35 percent will go to hospitals, of which 21 percent will go towards the National Referral Hospital and 14 percent to provincial hospitals. We are doing something new this year where provincial head grants were split into two. We give provinces how much they should spend on their primary health care programs, and we also give them how much they should spend on hospitals alone. That is a new development for next year. About 19 percent of the amount I mentioned will go to national primary health care, 11 percent will go towards administration and the other 11 percent will go towards pharmaceutical and medical consumables.

I already mentioned the difficulties we faced during this year 2009 due to budget reservations and because of that our budget execution for this year, up to the 31st of December, is 63 percent of the available funds to the Ministry of Health. I think that is quite a high implementation rate. Of the available funds to the Ministry of Health, we have executed 63 percent of our Budget and we hope that before Christmas we should be able to spend all the money allocated to the Ministry. If we are going to need some more for Christmas we might ask the Ministry of Finance to make sure that somebody is working during Christmas.

The HSSP, which is the health sector support program budget for 2009, was reallocated, as I mentioned earlier on to assist in the fiscal gaps as a result of the 35 percent reservations we have during the year. The 2009 development expenditure has been very low according to our observations, however, the Ministry believes we have made some advances in regards to infrastructure projects. This includes the construction of staff houses in all provinces and also the beginning of site works for the new Gizo hospital.

Of the total budget of \$60million given to the Ministry by the HSSP, next year we are also putting aside 15 percent as contingency in case there is another reservation. But I have already said that if we come back and run the government again, I do not want the Ministry of Health to be put under any sort of reservation. In terms of provincial grants, as I have already mentioned, we are doing something new next year, and that is our hospitals are given budgets to be spent on hospitals alone and they are also given budgets for their programs which will go down as far as clinics.

The Ministry of Health will also continue to assist Church run clinics and hospitals next year. We will be giving them health service grants for next year. Also a new grant for next year is an additional \$1.25million to the Atoifi hospital, run by the Seventh Day Adventist church.

Having said that, I must thank our churches for assisting the Government in providing health services to the people of this country. I believe our churches

are playing an important role in the provision of health services, even before the government decides to assist. We all know that in the past our churches were the ones who started building clinics for our people, and I must thank them for standing by the government even in difficult times, like 2009. Few of our Church run hospitals experienced a lot of difficulties in 2009, a classic example is the Atoifi hospital, and as a responsible government we decided to give them extra budget for next year. That hospital is located in East Kwaio, and the Member for East Kwaio is also the Minister for Infrastructure.

There are also other things we believe will help us better improve the delivery of health services next year. Apart from staff houses we have started building, we believe we can build more houses next year to help us save money we current spent on house rentals. Efficiency is really an issue to us, and I believe is also true for other ministries. Having to spend resources we have on what is really necessary is really a challenge to all of us, especially for the Ministry of Health. We believe one of the areas we can improve on is house rentals, given the use of telephones and other utilities that should save us some extra money for other developments. We started building staff houses in all provinces with materials imported from PNG. I think we can do better building more houses if we use local materials, and that is what we will start doing next year. We have had a lot of criticisms from some people regarding those staff houses, but I think we have to start something very important that will help us to save money.

We also believe that the Gizo Hospital will be constructed next year. Site work has already been done, materials are already here, and I am sure the Ministry of Finance has already received our request to facilitate the transfer of materials from Honiara to Gizo. That hospital if completed will serve the other nearby provinces of Choiseul and Isabel and will also reduce the pressure put on the National Referral Hospital as a secondary centre.

Most of our people are using the hospitals as primary health care centres because of distance and also because of the lack of access to clinics. I believe if we establish bigger hospitals in the remote areas or in the provinces, it will enable us to really have a referral hospital with improved secondary services or quality health services, as expressed by the Special Select Committee inquiry into the quality of health services provided at the National Referral Hospital.

Having said these, allow me to go into some of the findings of the inquiry. The report is not here with us but I just want to mention it because we were hoping it would really help us to budget. Our hope was that the recommendations from the Committee should help us to come up with realistic bids and then leave it to the Ministry of Finance to decide whether to give it us or not. But the quality of health services demanded of the Ministry of Health really

depends on the amount of resources available to us. Recommendation means money; any recommendations coming out from the report only means money, and without money we cannot implement any recommendations. I must admit that the National Referral Hospital has been struggling to offer quality services, at least a minimum quality service that should be provided by a national referral hospital.

Mind you, like I have mentioned earlier, it is a referral hospital but most of our people are using it as a primary health care centre. That is why if you live at Naha and you feel sick, the first place you would want to go to is Number 9 and not Naha clinic. Our clinics in Honiara are improving and I must thank the Honiara City Council for improving the clinics. I want to urge our people to use our clinics.

According to our findings, some of our clinics are underused. We believe if our people use the clinics, the National referral Hospital should not be under such pressure. Resources that can be used to improve secondary health services are used up for primary care services. I believe all of us have had our own experiences going to the National Referral Hospital having to wait in a queue to be attended to. I must assure you that the provision of health services remains this Government's commitment, and it is our passion to ensure we continue to provide health services regardless how much money we have available to us. It is easy for somebody to give our hospital a new name, but it is hard to run such a big hospital, especially with this current financial environment it is really difficult for the Ministry to acquire the necessary equipments needed in the hospital.

Having said all those, I now wish to thank the Ministry of Finance and the Ministry of Development Planning for giving us \$9million for the purchase of new equipments for the National Referral Hospital. I hope by the middle of next year we will have new equipments available in our Hospital to perform the much needed secondary services that should be provided by the Hospital. This \$9million was our bid and it was given to us as we requested. In the beginning we thought we needed \$12million but after consultations we only asked for \$9million and it was given to us. We are hoping that next year we will ask for some more additional funds which should eventually reach \$12million and that should enable us have the minimum required equipments in the hospital.

One of the challenging areas in the Ministry of Health is referring patients to St. Vincent. Having said that, referrals from the provinces is also an additional burden to the Ministry of Health. But I must thank AUSAID for assisting us in taking up the cost of sending patients to St. Vincent Hospital. The people who look after us at St. Vincent are not here but I must thank them for taking care of our patients, some of which are our colleague Members of Parliament.

The Ministry of Health hopes to improve on efficiency next year because currently we are being assisted by the World Bank in preparing our medium term expenditure framework which should assist the Ministry of Health in identifying the real cost of providing health services and funding sources. We are also hoping that before a new government comes into power, we will have a draft strategic plan 2011-2015 because we have a strategic plan which will end in 2010. The finalization of our medium term expenditure program will coincide with our strategic plan 2010-2015, which we hope should be an advantage and a good thing for the Ministry.

I said that as we are anticipating continued uncertainty next year, and having consulted our donor partners, we have been giving 15 percent contingency next year. This medium term expenditure framework I mentioned, to us, it looks like a multi-year budgeting document that allows us to budget for a period of time and not for only one year. We believe that should help us estimate the cost of running health services in a particular period of time.

The other area of concern to us is that next year we have 140 posts being put under the reserve list. We think this will be a setback to the Ministry of Health. We still need nurses and doctors. We have some doctors who have graduated and will be joining us very soon as medical registrars and probationary nurses next year. We have also come up with some other important posts in the Ministry, and I hope all of you have a copy of this green book; the green book should be a good book but I must admit that these 140 posts being put on the reserved list is going to put us back a bit in terms of our capacity in manning our hospitals and clinics. But we hope the Ministry of Public Service is open for negotiation and come next year we will be approaching them to allow us to be able to employ new doctors and nurses that have graduated at the end of this year.

I believe I have covered some very important information about the Ministry of Health. There is one other important thing all of us should take note of, and this is the current program on the elimination of malaria from Solomon Islands. We have already started our survey on Isabel Province and I am glad to report that even at the initial stage of the program, there is already improvement in all the provinces. All provinces are scaling up on their activities on malaria programs. Isabel Province has recorded the lowest incidence in Solomon Islands in 2009 and we hope that should make our job easier compared to other provinces. There are islands in our country that are malaria free, and that is good news to the Ministry of Health when it goes into this elimination program. We hope that getting rid of malaria will help us improve on other sectors like tourism and also help in having a healthy workforce. Our visitors are expressing the concern of being bitten by mosquitoes and having malaria, and we believe it

is a development issue. The tourism sector should improve if we get rid of malaria.

I must once again thank our donor partners, our Churches and also our other committee based organizations that are assisting the Government in providing health services. I have already said that 2009 is a very challenging year for the Ministry but we hope that next year we will be making some progress and improving from 2009.

I also hope that what I have said is the beginning of negotiations with relevant ministries like the Ministry of Finance and the Ministry of Public Service regarding our vacant posts.

As the minister responsible for health I must assure our people that regardless of the challenges we have, the Government will continue to ensure that health services is provided to all citizens of this country. We do not believe in criticisms made in the media. We have been very much encouraged by the few articles written about the hospital in the media, and we have been also very much encouraged by the inquiry. We take this as a way of helping us do what we are already doing better next year. I encourage my staff to see those criticisms in a positive way and we have a positive spirit in the Ministry. We are hoping to start next year with this budget in high spirit.

Another issue that was questioned during the Public Accounts Committee hearing is the Tobacco Bill. The Tobacco Bill is an important bill to the Ministry and also the people of this country. We believe that is a bill that will save lives and save money. I must brief Parliament on the status and progress of the bill because this is a bill that has been around for quite some time. I have done some research on it and it has been around for 28 years, and so it is already an adult. We now have a 2009 draft of the bill and I believe that is the way forward for us. We believe it must come back to Caucus and Cabinet and have the government approve it before it comes to Parliament. So God willing, this bill will come to Parliament during the March Meeting. I must assure this country that it is a bill that I want to see passed by this House before it is dissolved because we do not know how long it will be around again if we do not pass it now. It has been around for 28 years and so we do not want it to be around for another 28 years. That is on that. As you will see in the budget when we come to the committee stage, there are some funds for activities on the Tobacco Bill. Consultations are ongoing and we believe we are making progress on this Bill we hope to table it in Parliament in March next year.

Before I finish the other area of concern to the Ministry is population, which our good Member for Savo/Russells mentioned earlier. I am one of those who does not believe on this, but it is something we must know in order for us to plan properly. We are hoping that the census will help us know the population

of Solomon Islands now. Population, as far as the Ministry of Health is concerned is really a concern because it is like almost two classrooms being born one day. Small as it is, but it is really a concern to the Ministry of Health. Maybe it is good for all of us to encourage our people to be responsible by producing only what you can manage. These are hard times and big numbers will only give you big problems. I encourage all of us to be responsible citizens by having one, two or three children. That should be a good number to manage.

Our population growth, as you all know, is one of the highest in the region and also in the world. When we go to international conventions they tell us that we have the highest birthrate and it does not sound good to us. I know it does not sound to all of us to be told that we have the highest birthrate in the region. I think we are very obedient to what the Bible says to be fruitful and multiply. I am urging all of us to be responsible. There are programs on population control on the radio and the TV. If you have the chance to listen to the radio or watch TV, please do so. The Ministry is doing all it can by way of messages. The Ministry is also coming up with measures that are not acceptable to some of our people but we encourage you to give it a try. So population control is really an issue, it is a real concern to the Ministry of Health.

I believe I have to leave some comments to the committee stage because I am really going into the details of my budget. With those few remarks, I must thank you once again for this opportunity to contribute to the debate of the Budget. I must once again thank the government and the Prime Minister, especially the Ministry of Finance for having to finalize the Budget that given such an environment it is not an easy task. I know the Minister for Education is happy because he still gets what he needs every year. With that, I thank you and I support the Bill.

Hon. RIUMANA: Thank you for giving me the opportunity to speak on the motion moved by the honorable colleague Minister of Finance in delivering the 2010 Appropriation Bill 2009. I also wish to thank him and his officials for a job well done. I also thank my officials in the Ministry for their contribution towards the Budget. I thank them so much.

From the outset I wish to point out that the CNURA Government comes into office amidst challenges, especially the global financial crisis that hit the world and whose effects we are still going through. This global economy crisis is no respecter to any country whether developed or developing, thus affecting the growth of a country. Solomon Islands then had three choices, and this is, firstly to maintain our economic speed which we have enjoyed in the past and chances are that we would have run aground during the stormy whether. Secondly, we have the option to slow down our speed and try to keep afloat as a country until

the storm is gone. And lastly, to shut down the engine which would be disastrous in that the global world economic crisis would shoot us out of the scene. I am glad that the CNURA Government had taken strong and decisive decisions and at times made unpopular actions to manage and minimize the impacts of the global economic crisis on our country and its people.

It is not a secret that government finances remain very tight on the experiences we have had. I am hopeful that come next year we will continue to strive onwards. Given the circumstances and evidence of development, next year 2010 still remains to be uncertain. There will be opportunities to guide the economy to our expectation and to the satisfaction of every citizen of our beloved country, Solomon Islands.

The CNURA Government's major objective priorities must be given all the chances to be implemented, and from the Ministry of Agriculture and Livestock Development's viewpoint we need to promote the development of agriculture infrastructures. This includes roads to agriculture areas, farm land in rural areas to enhance agriculture production for resource owners in partnership with developers.

Secondly, this Government and any government as a matter of fact must ensure to provide budgetary support for the development of rural development. My Ministry will continue to promote mobilization of rural development initiatives in that resource owners through participatory development programs can raise the standard of rural livelihoods. It is here I wish to see that each of our parliamentary constituency should have development profile which would allow the government and donor partners to participate with the constituency to enhance rural development so that we do not complain so much when talking in here. These constituencies should become the focal rural development centers sometimes known as the growth centers.

Thirdly, the CNURA Government had to put great emphasis on the development of the social sector, the development of human resources as the foundation of this nation cannot be overlooked and thus the investments in education and health services of Solomon Islands.

There are countries in the world today that are prosperous economically and scientifically though do not have abundance of natural resources including land but have invested in their human resources which is paying off. Also, we have learned that to be healthy is not just the absence of disease or illness but to develop the mind in its totality, body and soul. It is the policy of this Government to develop these social services, thus the huge undertaking by the Government and donor partners to invest in these sectors.

The medium and long term vision of Solomon Islands must be to live happily in our communities, respect our neighbors and be prosperous in all we

do. In this country we are blessed by the Almighty God who has created these beautiful shores with hills and mountains, blue seas and lagoons, rich soil upon which to grow our own food and have resources both on land, forest and seas for the development and enjoyment of our people. Our national objectives are to enhance this realization that we are people capable of achieving the highest goals if we put our minds and efforts on where we want to be and how to get there. The sky is the limit on what we can do for this nation. This country therefore must lead under the vision of the United Nations with diverse cultures and customs and with potentials for higher achievements in life. The pursuance of fundamental objectives in the area of structure reform to empower the people to participate in the democratic process of nation building will pay off as dividend in the end.

On the national economy seen in the country, there is a downturn in the export prices of our commodities, especially copra, logging and fish to an average fall of 18 percent across the board. In terms of volume, due to reduced demand of these commodities, we have suffered as a consequence and have lost in general terms some 29 percent in the export of logs, 42 percent in copra, 23 percent in fish while export of oil palm product remains. It was cocoa that stands out and export rose to 83 percent in response to high prices and not high demand per se.

Against this backdrop and in view of the expectation that the national economy in 2010 is expected to recover moderately, let me inform the house what my Ministry will be doing now to ensure our contribution to help against the slow recovery of our national economy. For the first time in the history of Ministry of Agriculture and Livestock Development in the country, my Ministry has produced a national agriculture and livestock sector policy for 2009/2014. This plan will guide the development of agriculture and livestock sector in an orderly manner providing roadmap to all stakeholders to work hand in hand in the field of agriculture and livestock the unified way. The national objective of the plan is to guide agriculture and livestock development along the lines of the government development strategy, more especially the plan will provide framework to rearrange agriculture production to meet the growing needs of Solomon Islands.

The national agriculture livestock sector policy was designed through vast consultative process to facilitate structured approach towards a socially and culturally acceptable, economically vibrant and ecological sustainable agriculture sector that will contribute towards poverty alleviation, food security and economic development.

As for 2010 the Ministry of Agriculture and Livestock's objective is to pursue and continue with the implementation gained in 2009. Here the

development strategy for the production of staple food crops, especially rice is very important. We would be undertaking an agriculture nationwide survey to gain some insight as to its development, especially in regards to crops like coconut and cocoa. The Ministry will continue to provide support to cash crops, coconut and cocoa rural farmers. The Ministry will pursue development in the areas of export oriented commodities to gain from the niche markets available within the Pacific region. It will pursue further the development of oil palm towards the national target of 40,000 hectares within the next 10 to 15 years, and to continue with the great vigor in the implementation of the national rural rice development program in the provinces.

In the country there are 47 rice projects and the Ministry is taking steps to concentrate its attention to these 47 projects. I am happy to announce that Bolikolu is the biggest paddy rice project in the country so far. The Ministry has signed a commercial rice project for the Okea area to kick start as soon as funds are made available. In terms of rice there are 47 projects scattered apart in the country. In Malaita Province there are 9 projects; Guadalcanal Province there are 7 projects; in Makira Province there are 4 projects, In Western Province there are 3 projects, Isabel Province – 12 projects, Choiseul Province – 2 projects, Central Province – 3 projects, Temotu Province – 1 project, Renbel -1 project and Honiara City 1 project. That is a total target area of 450 hectares. However, the total land area cleared was only 221 hectares, the total area planted is 87.5 hectares and total are harvested is 31.6 hectares. With those we have a total production of 126.4 tons rice and we import about 11,011.8 tons.

In addition to that, the Ministry will pursue aggressively in a coordinated way the collaboration and consultation with donor partners in agriculture areas that will drive with the Ministry's agro sector policy priorities and objectives as well as with the millennium development goals and objectives.

The Ministry had gone through restructured exercise to improve service delivery to the communities. There are six technical departments to implement the Ministry's aims and objectives, as I have alluded to above. These departments are Administration and Headquarters, Planning and Land Use, Extension and Training, Quarantine and Bio-security, Animal Health and Production, Research and Development, and Information Technology (IT). The Recurrent Budget on other services alone in 2009 was \$12.7 million and for next year 2010 it will be the current level plus 5 percent indexation. This will be sufficient to kick start the year.

In 2009, the Ministry's projects approved by the National Parliament were 13 totaling to about \$40million in all. These were in the development of cocoa and coconut, livestock, exotic indigenous plants and fruits, oil palm and national rural rice development programs.

Given the tight government cash flow position, the Ministry by the end of November had managed, committed and expended some \$20.5 million, which represents 51 percent. There were other projects not approved by the Ministry of National Planning and Aid Coordination, and this represents 40 percent of the remaining funds, so really only 9 percent of the total approved development budget was not spent when the closing date comes. As for the 2010 Development Budget, most of the 2009 projects have rolled over in the areas of rehabilitation of coconut and cocoa, oil palm developments, national rural rice development program and cattle development. That has been the result of cash flow because of the global recession.

Here I wish to refer to the Public Accounts Committee report and agree with them that the future prosperity of Solomon Islands lies in increasing export and replacing imports with locally produced products, especially rice. The Committee also noted that driving the development of oil palm, cocoa, copra and rice are considered by the PAC as crucial for economic development. The Ministry will come again during the supplementary budget to ensure that the above mentioned commodities are allocated with sufficient funds.

I have recently attended the World Food Summit in Rome in my capacity as minister responsible for agriculture. And I must say that I have come away more informed of the true global food crisis situation. There is a need to curb the rising number of hungry people in the world, which topped 1 billion for the first time this year. There is a general lack of priority in fighting hunger and poverty at the highest political level, not only in developed countries, but also in developing countries as well.

The fundamentals that led to this crisis in 2007-2008 are almost still there. This includes high oil prices, climate change, droughts, a strong population growth in developing countries, and the use of agricultural lands for bio-fuel. Prices of staple food like rice and other cereals doubled in many parts of the world in 2007 and 2009, sparking protests and rioting.

On the profile for climate change, the FAO in Rome recently outlined its priorities for its current and future work on climate change. The FAO work focuses on adaptation, mitigation for agricultural sectors and advocates for better management synergies trade-offs among both. It also points to areas where adaptation, mitigation activities are merged with ongoing development efforts to improve sustainable use of natural resources for increased production, income, food security and rural development. Ensuring food security will require substantial investments and action to adapt agriculture, forestry and fisheries to climate change challenges. Agriculture, forestry and fisheries sectors can significantly contribute to global mitigation efforts.

On the medium term vision for Solomon Islands, there are two fundamental objectives outlined by the Minister of Finance to guide the 2010 Budget. These are structural reform, and secondly to ensure the government budget is sustainable and affordable.

As for the Ministry of Agriculture, our vision is to enhance and promote a sustainable agriculture and rural development in the country for economic stability, food sovereignty and improved rural livelihood. Our mission therefore is to promote and lead agriculture development to a profitable and environmentally sustainable future by being the premier provider of information, research, extension, education, regulatory and other services to improve the agriculture sector in the country. The Ministry of Agriculture is committed to ensure there is consultative cooperation and partnership development with all stakeholders in pursuing agriculture development.

The engagement of an active participatory approach to an effective delivery of extension service is a must. The recognition of the invaluable role that women and youth play in the community and agriculture development must be enhanced and appreciated. It is the vision and mission of the Ministry to advocate the principle of empowerment of resources owners and promote a fair, equitable and timely enforcement of regulatory measures.

Under the Ministry of Agriculture medium term development strategies for 2008 to 2010, the overall objectives in harmony with the millennium development goals (MDGs) are to ensure:

- a) That a proportion of rural income derived from self employment and related agri-business increase from just under 10 percent to 12 percent.
- b) To ensure that the number of people receiving regular salaries and wages in rural areas increase from 2005/6 level to a new level of 155,000 by 2010.
- c) Increase cocoa production from 4,000 mt to 15,000 mt by 2013
- d) That Solomon Islands will move towards self reliance in bio-fuel by 2020.

In terms of food security, it is within the agriculture development plans to ensure that food security issues are addressed both at national and household levels. The activities involved would be in the areas of food production at household and national level, improved food packaging and processing and distribution in terms of marketing and deliveries throughout the nation. The millennium development goal is very much in our minds as we address food security in the areas of malnutrition and undernourished, especially among the children.

The Government under the current global challenging environment has come with another credible budget for 2010, both in the recurrent and

development budgets which is said to be fully funded and requires no additional borrowing by the government. In terms of recurrent, the Ministry of Agriculture comes ninth, in terms of allocation after other ministries. This shows that agriculture development is not a priority. The total recurrent for 2010 is \$26.5 million, and if this is divided to per head of population it works out to be just under \$53. In terms of the development budget, the picture is similar. The total allocated for 2010 is \$30.7 million, giving a rank of second place. However, when one takes into consideration the budgetary support to other ministries, they obviously lead and not agriculture.

As I voiced earlier, these budgets, what is important is to have the manpower and resources to meet the corporate plan of the Ministry in 2010. The Ministry of Finance must continue to provide funding according to the Ministry's implementation protocols both for the recurrent and the development budgets, if not we will not be fulfilling our obligations.

In regards to the management of the Recurrent Budget, I am pleased to note that my Ministry had outplayed all its allocation for recurrent by arbitrary cutoff point on 23rd November. We have legally expended all funds for approved purpose. The challenge for the future is for the Ministry to adjust its recurrent budget in line with the provincial recurrent budgetary requirements, hence the need to address the requirements of each of the provinces to manage their own agriculture programs, as at the present agriculture function is not a revolved function and therefore the programs are managed and executed from the nation's agriculture head office in Honiara.

While I appreciate the Government's budgetary summary for 2010, the fact still remains that the government must contribute to rural development where nearly 90 percent of the population lives. The services that the government's ministry delivers to the population must continue, and here I salute the Government for this assurance. I wish to go further to remind the Government not only to pass budgets in this House but to ensure that the Government's promises to its people must be delivered.

The Ministry of Agriculture has a small support and the rehabilitation of coconut and cocoa must be funded to continue to ensure the major commodities we have continued to be harvested to help our people. While I said this, there is need for the Ministry of Agriculture to review its entire funded project in the rural areas, and to this end the Ministry through its Recurrent and Development Budgets is setting aside some 10 percent to outsource evaluation and monitoring exercise. It is the view of the Ministry to assist farmers, those who have assisted themselves and make this grant work to assist them.

As pointed out by the Minister of Finance and Treasury, the main priority for next year's budget will focus on government policy statement where

reconciliation and rehabilitation, national security and foreign relation, infrastructure development, social services, economic and productive sector and civic affairs have their placing. I must, as the Minister for Agriculture, remind Parliament once again that all these priorities will not achieve the desired goals and objectives if we have poor and hungry people in our country. The strong message at the full summit in Rome and will be again at Copenhagen is that agriculture must be at the center stage in addressing global food and economic crisis.

Here in Solomon Islands, under economic and productive sector, agriculture remains fifth development priority. In terms of budgetary allocation of funds by the National Parliament, the Ministry of Agriculture merely receives 1.7 percent of the national budget in 2009 and again in 2010. The current food security problem in the country is due to lack of investment in agriculture, and the Government must seriously consider this in its development budget.

While I appreciate that agriculture problems cannot be promoted in isolation from other national priorities, the point here is that food security is vitally important that the population of Solomon Islands must be fed three times daily because a hungry population is an angry population. If you look around the Honiara town there is evidence of a hungry population causing social problem just to address the food needs.

On the reform agenda, the Ministry of Agriculture supports the Government reform agenda, and my Ministry will be contributing to this. Firstly, the Ministry under its medium term national agriculture and livestock sector policy will be addressing the agriculture development to be the focal central point in the development of this country. We have God given favorable conditions to develop agriculture to be the basis of our prosperous development in Solomon Islands. Agriculture must be the foundation of our reform from which we can advance to the next step of nation building as we witness the evidence success story of this nation.

Food security must now take center stage in the development goals of Solomon Islands. Domestic development banks and international agencies and partners should now provide better focus to agriculture and rural based development both for short and long-term assistance. Agriculture led exports should be the focus for reviving the economy. Food production can boost both domestic consumption and exports if there is surplus production. While significant increase in agriculture production were unlikely in the short-term, reduction in import duties and other targeted policy decision should be necessary to prevent food price increase.

In the longer term the Solomon Islands Government and donors need to reverse the declining investment in agriculture and recognize the role in place in

safeguarding food security. Reliance on imported food has led to deterioration in the diet of Solomon Islanders where the rate of obesity and diabetes is increasing alarmingly. The priority should be to create sustainable agriculture production based on an export strategy by identifying these commodities in which Solomon Islands have a comparative advantage. This would be a sensible approach, as it will guarantee sustainability.

On global food prices and hunger, rising food prices are threatening the security of countries around the world as well as hurting efforts to fight poverty. The Asian Development Bank recommends governments to avoid trade restrictions that might increase this crisis. The doubling of food prices over the last three years could push one hundred million people in poor countries deeper into poverty. This will also hurt future generation of Solomon Islanders as food and oil make up the bulk of imports. However, there is great potential for agriculture, provided support is there to develop better infrastructure and marketing facility to boost production and exports. This will help raise rural incomes, contribute to food security and boost exports as well.

The global price of rice has increased at about 75 percent in just two months to near historic levels. Wheat prices have risen 120% in the past years. There are several reasons for this food crisis. Farmers are planting more crops for use in bio fuel such as ethanol as they find it more profitable to raise corn for ethanol instead of for food. That means greater demand for unprocessed materials including wheat, soy, palm oil and corn. This results in costlier foods. Some rice producing countries have cut exports to protect their own domestic supplies. Population growth is rising demand; higher fuel prices affect the cost of production. Record in oil prices has meant high costs for oil based fertilizers and for energy and transportation. The International Monetary Fund and the World Bank said hunger, malnutrition and food policy are important issues. Food donor nations are urged to provide immediate aid to help poor countries deal with this crisis.

Organic farming has a potential to play a huge role in addressing many of these issues, first by smallholder Solomon Islanders, such as local and national food security farmers, livelihood especially dependency on expensive imported production inputs, health and nutrition etc. Organic production has the potential to contribute strongly to economic and human advancement in Solomon Islands. Towards this direction, my Ministry has started embracing the system of rice intensification method, and thus after Cabinet's approval it will be demonstrated, promoted and implemented nationwide to reduce the cost of rice production and increase farmers' profit.

Climate change adverse effects, flooding, drought, cyclone, rising sea levels, loss of land, degradation of farmland because of salt water intrusion, etc.

have also pushed up food prices and have seriously affected the poorest people. For example, Australia, a major wheat exporter has received little rain recently, thus price of food from flour in Solomon Islands escalates. High food prices have the most serious effect on the poorest people. For example, the World Bank President says that 2 kilograms of rice now cost about half of the daily wages of a poor family in Bangladesh. Many poor people would now use more of their crops than they sell. Thus, more investment is needed in agriculture research to increase productivity. To do so, more is expected from aid agencies, financial organizations, private industries and governments to work together to solve the food crisis mediated by climate change.

Finally, whilst I appreciate the support rendered by donor partners, most of them are operating independently to the legitimate authority, most of them are operating parallel to the legitimate mechanisms, most of them consume a bulk of the funds on consultations and fees and little on physical development. Such donor partners do not respect sovereign government yet talked so much about corruption, good governance and the economy.

On the same note, I wish to thank the people and government of Taiwan for their generous assistance. Assistance from Taiwan truly reflects its respect on a democratically elected sovereign government, and one could visit each one's constituency to see how much this RCDF has contributed to our rural people. With that I wish all farmers a merry Christmas and a prosperous New Year 2010. In concluding, I beg to support this motion.

Mr WAIPORA: Thank you for giving me this opportunity to speak on this very important Bill, the 2010 Appropriation Bill 2009.

I do not intend to contribute to this Bill because our boss has already spoken on our behalf. However, as I listened to the Ministers remarks it makes me want to reply. I want to talk on some of the things they have proudly voiced out here which have not happened this year. But before doing so, I would like to thank the CNURA Government or the Sikua Government for bringing this very important Bill to put together funds for 2010 for our consideration. Unfortunately, we are just making this book, prepare it here and is going to be here, and we will go away from it, the Permanent Secretaries will work on it, but as from this time until June 2010 we are not going to look at this book.

Hon Wale (*interjecting*): So what are we going to look at?

Mr Waipora: You are going to go to Langa Langa.

(laughter)

You will forget about the College of Higher Education, which is under your Ministry. That is why I am not interested and I am not excited about this budget because I know it is a dead budget. That is how I see it. Even though we are shouting in here, this is just a dead budget, there is no growth, I do not see any growth in it. You people have qualification in economics, but as for me I have no qualification in any fields. But that is what I am seeing. And I do not have any hope and expectation that this budget is going to be implemented next year because we are at the eleventh hour when everyone's interest and concern is whether we are going to come back next year or not.

Hon Gukuna (*interjecting*): You are going to go out for good.

Mr Waipora: Last lap. You are running towards the red tape whether you reach it or not. That is why I should have spoken yesterday but I did not because this budget is not exciting to me, and my boss has already spoken and so I decided not to talk until this afternoon when I want to talk on it after the Minister of Agriculture painted his speech very colorful. I am not writing any speech.

I will start off with agriculture who has just sat down. Way back in the early days before Independence it was always mentioned that agriculture is the backbone of the country. They always say that agriculture is the backbone of the country and so during those days there was more concentration on agriculture, and that is why you will see today Makira filled with cocoa and coconut. There are many good plans and good things mentioned by the Minister of Agriculture but he overlooked one very important thing. The speech voiced out very good things but this country has a very, very big problem with management. He must first of all put his staff in order, his administrative officers before he can come here and preach about those things he mentioned in here. This is because you will be just talking for nothing in here when the people who are going to implement the things he has been saying are not put right. He needs to sort out his staff since they are the ones who will carry out the work. It needs all of you Ministers to have political directives to say you do this and if you do not do it the door is there for you to exit. That is the only way where we can move this country. The administration side must be firm. Public officers, and you Ministers must have the political will to make sure your programs are forced on them to implement. That is why we are not moving. We have been very relaxing. We are just playing around. But the system today is such that power is in our hands. The functions and activities are supervised by Permanent Secretaries. That is what the Constitution is saying. I see this as what is really lacking because we depend too much on our Permanent Secretaries and the

officers. No, it must be us to stand behind them. Do not be absent from your offices, Mr Ministers. If you are absent, your officers will play around. Rats are running around when you go out.

I want agriculture to be revolutionized so that cocoa, copra and any agricultural commodities take a different form. It is very important for our people know how to work in the garden, how to plant cocoa, how to plant coconut and how to market those things. Those people who are feeding us every day from that market, what have we done to support them in agriculture? The budget should have something for them. We must make a way for these people to have access to funds and not those here in Honiara.

In my view, this \$2million, for example, for cocoa or the rehabilitation of coconut, you send over one of your agents to Auki, so that he is based there in Auki mainly to implement this project. You forget about the normal grants the provincial governments are receiving for agriculture. These very important projects in here, instead of farmers coming over here to follow up on their applications, just send over an officer to Auki or Kirakira or Gizo so that our people do not have to come over here to Honiara but your officers go down and implement these projects down there. If there is anything then directives must go from the Permanent Secretary and others to check and monitor the progress of the projects. I am talking about it because it is the Development Budget.

The Recurrent Budget is up to the Ministry. That is the only way development funds can reach people down there, and that is why we complain that only people living in Honiara apply for the projects. You will think he is a man from Kirakira or somewhere down there that applied for the project, when instead he is someone living in Honiara who applied for the project and when he gets the money he just spent it here in Honiara. But we must try to re-look at other ways as to how funds from aid donors reach those down there. Just like the CSP fund which is being administered at Kirakira and at Auki. Why are SIG funds or projects not being administered down there in the provinces? Because that is how they will see and touch it. That is on agriculture, and then those of us who own ships will be happy because our ships will load cocoa and copra over here to Honiara, and then somebody like the Deputy Prime Minister organizes a company to export the commodities we brought over here to Honiara. We could have an arrangement like that. I am talking practically and not theory like the things being read out in this house. If any government puts in place the arrangement I have been talking about, and because it touches the lives of people down there in the rural areas, they will say this is a good government. But when we just talk about it and not do it they are not going to trust us.

I now come to education. I can remember way back in 2007 when we were in the Marshall Islands and we had a meeting and discussed with the

President of the Republic of China over many things, very important issues and we also touched on the fee free issue. And do you know what we said at that time? We told them that they must do it, but we have to sort out our backyard first. It means we prepared very well for it. That is the answer the President of ROC told us. We wanted it but we must make sure our government is prepared very well for it. All the necessary information must be provided to ROC before we can go ahead with this program. Today, because the CNURA Government was not prepared for it but jumped into the gun it was a big problem. I think it is not a problem to you but for us in Makira it is a problem because they were confused with the grants, and whether it reached them or not or maybe it was misused or something like that. But the able Minister for Education answered me the other time that he needs to sort this out. He needs to clarify this when he responds to the Budget Speech in regards to what I am saying. This is a very good policy in that it relieves the burden from parents in educating their children from primary school up to form 3. This is a very good policy, but at the same time we must consider it very carefully as well because this might make parents to relax and not responsible for their children. Do you know that one day we will be answerable to God for our children? Parenting is a God given responsibility to us, and so school fee is parents' responsibility. But anyway, aid donors are assisting us on this and so we will continue with that policy.

On SICHE, I want to praise the Minister for Education and I am very happy to see your comments in the newspaper when I read it earlier on today. That is the man! I wholeheartedly agree with you that the management of the SICHE is not working.

Hon Sikua (*interjecting*): Oh, your wantok is going to be angry with you.

Mr Waipora: Where is the university campus that was going to be set up here? It has not yet started until today. I think only the Papua New Guinea one has started already, but ours is not yet, maybe because of land problem or funding problem or something like that. Move it to Waimapuru, to us in Makira. Move it there because we have land, you only need to upgrade the facilities and you you're your university there. There are not many land disputes in Makira. If any project comes, we will accept it with open arms. But because they do not look at us in Makira saying that we are so far away and that is why no major projects are happening. Bring them to us. Why do we only want to go around here in Guadalcanal? Take it down to Makira because we have land available there. I told this to the former minister for education who is now the Prime Minister who thinks I am joking but I meant it. I told him to look at Waimapuru with the view

of upgrading it and put one university campus there. Maybe he thinks I am playing around.

On health, hospital and health services...

Mr Ghio (*interjecting*): The Minister is not here.

Mr Waipora: Where has the Minister gone to? He should be here because I have written a letter to him regarding something but he did not reply to my letter until today.

I cannot agree anymore that I think we have overused our national referral hospital. We should spread out health services. I remember when the late Solomon Mamaloni was prime minister we made plans for provincial hospitals to be upgraded and also build some more hospitals if necessary. Some of us whose islands are far away and staying here are normally astonished when people come to us with medical certificates asking us to help the patients, and sometimes there are three to five people coming to the National Referral Hospital. When you check them some of the cases are not very serious to be referred to the referral hospital. That is why my people with the Seventh Day Adventist Church are planning to build a 40-bed hospital in my constituency. I have already verbally received word from the Ministry of Health that they agree with us, but I want them to stand behind us. I asked them very seriously to stand behind us. We will provide every material for it. We will have our own people build the house, we will build three staff houses for nurses, we will build one house for doctor and we will build our hospital. Land has been acquired and we are just waiting for the certificate of appeal on the 7th of January and then we will dig the place. Even if no one helps us we will use our livelihood funds to start it off.

We are talking about rural advancement but where is rural advancement? We are turning back to that. I think only West Makira use our own money on things like that. We bought our ship with our RCDF, and the Minister for Finance must refund this because the others who bought ships bought it from special project funds. Only West Makira used our own RCDF, and that is why if you do not help us, we will build our hospital with our own money because West Makira has been asking for assistance but priority was always given to other islands and we were always forgotten. I think we must help ourselves.

The Minister of Health is not here, but I have written to him about this issue but he has not answered me until now. This is just the tip of the iceberg, which means if one minister does not reply to me, all the ministers never reply letters.

Hon Sikua (*interjecting*): I am going to reply to you.

Mr Waipora: Even the Prime Minister never replies letters written to him.

(laughter)

That is a very, very important project, and my people cannot wait any longer, but we will try with our own effort to make sure what we wanted is accomplished. I want to thank my good SDA people in West Makira and even the President of SDA and its health department. We have been talking and having consultations about this project. In the New Year I will continue to talk with the Ministry of Health, and I must make sure that I hit their tables to make sure they follow up on what we are trying to do. They said it will be very expensive but what else can we do. To go from my constituency to Kirakira for medical treatment, you will have to use one drum of petrol, 44 gallons of petrol to travel to and from that place, and already several people have died when travelling to Kirakira for medical treatment and that is why we really need a hospital.

On infrastructure development, I do not know but twice I heard him repeating the building of a bridge in Makira. In his previous speech he mentioned that bridges, roads, etc, and yesterday I also heard him talking about the same things. I want to know whether my colleague MP for Central Makira has seen if work has already started or not because I do not know. This is good news but if they are yet to do it, I think it would go forever because they will never come back next year.

On airfields, our airfields work has been done and so it is just a matter of formally requesting funds to come into the Solomon Islands consolidated fund something like that to be included in the national budget for implementation. That process is not yet done. The government says it is going to build six airfields during the period 2008 – 2009, which is three in 2008 and another three in 2009. However, I do not know which airfields have already been built, and so maybe the Minister of Aviation and the Minister of Infrastructure can inform us about this when I am going to ask a question on this during the committee of supply. It is very important that we do these things because only then will people not complain too much about us. But when we do not do these things but instead want to increase the PER and that is why people are angry at us. If we have done this and that our people would appreciate it and so when it comes to increasing our salaries, it does not matter how high the salaries go up, they would not complain because they would have already been satisfied with the services we deliver to them.

The shipping industry is a very expensive exercise. Those of us who tried running the shipping industry know that it is a very expensive exercise, and I think with the good policy the government comes up with, the government must make sure that this policy and those other policies that help us must be consistent and constant. I do not know why it stops again this time. The last time, I think it was from June or July to August that the West Makira Shipping received the subsidy but it suddenly stopped and so we do not know what happened. But I think it may be something to do with the economic crisis or something else.

What I can see here or the fear here is that if government is not careful, the local shipping operators would no longer exist because the policy of the government tends to look like only foreigners are going to operate ships. It looks like only foreigners are going to benefit because they have the money. I think we are opening up the way to foreigners to perceive that we are not capable of running the shipping service or industry and so they will be taking over.

On forestry, if we are talking about climate change I think the government should put moratorium measures to make sure we stop from logging now and continue at some later time. I do not know but some people are saying that one contributing factor to climate change is logging because trees have been cut and bushes have been cleared which could have caused a rise in the sea level polluting the water.

On the federal constitution, and I come now to the Office of the Prime Minister, the federal constitutional up to now if we look at the budget from 2008 – 2009, we have already spent about \$15 million just writing up books that we are yet to pass. I do not know when the federal constitution will come about, but I am just mentioning this because from last year to this year almost \$15.6 million have already been spent just on preparation for the federal constitution. Maybe the government should try and speed up the work on this so that we do away with it because if we do not, we will be just spending money that should be diverted to very important areas that people are hungry for service delivery.

On police, I think the police so far have been running very good programs, especially in recruiting new recruits. It is very important we train our people so that they maintain law and order in our country. I also hope they will be encouraged to become very strong police officers as well as loyal at all times in protecting our country and our people.

On provincial government, in readiness for state government, I think the provincial governments should look at taking some devolution orders to this parliament so that they take over all crown lands in the various headquarters before state government comes into place because at the moment none of the provincial governments own those lands. For example, the land at KiraKira

belongs to the Commissioner of Lands, it is crown land. In my view, in order to start preparing for state government, the provincial governments should start now in trying to get the lands under their authority. And to start off with, they should start bringing devolution orders so that they know the Central Government has given them that function and the properties. At the moment if somebody applies for land in Auki or KiraKira, it is only the Commissioner of Lands who is going to allocate the piece of land while the provincial executives and others know nothing about it. In order to protect themselves and to get those lands under their power and authority, they should start off trying to get those lands under their powers, and the first step is through the devolution orders.

Land is very important but right now it seems the Ministry of Lands is not quite settled down as yet. May be the administration is still having problems at this time. I think it is one of the ministries here in Honiara that is always filled with people. I remembered twice I went to that Ministry but I just could not enter the office and so I had to back. There needs to be a lot of improvement in that Ministry and we hope things will be taken care of so that there is improvement and may be putting some very tough measures and strong system to make sure there is efficiency and effectiveness in dealing with lands in that ministry.

If you go down to the Anthony Saru building right now you would see advertisements for houses on sale pinned up on the walls there. I saw it this morning, and I said to myself that some of these houses maybe because of default in repaying loans have to be resold whilst others were advertised for renting and those kinds of things. I think our banking system should sympathize with us by putting in place good policies suitable to us, Solomon Islanders so that loans are not a burden to us. You see, I sympathize very much with those people owning those houses because some of those houses are put up for rent and others for sale because it could be something to do with the loans. This is our country where we run our own affairs and we decide for our people, and so we must look at our banking system to help us out on this. Those of you, who are knowledgeable in the banking system, like the economists should try and find a way as to how we can tackle the commercial banks so that they help our people. Our people are losing their houses. I think it is very important that we help them. If we care about the livelihoods of our people, this is one of the important issues that we should look at. Not only is it about our people but including those of you who also have loans. I think it is very important that the policy of our commercial banks must be favorable to our people.

On tourism, I am still going to ask the Minister of Tourism to explain to us that when tourists come here what are they coming here to see. Are they coming

here to see the riots and burnt out buildings? Last time I told the Minister and his Permanent Secretary to look at promoting the lake over there so that more tourists go over there and see it because it is a lost paradise, it is a very good place. If you promote it well, you will be tired of seeing tourists going there to Renbell Province. I hope you help our people over there so that tourism in Renbel is improved. At this time, only Western Province is attracting tourists. Even my son-in-law when he comes here I want him to go to West Makira but he said that he wants to go to the Western Province. They are attracted to go to the Western Province. So I told him that my friends are down there as well and so he can go down. I told him to go to his father-in-law's place but he said he wanted to go to the Western Province. As you can see they are attracted down there. But we want them to be attracted to go to Renbel too. For us in Makira just forget about us.

I want to talk a bit on foreign investment, and I think the Minister should put some control on this area. A lot of foreign investors coming into the country are not properly screened. I am saying this because I saw a lot of problems happening with foreign investors. They are very clever and if we are not at par with their cleverness we would just approve their applications very quickly. On that area, I hope the Minister controls it a bit.

On fisheries, the budget is still the same for this year. I used to travel around with the Minister of Fisheries to attend to important projects in our provinces, but up until today the projects have not eventuated because he just gave sweet talks with nothing happening.

Most of the things we are talking about depends largely on the tools of the Government, and that is the public service. I am happy now that a lot of courses have taken place for our public officers to be trained to improve their skills, knowledge and experience. But whilst they are undertaking those training, it would seem to me that those trainings are not having any impact at all. You know that way back in 1966 the working hours was from 7.00am and it was then shifted to 7.30am and then was finally shifted to 8.00am. Today, do you know what time does the working hour start? It is 10.00am, although not yet officially announced by the government but 10.00 am seems to be the official start of working time, which even reaches us here in Parliament too. Parliament Sittings usually start at 11.30am or 12.00midday before we start our meetings. These things although overlooked do have an impact and very serious to the reasons we want for our development.

Time is money. I think you would know that in 2006 when I first came into Parliament I called all my staff of my ministry together

Hon. Sikua: Point of order. It is now 4.30pm and I can sense that the Honorable Member for West Makira is probably going to go for another hour, and also there are a few more Members who would like to speak to this Bill, thus I seek your consent to move suspension of Standing Order 10 in accordance with Standing Order 81.

Standing Order 10 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) after 4.30pm

Mr. Waipora: Thank you. I was saying that in 2006 when I went into the Ministry of Provincial Government, the first thing I did was called the officers together starting from the orderlies and everyone else to come and sit down in front of me, and I told them that I as your Minister used to be also an orderly and so if an orderly does not do his work properly I can tell him the work of an orderly. I told the registry clerk that if he does not do his work properly I would know it because I used to be a registry clerk. When an administrative officer or a personnel officer does not do his work properly, I would tell him. I would say this to officers from down below up to the CAOs and so they are frightened. I told them that I would arrive at the office first and if they do not arrive on time at the office they should just go back home and not come to work to continue on to do the things that made them to be late to work. I say this because if we are strict we are going to move this country forward. If we are weak and just remain like this, things are not going to work out. Every one of us leaders, please we must be strict with our work. That is the only way we can move the country forward. We cannot play around with this country, we must be strict. I turned to my Permanent Secretary and told him that I also used to be a Permanent Secretary and so he must make sure that the requirements of the Minister takes highest priority because my boss, the Prime Minister is going to be angry with me. Whatever matters the Permanent Secretary has to do for me in a day must come back to me by 3pm. I say this because this is our country and I want us to work with our hearts, and not just go after money because money will come later. Eighty percent of our time must be spent in the office so that we see our staff. It has to be 80 percent. Twenty percent of your time is for you to fix your banking, electricity bill, water bill and things like that, which is alright, but all of the time is time for the Minister to sit down in the office and watch his staff. Do not throw that responsibility to someone else. The portfolio of being a minister is vested upon your shoulders. That portfolio is vested upon you and so you give directives and your Permanent Secretary supervises the staff to implement your decision and supervising your directives in the ministries. I am talking because I

want us to move our country forward. Next year whether you take the government or we take the government we must do this. I am talking now about the public service now. We are the ones to enforce our tools, sharpen our tools ensuring that public officers arrive on time, they are punctual, and follow the General Orders. We need to make sure they do all those things. Discipline is not exercised in the ministries as I know it. No discipline is exercised in the Ministry.

Management is also lacking in the ministries. The bosses are just sitting down in the offices in front of computers. No manager is going around to see what his staffs are doing. This is very important, because we are saying that even though whatever good budgets we come up, if public officers are not working, I can tell you that we cannot go anywhere.

The public service is your tool and that is what we are supposed to use to cut down the trees. If we want rural advancement to actually happen we must use force. (*hits the table*). We cannot just play around with it. If you want to shoot an arrow to reach its target mark, you have to shoot with much strength before it reaches Makira. I am talking from my heart because we are just talking but nothing happens and when we come in here we complain about all sorts of things.

Are you Ministers chosen to be ministers for nothing? No, you are not. They chose you because they think you will perform. I am talking as a person from the Opposition side and I must teach you. I am talking from personal experiences because for 43 years I have been going through hard times like this, and that is why I am talking through my personal experience. Because when I did that I saw things happening but when I just talk and not follow up on things, nothing happens. That is what I found out. The Minister of Public Service must make sure that the books he produced are adhered to. Do you think those books will be carried around with them in their pockets? No way! Put it here is much better. Is it not the paper you used to put inside your pocket which you forget about and then you just pulled it out and read it? No, no way! They must be disciplined and discipline has to come from the boss.

When you go to the market to buy a fish, you must first look at the head and the eyes of the fish. If the eye and head of the fish is bad then the whole fish is bad and you cannot cook it. But if the eye and the head are good, then the whole fish is good and you can cook it. This means if you have a good Prime Minister and good Ministers everything will be good. If not, the whole organization is not good. I want the Minister for Public Service to be here so that hears me but he has already left. I think it is very important for him to hear this.

I thank the public service for the good work they have done so far by running and attending courses but it seems those courses are not being utilized in the work place, they do have any effect. The courses should help them arrive

in the office on time but I think they are not arriving in time. If they arrive at 10am, and let us say five people arrive at 10am and you multiply that two hours by five how many hours is wasted? How many hours? You see those hours are wasted. Or say if five people are late one hour you multiply that by five and that means five hours are wasted without doing anything. That is how punctuality is affected.

I am sorry for talking too much but I want to thank the Government and my good Minister for Finance, for your hard work in bringing this Budget. I thank you very much indeed. We hope that when we pass it, we make sure our staffs are given the instructions to carry out the work effectively before we can go for the campaigns. I am not sure who is going to come back next year but we will all try our best to make sure that we come back and talk about the 2011budget. At the moment this is the last budget for the CNURA Government and we must support and thank them. I think this is their last budget. The next one in 2011 will be ours. Thank you very much for your patience. I thank everybody because I think I have entertained us a bit. I thank the Government for your budget. What I am happy about is, and I am not sure whether you have increased the livelihood, but if you do so then you are a top government. With those remarks, I support the Bill.

Parliament suspended for 15 minutes

Hon. MANETOALI: I rise to contribute to the debate on the 2010 Appropriation Bill 2010/2009 as the Minister for Lands, Housing and Survey. Thank you for allowing me to contribute to this debate. I would also like to join other speakers in thanking the Minister of Finance and his officials for the 2010 Budget.

The Appropriation Bill of the government funds the actual implementation of the executive government's policy. This budget for my Ministry does exactly that, and I rise to render my support, why I support the budget and why we should all support it. It is a responsive and responsible budget, and not a dead budget as labeled by the Deputy Leader of Opposition and MP for West Makira.

Early this year there was motion before this Parliament asking the Government to urgently act to address the crisis in the management and administration of land in Honiara and land in general. In particular, the motion and Parliament calls for the provision of an equitable, transparent, effective and corruption resistant system of lands management that addresses:

- a. the shortage of available land
- b. the inappropriate allocation of land

- c. the ineffective systems of registration
- d. revenue collection and the management of it
- e. the issues causing conflict and disharmony in communities in Honiara and throughout Guadalcanal province, and
- f. calling for a system to be placed to respect the rights and needs of Solomon Islanders

These were amongst the many other issues and challenges that need addressing, which are already covered by the policy objectives of the Government and its program of action.

To reiterate the budget allocation for my Ministry, it is fully supporting the implementation of the Government's policy objectives in this sector. There are many things that need to be dealt with but this need to be done in a step wise and one step at a time to avoid confusion. I again reiterate that the Budget supports the implementation of policy objectives of the Government in the following areas of work:

- (1) establish proper procedures for administration of all public or state owned lands in the country;
- (2) resumption of undeveloped crown land and land needed for public purpose;
- (3) acquisition of land through negotiation and compulsory acquisition needed for public purpose, alienated and customary land;
- (4) mechanisms for the provision of security in customary land tenure;
- (5) mechanisms for opening up of customary land for economic development;
- (6) conversion of temporary occupation licenses into fixed term estates;
- (7) ensuring maximum economic use of most alienated lands;
- (8) bringing tribes and tribal land into governance for purposes of administering both customary and crown or alienated lands;
- (9) make legislative provisions for the legal recognition of tribal lands and tribes and the manner in which they administer and manage their resources in their tribal communities
- (10) make provisions for assessment of titles of tribal lands through tribes and tribes traditional authorities and the legal recognition of this as competent authorities for purposes of administration of the use of tribal land;
- (11) develop policy guidelines for the return of certain alienated lands to original owners and the resettlement scheme of the original land owners;
- (12) initiate work on the revision and amendment of the Lands and Titles Act to bring it up to date with present changes in the country.

Under these objectives various programs and activities are being mapped out and being implemented. This will not be an easy task but one that is now set in motion given the seriousness of the problems to be addressed including the crisis that the country has gone through with regards to land, its allocation, use, ownership and so on. One of the most important to achieving the policy of objectives of the government to ensure maximum economy benefit that this budget supports is the resumption of all undeveloped fixed term estates where appropriate the subdivision of this and making them available to genuine developers. This strategy is also aimed at addressing land being held by:

- a. a few individuals who have no intention of developing them other than to sell them for profit;
- b. a few companies; and
- c. land being sold at prices unaffordable to most Solomon Islanders.

Crown land is sold at a subsidized price according to the zoning, the cheapest of which is for residential zones. In these zones just to illustrate the point, the premium and rental and other fees together amounts to say \$2,000 with conditions attached to it. On the day that the speculator got the grant of the fixed term title, this undeveloped land is valued at \$110,000 and sold at that price, a situation which questions the integrity of the valuer's profession. There are also those who sold land to others when they do not have titles to the land at all. The need to expeditiously process all outstanding applications by current temporary occupation licenses holders for fixed term estates within Solomon Islands and lack of appropriate town planning resulting in the unlawful development and use of easements, water and electricity utilities is also covered, being allocated for in this budget.

There was also call for the introduction of independent and impartial tender processes within the Ministry and the call in providing resources and technical assistance to the Ministry of Lands to address land management issues. These have not fallen on deaf ears. The Budget makes provision to address these through the site development fund and land acquisition allocation. These are important issues but more importantly is the issue of land and its relationship with the development program of the Government, be it this Government or otherwise. Make no mistake that development must take place on land and we must not make the mistake of the past whereby the Ministry was not given priority attention resulting in the non deliverance of planned programs of government after government.

Again I wish to reiterate to this Honorable House as I did during discussions and other questions with regards to land that under my leadership

and new management setup, work is now well in progress and put in place to deal with these issues proactively mapping a way forward with regards to solutions and support for the undertaking by the Ministry to address the very issues, even with the little resources that we have in the 2009 Budget.

Today I wish to inform the House that however small the progress maybe, I can assure you that there is an air of change for the better. Strategies have been put in place to address these and the Budget is now in place to further progress the work. In this regard, the most important budget allocations for my Ministry to address the many issues with regard to land are:

- a) Site development fund
- b) Land acquisition fund
- c) Land rental allocation

These allocations as you can see in both the development and recurrent budget are catered for. Without these allocations, my Ministry will not be able to support the requirement of other ministries. The proper planning and opening up of government land and the acquisition of land needed for public purpose are national programs and the payment of rentals of land under lease to the government to avoid the constant disruption by landowners because of inadequate provision in the budget in past years.

The site development fund is the most important allocation that was removed from the budget in the 1980s. Its removal from the budget resulted in the doing away of the public tender of government land and gave birth to the direct allocation policy. It is this policy that has created and allowed for the situation we have today and the squatter problem. Had the fund been provided, proper planning would have been done and a more transparent system of allocation in place.

On the issue of squatters, let me inform the House that there are people who do not need to be squatters, who are now living as squatters because of the inability of government to develop these sites. The provision in this budget will greatly assist in solving all the problems of today and also create a more effective way of collecting government revenue. Through this fund roads will be put in, subdivision and parcel number will be given before it is offered for clients. SIWA and SIEA and other service providers will be provided with adequate land for their infrastructure to serve the needs of clients. Therefore, I urge you all to support the Budget and I support the Budget.

A land acquisition fund for the first time appears in the recurrent and development budget. The allocation in the development budget will support the various programs of the government, such as land for public service complex,

law and justice complex, police housing, Tina hydro, Suava Bay Fisheries Loining factory and others, whilst the recurrent budget will cater for existing land acquisition, completion of resettlement and others, and other land needs of the national government and provincial governments with regards to public service housing, office facilities and others, some of the very expensive items of expenditure. Land rental is a provision in the budget to honor government's various lease agreements here throughout the country for infrastructures such as airfield, resources, sources, etc. The Budget is the first that has recognized the development needs of the country, and the role that the Ministry of Lands, Housing and Survey plays.

My Ministry is working at several fronts in addressing the challenges with regards to land. The strategies, if I may, are as follows to mention a few:

1. Transfer of fixed term estate titles. With regards to the issue of transfer, the Commissioner of Lands gives consent for the transfer of lands that are developed. Land that is undeveloped is not granted any consent for transfer. Land falling in this category are being examined for breach of the grant for fixed term estate conditions and earmarked for resumption. My Ministry is working closely with the Attorney General's Office on this.
2. Undeveloped land. An assessment has been carried out on all land not developed for purpose of resumption of this by the government and making it available to others. Consent for subdivision is also not approved for these lands and currently an examination of compliance with the conditions of the grant of fixed term estate is also being carried out.
3. The Ministry staff with many allocations. There has been a public outcry on the practice of officers within the Ministry, giving themselves more than one parcel of land. An examination of files shows that this was with approval from previous administrations and there being no records of warning. The management is not able to deal with this for the time being, however, the strategy that the Ministry is implementing and see as fair and just is to direct officers to surrender at no cost to the government all land, not developed under their names or that of their families. An internal memo has been issued to them. They are allowed to hold on to parcels that are already developed or just one parcel.
4. Land held by companies that have not produced their return to the Registrar of Titles as required by the Companies Act. There are a number

of companies both national and foreign companies that have several properties registered under their companies. On examination of the files some of these companies have not provided the returns for more than 10 years and some even further. The Commissioner of Lands is working with the Registrar of Titles on these lands as these companies should now be deregistered. Once deregistration is completed, the land will be resumed and properties sold by the government to interested buyers.

5. Late land rental areas. The Ministry has done its best to collect the rentals due to government. The remaining who failed to pay up will be forfeited. My Ministry is completing the list for forfeiture of these. In this, millions are still owed to the government and the only option is to resume this through forfeiture and sell it. Again, my Ministry is working with the Attorney General's Office.
6. Squatters in crown land. Through the site development fund, proper planning and subdivision of these lands will occur and the squatters will be given the opportunity to apply for an allocation like any other clients. Through program with the UN Habitat, an assessment will be carried out to get a proper insight of the depth of this challenge in more detail.
7. Transparent, fair and just system for allocation. The Ministry is working on a draft standard application form for land application to be filled by those applying for land. This will provide better and quality information from which decisions can be made and to support the work of the public tender board when reintroduced. At present, to process an allocation takes too long because of the lack of information. In the absence of a standard application system or form, land is allocated to even a two year old child. To transfer developed land to a child is not an issue, but to allocate land to a minor is something that needs careful study, especially when this is then sold. It will also avoid double allocation and allocation to just a few and fast track the process of registration.
8. Return of alienated land. This is an issue that is very important to our people, but one that we need to carefully manage, given the fact that most of the fixed term estate titles have been given out. Whist this is the case, there is no justification in delaying the return of some parts of the land still under the Commissioner of Lands. For this reason, the resettlement of original landowner scheme phase 1 is being initiated. It is important

that a proper identification of tribal boundaries and the true owners is important to avoid mistakes of the past.

9. Land reform program. This program is being examined in terms of looking at a more cost effective way of implementing it, given the sensitivity of the subject and what role the Ministry would play and the tribal landowners would play.

Land is an important asset and customary land even more so and the government must facilitate the experts our own people in that area to sort out their boundaries and genealogy to allow for registration and the opening up of these lands for development. These are but some of the strategies and programs that the Ministry is working on and with a budget allocation now in this appropriation bill, we will be able to achieve a lot in 2010.

The budgetary provision for my Ministry is the proof of this government's political will to sort land issues. I am satisfied that the allocation in the budget meets the requirement for my Ministry to implement government's policy objectives and support it. As you can see, there is a lot to be done. But to achieve that it needs to be stepped wise and one step at a time with development assistance because it was raised in this House previously and so may I inform that there have been a lot of discussion and as you can see not many donors contributed to the Ministry. I hope that as time goes by development partners will chip in to support the good work that we are doing . The challenge for development partners is whether or not they will support the government's strategy and redirect their assistance to areas of priority in this sector, seen from the government's perspective. There are instance where donors are justified in taking that approach but in Lands donors can now see that we know what needs to be done and with their support, especially in technical areas such as physical planning and surveying more can be achieved. For now we can be proud of the achievement so far, however, small is a start in the right direction.

As alluded to in our previous discussions, efforts are now underway to again negotiate with our partners for provision of technical assistance in areas that are lacking and thus contributing to addressing land transactions, administration and management, chronic problems and sustainable capacity building. One of the major issues is that some donors are not comfortable with going outside of their comfort zones; they prefer to remain in these zones. Having said so, the enormity of this chronic problem, its breadth and depth will require a total overhaul of the legislation, the processes and systems currently in existence, a task that will take time, commitment and political will. In this regard, the government administration through the Ministry of Lands, Housing

and Survey, whilst it may not have the time to complete this work to a level where it can be sustainable, the budget allocation is a living testimony of the commitment the government has and its political will to address land matters as a priority. The success, of course, of what is now being set in motion will require the commitment and political will of successive governments and administrations to maintain and sustain the work the CNURA Government is now embarking on for the good of the country, because of the importance of land to the development, peace, security and wellbeing of this nation. Whatever reforms carried out in this sector will have to contribute to nation building, national unity and peace. The professionalization and reestablishment of the integrity and reputation of the administration and management of land and that of the Ministry to a level where it is able to sustainably deliver services and implement the priority programs of any government is a must, and the budget provides for this to move to the next level. Land issues have been the biggest barriers to major programs of successive governments including CNURA and policies with regard to decentralization of economic development throughout the country.

It is important to note with regard to land that the country's urban population has risen to a level that is becoming unsustainable if not arrested. As experienced in Honiara demand for land and housing has seen quarters sprawling on the outskirts of Honiara overnight. The increasing demand is further exacerbated by the greatly increased rental rates in towns, especially Honiara. This increase of house rentals in Honiara has negatively impacted on the ability of not only civil servants but also investors and businesses to find suitable land accommodation. Again, for the first time the budget has made allocation to allow the Ministry initiate work to sort this problem out.

Land speculation by individuals who are taking advantage of the current situation is also becoming a problem. In other words, individuals spend time applying for a parcel of land, and once they are in possession of the title, he or she then sells the parcel for 100 times the amount they bought from the Commissioner back to the government and others. The Land and Titles Act spells out clearly that these individuals are not allowed to resell the land as clearly spelt out in the grant instruments in most cases. To find ways to solve these issues we must not make any more excuses but boldly acknowledge that the administration is at fault when it knowingly or unknowingly went ahead and processed the transfer of titles, and the Ministry is boldly addressing this. The budget allocation for next year is most welcomed.

The government also relies heavily on the alienated land held by the Commissioner to fast track projects and investors' establishment in the country. Without the luxury of having enough alienated land at its disposal any

government of the day will have difficulty accessing readily available land. Customary land is held by the resource owners who do not trust the government under current system to allow or open up their land for development. Without land there can be no development. It is against this backdrop that the budget allocations to my Ministry have been made and I support the budget.

In regards to the lack of appropriate town and country planning, this is an area that has been neglected and is one that will be the subject of request for technical assistance and is a priority program of the ministry. In this regard, even with the provision of technical assistance nothing much can be achieved without the provision of the site development fund, but now that this is catered for, I hope to convince donors of how serious the government is about land issues and proper planning.

In regards to independent and impartial tender processes within the Ministry, let me assure the House that work is now at its completion stages for the reintroduction of the public tendering process. The success of this system is dependent on the reestablishment of the site development fund and the successful re-professionalizing of the Ministry's capacity in terms of technical staff, resources, and funds to allow for town and country planning taking its proper course. Development partners' assistance is crucial for this policy to eventuate, but I am confident that seeing what we have achieved so far in the short time I have been in the Ministry, they will come on board soon.

In conclusion, let reiterate that I fully support this budget and urge all of us to support it. For the first time in a small way the budget recognizes the importance of land and has made appropriate and adequate allocation to tackle these issues for the improvement of the standard of living of our people, their security, safety and wellbeing. I support the budget and beg to take my seat.

Mr. BOSETO: Thank you for giving me this opportunity to share my very brief contribution to the debate on the 2010 Appropriation Bill 2009. First of all, I thank the Honorable Minister of Finance for his 2010 Budget Speech on behalf of the CNURA Government on the government's policies and objectives which form the structure and priorities of the national budget.

We all know that in terms of donors or seleni, this 2010 Budget is the highest since 1978, the year of our political independence because it is almost \$1.9billion. It has an increase of \$41.1million for the recurrent and \$2.8million for the development sector over this year's 2009 Budget. The practical question that both producers and implementers of this 2010 Budget must ask is, how can we together as a nation in our desired team leadership and desired team work translate into action this highest amount on papers.

The Minister of Finance in his budget speech outlined six key objectives that the CNRUA Government desires to translate this budget into action throughout our nation. These key objectives are as follows:

- (1) Promoting the development and construction of infrastructure in rural areas.
- (2) Providing greater opportunities for economic development in rural areas.
- (3) Providing access to education for children of the nation.
- (4) Improving and maintaining the health of all our people.
- (5) Promoting sustainable peace throughout the nation through peace and reconciliation activities.
- (6) Maintaining our democratic tradition by ensuring that the 2010 election is free, fair and accessible to all eligible voters.

Of these six key objective of the CINURA Government, Numbers 1, 2, &5 are already included in the priority agenda of the Lauru Land Conference of Tribal Community for the next five years. Number 5 has been and will continue to be our priority, but from our perspective it must include the word 'justice'. It will now read 'promoting sustainable peace with justice throughout the nation through God's Ministry of Peace and Reconciliation'. Number 1, which states, 'promoting the development and construction of infrastructure in rural areas', is already included in the medium strategic plan for Choiseul Province and the Lauru Land Conference of Tribal Communities will play a major role in promoting and facilitating a customary lands custodian to open up areas where roads can go through for our integrated or holistic development. No. 10, 'the No. 2 key objective of the CNURA Government must be our goal with a long term mission together to achieve'. No. 2 says, 'providing greater opportunities for economic development in rural areas'. We cannot provide greater opportunities for economic development in our rural areas unless our customary land custodians are recognized, respected and brought into our collective planning and team leadership for both micro and macro economic development projects.

These three key objectives of God's Ministry of Reconciliation, Ministry of Infrastructure and the Ministry of Rural Development are pointing to one goal, namely 'development is people'. It must therefore be people centered and life centered. It is this people centered and life centered that is the central heart of the Ministry of Environment, Conservation and Meteorology, and this is the highest agenda of global family of humanity, locally, nationally, regionally, internationally and universally.

This 2010 Budget is another budget mainly for the formal sector which is to be implemented under regulation for the government's ministries, but also at

the same time we must recognize and appreciate the fact that sustainable stability of our social economic activities and productions are with our non-formal sector in our rural areas. It is this non-formal level of people in existence that, I believe, will survive when global labor markets collapse and would no longer provide employment to many people. Therefore, the government of the day must appreciate and work with non-formal organizations such as the Lauru Land Conference of Tribal Communities to play a major role in the Ministry of Reconciliation, Infrastructure, and create environment for greater opportunities in broadening the base of diversification in education, economic development and every level of community and societies, especially at the grassroots as the rock foundation of our communal democracy.

Before I resume my seat, let me say that God has established in the rural areas the first inhabitants of these islands of the King Solomon the tribes and their clans to govern their people. These tribes are the custodians of land, forest and marine resources. Our political role as law makers of our nation is to recognize, empower and cooperate with them. This is the only wise and very cheap way of establishing our federal system of government in our nation of families and tribes.

With these few remarks, I beg to support the 2010 Appropriation Bill 2009.

Mr. ZAMA: As usual I would be very, very brief in my contribution towards this budget. In fact I do not intend to contribute to the debate but seeing that this is the last budget of this government, I think I have to register my voice on it.

The debate on the budget started on Monday and the Leader of Opposition came out with flying colors in describing this budget, and then on Tuesday debate on the budget resumed. I looked across the government bench on Tuesday and there were 10 Ministers sitting on the bench and the bench was absolutely empty and so on that backdrop I did not want to contribute to an empty House. Yesterday the number increased to eight Ministers, which is still an empty house and when Parliament resumed at 2pm this afternoon there were only seven Ministers with an empty House.

Normally, budget meetings are serious meetings of Parliament, and undoubtedly this House debated a budget half filled. I want this to go down in the records. This government came in with flying colors at the end of 2007. This is its third budget and it would be bowing out on a very dull note. That said, I would like at the outset thank the Minister of Finance and his officials for this budget and the preparation that all Permanent Secretaries and Ministers, of course, maybe when it came to Cabinet that some have seen these papers. I would like to, also on that note thank the MP for Savo/Russells who has also given us a good lecture of the budget and for being the chief whip on both sides.

As I said I will be very brief. This year's budget is a deficit budget and not a balanced budget. As we look through this year's budget, the Bill that is before us is for \$1.8 billion, which is a lot of money for next year 2010. This year's budget was almost to the same tune, unfortunately when we get the figures early next year we will then realize it is a deficit budget. Before I continue on I think it was for the first time in the history of Parliament that the Public Accounts Committee has set a full week from 9:30am till late in the day and that goes for the full five days and the on behalf of the committee I want to thank all members of the Public Accounts Committee for their commitment and dedication to their calling as members of this Committee. I would like to, on behalf of the Committee, thank every Permanent Secretary and officials for their attendance at the hearings. In fact, it is not unusual but we also invited Ministers to attend so that we could get some government policy overviews but none of them attended, and so let that be on the records.

This Government is asking Parliament to approve \$1.8 billion. A lot of the Ministers have spoken at length; spoken very well, and so well done Permanent Secretaries for assisting Ministers. But little did they realize that what they have said went out into the thin air. All the good words said by the Minister for Finance and all government ministers will not be realized next year. And if I can use the words of the late MP for Aoke/Langa Langa, 'mark my words'.

We are closing the year 2009 on a difficult note, and we must all realize and accept that fact. If we dare to look at the page that shows government's projected fiscal position, by the end of this year government will be financing next year's budget by \$80 million in estimated cash reserves; \$80 million. There are only two weeks left to go this year and if you go down to the Treasury now, and unless the officials are not telling us the truth, payments upon payments are piling up at the Treasury. This is a fact and so how on earth are you going to reserve \$80 million? Where are you going to get money from because there are only two weeks to go? Well, unless finance officers are not telling us the truth or if they are deliberately delaying payments then that is another side. But this government has only four months left before Parliament is dissolved, and next year is going to be another difficult year.

During the Public Accounts Committee hearing it did something that is uncustomary, and that is the Committee invited the Chamber of Commerce and the Manufacturers Association just to get their views. We know that the government is going to increase taxes next year. It will increase taxes to be able to give money to the tourism sector and the other sectors. But these associations came to us and made it very clear to us that it is going to be tough on them. In fact before the taxes increase next year some of these private sectors which are the engine of growth, as we all know, have started to feel the pinch this year;

they started feeling the pinch last year, this year and will definitely be next year as well. They have because of this high cost of tax of government wanting more money, and to avoid laying off their employees some private sector companies have either reduced their working hours to continue keep the number of employees. Some have reduced their working hours and labor forces slightly. That is going to be the difficult and realistic position we will be going into next year.

This government has six main policy areas that it would want to cover next year, and this will be on reconciliation and rehabilitation, national security and foreign relations, infrastructure development, social services development, economic, the productive sector development and finally on assistance to civic affairs. Out of these, there are also allocations merely targeting the productive sector. And out of the \$1.8billion, \$300million will be allocated for the development estimates.

This budget as usual is a failed budget for 2009, and definitely in 2010 it is going to be another failed budget as government policy will not be delivered. That is the reality. I mean what the Ministers have been saying, and I almost fell asleep when the Minister of Lands was talking about government policies. I thought he was supposed to read through the recurrent and development estimates instead of educating Parliament of what is he supposed to be doing.

Yes, we understand the difficulties we are all going through, but I think we are still not taking control of our own destiny. Yes, I fully agree with the big allocation towards Police and National Security - they need more money. The Ministry of Health definitely needs more funding and thanks to the donor community for supporting the Ministry all along. The Ministry of Education definitely has more funding in next year's budget with the free fee education policy. There are big asks in this free service providers and for how much longer this country is going to continue servicing these big ministries is as good as anybody's guess because we are struggling to find revenue. If you dare look at the development budget, this \$300million is not enough to grow the economy, it is just not enough. And all along we have been talking about growing the economy, broadening the tax base but that is not being reflected in this budget whatsoever. What we have been telling our people are mere empty promises of policies looking good on paper but are not reflected in the budget. The 2010 budget is none other than a replica of the 2009 budget. This budget will not be delivered next year. We have seen difficulties. In fact I was expecting more and more allocation in the development budget towards agriculture, however only \$30.7million was allocated. The report from the Central Bank shows an increase in the production of cocoa, oil palm, and I was expecting to see more money pumped into agriculture. This \$30million provision is just not enough. There is

a big spread in government ministries that are unproductive, a higher turnover in employees and the list goes on.

On the Ministry of Infrastructure Development, \$24million is allocated. However, this is an area that we have not seen any improvement on it. Or if one cares to look at the allocation, \$10million is spent on Guadalcanal alone for this year. What about the other provinces? Most of that is spent on Guadalcanal; even Malaita has very little allocation. And we also continue to service the same roads. Why not build new roads up into the Guadalcanal mountains where more coffee can be produced instead of building bridges after bridges that are not producing any new production. Our aid donors come and do the infrastructures, lining up bridges. When you go up to Tenaru you would see two bridges there at Tenaru School, and as you move up further you would come to another two bridges. Goodness sake, as if though there is no need for new bridges in the rural areas or maybe in some new areas where we can realize more growth. This budget is drawn up with very little vision for growth to really encourage the private sector.

This government also came out and said that next year it will not be exporting copra cakes. But where in the budget under agriculture or maybe trade is there allocation to really realize the production of oil? There are no incentives on this to the private sector. What we are saying here are mere empty words, and Ministers will continue to read from their papers empty words that will not be delivered next year.

On tourism, yes there was a welcome increase by \$7million. This year it has \$2million but unfortunately the Minister does not even know where the \$2million was spent. There was \$2million this year thinly spread with no economic impact. Next year I do not know how he is going to spend that \$12million. But our problem over the years as we are now into 30 years of self government, our biggest problem in Solomon Islands is that we do not know how to prioritize things. We know it in our minds, we say it, but when we draw up the budgets we forget about what we think is good for this country.

Our problem is that we are trying to spread our resources widely and thinly which at the end of the day it has no impact or effect. I think it is time, and in order to grow the economy and widen the tax base, we need to concentrate and give more money on tourism. We need more money to build and upgrade the airfields. Munda is ready to be upgraded, but nothing towards that; there is no allocation to improving tourism.

Temotu Province, and this \$5million next year for the provincial airfields, what is that amount going to do? I mean for the last five years this has been in the woodworks, and ad now with the arrival of the Dash 8, which my learned MP for Temotu Nende and I went to PNG in January 2005 to negotiate, and the

government and Solomon Airlines are now realizing our dream. In fact we are four or five years ahead in terms of planning. But that is the vision some of us have for this country; that is the vision we have.

The Noro industrial Development here is left to rot. There is \$4million allocated and it is still sitting down there in the Ministry of Finance for the Central Tender Board to finalize tenders. When we talk about spreading developments in the rural areas and the provinces, and we are not serious enough in putting in money where our mouth is, this is just not good enough.

This government came out in flying colors, but if you read the paper this morning, one of the things the flag was waved on is the deportation of the Attorney General of the last government. But in the paper this morning he won his case. And I was hoping to see some contingency warrants in next year's budget or maybe the following year if there is a case for compensation for his recourse. So we have seen it.

What I would like to say to the government right now is that we have to take some control measures by not spreading resources widely but maybe more focused. We need to establish more fishing companies, and I am glad the Minister for Fisheries is a very busy man and according to him there are going to be new fishing companies coming to establish in the country. I know there is going to be one established in the Western Province which is getting into fishing as of January, but we need more fishing companies. We need more processing factories.

But that said, I want the Chairman of ICSI, the Minister of Finance and this government to look into the operations of the Solomon Taiyo. This is a serious matter because I do not believe what the National Fisheries Development and Trimarine are trying to do is good for Solomon Taiyo. I have been down in Noro for almost 10 weeks and saw what needs to be reviewed. I think there is already some writing on the paper that should give us something to think about. But Solomon Taiyo needs to be addressed.

The forestry sector is a dying sector; even some people say this is a sunset industry, a sunset sector, and which is true. Predictions had it that maybe it would only last for the next two, three and four more years but here we are, there is no alternative to support the forestry sector and yet we are still talking about broadening the economic base, growing the economy when we do not put money into what we think should grow it and expand the base. But I feel sorry for the government because what they are saying now cannot be implemented next year because next year is the election year where there is going to be high demand on resources and so a lot of what is said by Ministers will not be fulfilled or would be left for the new government.

That said we need to take control of our own destiny and next year is going to be an election year. And with the introduction of a new party, which is the New Hope - Solomon Islands which will be contesting the elections next year, this budget will have to be reprioritized in the last quarter of next year. And by that time we would already have our 2011 budget.

With that I would like to thank the Prime Minister, all the Ministers, but I would like to remind the PM that all Ministers do not even seriously take, especially the budget meeting as can be seen because some went outside, overseas, and the balance of them are either at home or are not serious enough. So the Prime Minister needs to remind the Ministers that they are there to really defend their budgets and should be serious about the meetings. But that said, I would like to thank the honorable Prime Minister and his leadership, the Minister of Finance, the Deputy Prime Minister who had just recovered from illness. There are few Ministers who have been ill and even backbenchers because of external pressures but those will be relieved very soon. And so on that note, on behalf of my people, South New Georgia/Rendova and Tetepare and my council of elders, I would like to thank the government for the hard work that he has shown. This being their last budget, I would want to on behalf of my people, to thank everyone for their contribution and the hard work they have put into this budget. With these words, I have to support.

Mr HUNIEHU: Thank you for giving me this opportunity to participate in the general debate of this 2010 Appropriation Bill 2009.

I take this opportunity to thank the Finance Minister for introducing this Appropriation Bill last week which attracted debates from both sides of the House. I would also like to thank his hardworking staff for producing the budget for the scrutinization of Parliament at this important time. Not only has it come at this point in time but this is Christmas period and our people are expecting some Christmas presents in the budget. If it is not going directly to them then maybe it should be going to them through the delivery of services like medical, education and you name it. Whatever you do when you have an economy like ours based on a narrow range of commodities, it is very difficult to produce a budget, especially at this time of world economic recession, at this time when regional economies are on recession and also our national economy is also on recession due to the falling prices of logs and other commodities. It is therefore very hard to fulfill the requirements of everybody in this Parliament or those who maybe listening from outside. A budget like this is crucial for our people outside. The business sector listens to what the policy intentions of the government will be next year whether there is any economic stimulus in the budget for them so that they can prepare their books to start tender for projects

in the budget. Not only that but our copra producers and cocoa producers are also looking at the budget and what the government can do for them in the new year. And so the message that goes out from this budget signals, although it signals little hope for the people we must always give hope to our people.

I wish to take this opportunity to thank a few people, such as the PAC Committee for working very hard in coming up with many recommendations in its report, and I am not going to debate what is in the report. I also think we should thank the Central Bank for managing our monetary policy. In any economy there are two policy instruments that are important; (1) is the monetary policy and the other is the fiscal policy. We must know how we play these two policies. May be some speakers who have spoken before me have articulated this, and I wish to say that for the last 30 years we have the Central Bank which has been keeping our monetary policy and that is why we have been surviving up until now. Although many people have criticized the policies but we must thank them. I wish to point out that I am only congratulating them for keeping a tight lid on our monetary policy. But policies on interest rates and deposit rates applied by the Banks in their lending practice leave much to be desired.

Monetary policies if properly applied can stimulate a lot of economic activities. But our banking sector, the commercial banks are not helping little Solomon Islanders to create employment and to borrow in order for them to earn their living. This is not happening. I must say this because if it can happen to me as a Member of Parliament then how much more the little people on the streets. I am not ashamed to tell this Parliament what the banks are doing to me. For example, those of you who study economics should know that when you have collaterals, when you have securities can easily go to the banks and borrow from them. But now for a Solomon Islander they cannot give it to you. I have \$100,000 in the bank and because of my working disability I went to the bank for a fully secured loan. I asked them if they can give me some money to buy a vehicle but they cannot, even for a fully secured loan.

Another key scenario is that I tendered with the Central Bank, I won a building, I have collaterals more than what is required; I have security more than what is required, but did the banks give any money? No, they are afraid that I may not repay the loan because other Solomon Islanders are not repaying their loans. But I started to believe that may be they are doing this to me because we are going to be lius next year; we are going to be no longer employed; we would already be lius by this time next year. If that is the case, if that is the reason why banks are not fulfilling their roles as bankers in a developing country then we might as well tell them to pack up and go home. This is good enough reason why we must have our own bank in the Solomon Islands. Of course, the DBSI has gone bankrupt, but it can be resuscitated. If is happening to we politicians

then it should also happen to many Solomon Islanders. And that is the reason why you cannot see many Solomon Islanders running shops in Honiara in commerce and trade because they are restricted in their own country. Where are the laws to protect the interest of our people? Where are the laws? And this is happening right under our nose.

In Auki, 99% of shop owners are Malaitans but in Honiara 99% of shop owners are foreigners. We can convert that if we have the political will to help our people. Why can we not look at some unused land and develop it for our own people? If you start from White River right up to King George you can hardly see Solomon Islander shops. But the very moment they put up shops to sell betel nuts they were chased away. That is why you see little huts everywhere in the city. That is how we are treated in our country. And what do they sell in these leaf houses? Betel nuts and cigarettes. Do we feel sorry for them? I do; I do very much because it is happening in their own country. In White River they are no longer there, they have already been chased out. In Rove, they have been chased out. In Kukum, they have been chased out as well. Everywhere they have been chased out, and the more you chase them out the more foreigners come in to replace them. All the land in Honiara are no longer owned by Solomon Islanders but owned by foreigners who took those lands by crook or whatever you want to call it, using Solomon Islanders to get it for them. This is not fair.

I talked a little bit earlier on about the monetary and the fiscal policies. Those are the only two instruments that we have control over because if you say you spend today it is gone and if you say no, then it is no. I am sorry I am beginning to be concerned about our fiscal behavior since independence. We seem to be running an expansionary type of government year in year out and it is time we come to realize the truth. The truth is that we do not have the money we are approving everyday to spend. And if we realize the truth, we can make amendments and we can make changes to our attitudinal behavior towards money. Accountants should know what I am talking about. Fiscal discipline is what we need more than anything else, otherwise we cannot control how our Permanent Secretaries are spending our ministry money, we cannot control how staffs in those ministries link them up with something else, and that is how public resources are wasted.

My message for the new year is do not spend money you do not have. I have said this in Parliament two or three times already: do not spend money you do not have. That is why this terminology became so spread out and people in the streets talk about it every day, "cash flow problem, cash flow problem". What is cash flow problem? Cash flow problem means we have no money and so we cannot pay our bills, and so every time there is a bill, leave it for next

week. When the supplier comes next week we say next month more, and when the supplier comes again next month we say 'my brother, there is no money, cash flow problem". I am saying that we are facing a worldwide economic problem, a regional problem and also a domestic problem. But there are some things we can do within our powers in order to keep the system flowing.

We have a budget worth \$1.8billion, of which \$375million will be invested in various development projects and \$1.3billion will be invested in our recurrent costs. The reason why I said we have no sense of fiscal discipline is if you look at rentals there are rents for some new officers coming up, and they are not small; \$1million per year for one ministry is a big amount. I talked about fiscal discipline as not happening because all the 26 red headed monsters are using it up, and some of these ministries are totally unnecessary. Some of these ministries can be merged and we will have 10 ministries. We can merge tourism with aviation, commerce and trade. Youth and education perhaps can be merged, and start cutting costs. That is where our priority must be because this business of government public expansionary will never stop but will keep going as demands for more services, demands for more wage increase by the public servants come every year. It cannot stop and so we have to learn how to keep a tight lid on it.

The most dangerous monsters that we have, as I have said, are the 26 red headed monsters; the ministries and the quasi government institutions that also still rely on government subventions. When can we ever learn? I am starting to believe that our system of government, our system of service delivery must now change. At the moment we deliver services through the ministries, those corrupt ministries, which are full of nepotism, full of favoritism but are allocated money through them. Do you think they will fairly distribute money to all Solomon Islanders who deserve to be assisted? No, and that is why I am a great believer of constituency governance; amen! Constituency governance means that we deal effectively with our own people. I do more than what the Malaita Province is doing for my constituency with the money that you have given me, through the RCDF, the Livelihood and whatever, and thank you, government. If we have to change to the constituency governance and increase the budget from the lousy \$1million to \$5million we will do more for our people. And this is the reform we are talking about. We will do more for the rural people of this country and it is the rural people who elect us into this Parliament, and yet every time during debates like this we say, "oh, but you have already receive medicines". Medicine and education are our obligations. We are obligated to provide those to our people. But for our rural people to be emancipated from poverty, impoverishment then it has to be Members of Parliament. If money is distributed through the provinces it will never get down to the people. If you

have to distribute money through the Ministry of Agriculture, sorry my friend, the Ministry of Commerce, sorry my friend, the Ministry of Fisheries or Tourism, it will never get to the people. It will never get to them. Where do they end up, tell me where do they end up? They only end up in Honiara and Honiara is not Solomon Islands, and they end up through corrupt deals. Somebody once said that public servants are more corrupt than politicians, and of course that is true. And some politicians are more corrupt than public servants too. It is both ways.

I am saying this so that next year when you come back I want you to change the character of budgeting and the message must be precise to our people. This system of coming up with budget speeches like this and delivery through ministries is out of mode. Let us change, it is time for change. Who is going to do it, I do not know, but all of us here, and that is why I am part of the signatory to a letter written by some people to increase constituency funds from \$1million to \$2million. We are not asking too much, but we are only saying reduce some of the recurrent costs. This is not even asking the government to raise new taxes. No, because we know that \$1.3billion in the recurrent budget will be squandered only by public servants. What we are saying is to reduce that by \$100million and give it to constituency development, because we want to build more schools, we want to build more classrooms, we want to build more water supplies, we want to build more cocoa, and so more of that. But our cries all fell on deaf ears, and so I do not know who we are kidding, whether we are kidding ourselves. Let us turn from this system to constituency governance. That is the only way. Forget about the provincial system of government, forget about the state system of government as they will add more problems.

In this budget we are providing \$65million towards the provincial system of government. Since the provincial system of government started, if what we have spent so far is added, \$65million x 30, it is astronomical, but you never see any development in the provinces because that is what they are. When they designed the law or the bill it is for political participation and not for economic development.

I am sick and tired of political participation. That is not a right, but the right of the people is to create more development participation at the rural level. Last week I had 100 people coming to me asking for sea fare to go home. Well, what can you do, because they are poor? But do you know what? I built four hydros in my constituency and ask the people to start rural growth centre out of this power, but it is the money to start the growth that is not there. We can only do infrastructure up until now. But money to go into finer things like crushing mills and other things is not there. And so they came to me and I said I do not have money too. So let us turn to constituency governance next year. Forget about the provincial system and state government. I tell you that those who are

going to live for the next 50 years, when this country finally goes into the state system of government you are creating the biggest mistake in your lives, and I will not support the state system of government. No. My vote will be a NO, my own vote. If other Malaitans would like to support it they can do so, but for East Are Are if he comes back next year, I am very sorry. I even want to scrap off the provincial system of government because they are only there just to earn wages, but are not delivering any services to the people. That is what revolution is all about and it must happen before all the things we talk about can start to happen. I think the MP for Rendova/Tetepare has touched on this, but sometimes when reports like this, the Central Bank reports are given to us, it takes two minutes to read it. It says "The Central Bank Governor is recommending that we do more in the development of coconut and cocoa". These are the two commodities that go right down to the grassroots level. We export \$100 to \$200million worth of copra and it goes into their pockets. We export more than 3,000 metric tons of cocoa and it goes in their pockets.

The Minister of Agriculture made a beautiful speech today about copra and coconut. I heard such a speech from previous ministers of agriculture, and even myself I heard speeches like that from that Ministry when I was the Minister of Agriculture but if we cannot change the system of governance, the system of delivery then forget it. We have just argued about the Integrity Bill, and that is it. Whatever we say here sounds hopeful and beautiful but if we do not lay down the mechanisms to make it work, I am sorry and I am sorry because it will be too late. Read this report because the recommendation from the Central Bank is very precise and we ought to dump more money in developing copra and cocoa.

In terms of agriculture, I was fully satisfied with the speech but I want more in action than in words. Of course, rice will hopefully become a potential import substitution commodity for our country. We hope that we will grow 50,000 metric tons in the next 10 years as he predicted but that is very, very hard to happen. If you do not give subsidies to farmers, it will not happen for cocoa and coconut.

I have moved a motion in this Parliament already to start the process of giving out subsidies to cocoa farmers if we were to develop 10 to 20,000metric tons of cocoa in the next 10 years. But nothing is happening. So what makes our Minister jumping and down and say that he will do 50,000 metric tons in the next 10 years. That plan is a good one, and I only hope it will happen.

I want to tell you a little secret about subsidy. In my constituency we are not exporting one bag of cocoa in the last four years. But after receiving subsidy money, now we are bringing in up to four to five hundred bags. People respond to it, but that is only one dollar for one tree. Next year it is going to be three

dollars for one tree. I will be committing myself until I do not have money to pay them. And then I will tell them to line up at the Ministry of agriculture which talked too much about cocoa. I do not know if we are serious with our people on these rural crops, but I do.

The declining logging industry whilst affecting our cash flow is a good thing that is happening, it is a blessing in disguise, as someone said. But with these obsolete machines doing nothing, it is time the government should start to plan on how we can use these machines. There are more than two to three hundred logging machines lying idle throughout the country. But now our boys who are trained in PNG and elsewhere can build big plantations of palm oil with these machines. All they need to do is to use those bulldozers to dig roads in the logged out areas and give them subsidies, say \$100 for one tree. If you do that they can plant up to 10,000 hectares. You do that in Malaita, you provide the infrastructure they can plant it, all they need is subsidy. If it is happening in SIPL now then it can happen elsewhere. Or how, is this only for SIPL? They give \$50. It is happening and so we are not experiment with ideas but it is something that is already happening. I strongly recommend the Minister of Agriculture to take this up very seriously.

The kind of reform I want to see happen is where our budget is structured on a two tier system of government only; national government for national projects and constituencies for constituency projects. Bypass the provincial government. If it is water supply why go to the province? It should go through the Member of Parliament because when he receives the money it goes out to them tomorrow. When you talk about airfields here that is national government. When you want to develop a road go to the central government. When you want to build a big bridge it is the central government and wharfs also the central government. But classrooms and other little things should go to the constituencies, and that is how we get development. Cocoa subsidies should go through the constituencies. You see my friend here will dish out all the money because he is a cocoa and coconut producing constituency, and also the MP for Central Makira sitting down somewhere there or maybe he is out harvesting cocoa. Next year, there should only be the two tier system; the national for national projects and every other project should be implemented through constituencies. You see the MP for West Makira is smiling away there because he is in support of what I am saying. If you are the Prime Minister you must do this and then I will be your deputy.

Although I appreciate the fact that we cannot do deficit financing but for some good projects I hope our donor partners do not mind, for example, if we want to plant big cocoa plantations somewhere and we want \$200 million for it, they should willingly fund it. But these are the things we borrow money for,

because in the next four to five years the cocoa plantations will be harvested anyway and will add benefit to the economy. But the way we have locked ourselves up, we can only elbow ourselves within the national revenue collected through customs is not creating any economic stimulus for our country, not at all. An economic stimulus, in my sense, is if we have to borrow in order to plant 1,000 hectares of cocoa then let us do it, and the World Bank should help us, and the ADB. Or do they want to see us begging them all the time? Only all their projects are here, like LDA and the others have already gone bankrupt. We want something that we plant today for tomorrow's harvest.

In conclusion, I wish to say that we have a great country. Although this is the only way we have been trained by our colonial masters to present budgets, there are other options we can take and we can reform our budgetary system in order to direct our resources in the most resourceful and productive sector in our country, like others have said we must place our priorities right, and priorities in government also means changes in government behavior, character and in delivery.

With those few remarks, I support the Bill.

Hon. GUKUNA: Thank you for giving me this opportunity to make some comments on this Appropriation Bill that is now before the House. I stand mainly for two things why I am in support of this budget and to refute what the Chairman of the Public Accounts Committee said about the Budget. The MP for Rendova/Tetepare is a former Minister of Finance, twice Chairman of the Public of Accounts Committee and it saddens me that he has no respect at all for budgeting. He knows exactly what a budget is for, and he knows the principles of budgeting. I am also amazed when he informed this House that he has called people from outside the public system to be interviewed in their inquiries. Of course, he also sends me a letter to attend those inquiries but I saw no reason why I should because the people who are responsible for implementing those policies are there taking care of my Ministry.

As I said thank you for giving me the opportunity to contribute to the 2010 Appropriation Bill that is before this House, and a very important one. This budget is important for me because I represent in this House will benefit directly from it and so as the Ministry I have been given to look after. I therefore wish to, first of all, thank all the officials who work together in bringing this budget to this House in time, in particular the Permanent Secretaries, their technical advisors, the clerks, typists, the directors and everybody for preparing this budget document. Of course, I must thank the Minister of Finance and Treasury, the Honorable Member for Marovo for delivering this budget to this House before we go for the Christmas break. Even though I said something a little bit

strong about the Public Accounts Chairman, I must thank the committee and the Chairman, of course, for the work they have done in deliberating the allocations and making sure the figures in the budget are proper and properly applied in line with government policies. I would like to thank that committee too for the work it has done.

While the purpose of this budget is absolutely clear, I am indeed very impressed with the principles by which this budget is been formulated. As we all know, and some of our colleagues have mentioned this fact that this budget is the last budget for this House and for this government in particular, and by the time half of this budget is being implemented some of us who are here, who helped formulate this budget would have gone, leave this place and there would be brand new MPs and Ministers will see that this budget is through to its completion. This is because next year is the election year as we all know and being an election year this budget is in fact an election year budget. You would know that in other countries election year budgets are normally delivered with big speeches, big splashes, splashes that come with big promises, promises that carry major public undertakings designed purposely as a last minute gasp to convince looming electorates. As you study this budgeted you will see no last minute gasp by this government, you will see no big splashes, nor are there any extraordinary promises made. What is in this election year budget instead is the bottom line assurance that the 2010 National Budget is financially responsible; responsible in that it is going to be fully funded. That is enough to give me confidence in this budget, and I have no choice but render my absolute support for it.

After going through 2009 where things have been not so easy, where the performance of our national budget has been hit hard by serious downturns in our overseas trading arrangements, one would have expected us to spend 2010 slowly picking the pieces up one by one. According to this budget we are not going to spend 2010 picking up the pieces one by one, and for this reason this government has again produced another record budget with the pledge that public services in 2010, despite of what has happened this year, will be delivered in full, and the promise, the only promise will be paid in full, delivered in full. This confidence is based on a projected moderate growth in our local economy driven by an upturn in our overseas markets and further improvements in compliance. These improvements provide the basis for the confidence that is carried in the 2010 Budget, this budget. And for this reason I expect this budget to perform to expectations and there are more adequate reasons to allay fears that this budget will fail.

Given these improvements, 2010 will come with opportunities. If you look at the outlook of the budget which forms the basis of this budget, things are

looking promising; things are looking promising. Next year we will be, what we may refer to as in the silver lining after a big black cloud has passed and the opportunities will come. Our best hedge is to place ourselves in the best position to ensure that we catch every single opportunity that will come next year. This budget is our best hedge.

Sir, if you look at the budget the total amount of funds appropriated in this budget is \$1.994billion. We have raised some concerns about how we have used our past budgets. Many of our colleagues have raised concern about improper use, unaccountable uses, diversion, and these are true concerns. I will talk about how I have used my funds this year, and how I will use my funds next year in my Ministry. But perhaps what is important now in terms this budget is for us to look at whether we will have that money next year. This \$1.9billion for next year is a lot of money, reflecting a minor increase on this year's budget. But if you look at the figure of \$1.994billion, about 17% of that amount is already been fully funded as we speak now. That is because \$173million will come from reliable aid donors, \$80million will come from our friend, the ROC and another \$80million as presented in this budget is going to come from reserves. We therefore talk about \$1.6billion and I believe after looking through the outlook of this budget, the best analysis that is being provided for us about the economic situation of this country next year, I have the confidence that we will fully fund this budget. If you read this outlook and you argue otherwise, then that raises the question on what basis are you arguing from?

Of this total amount of budget, my Ministry is being given \$12million. The breakdown of the budget, as we know is that \$375m is being appropriated for on development project. The others, \$1.6m recurrent, but I am not going to touch on recurrent because basically they are all the same as I am interested in the Development Budget.

My Ministry is being given \$12million. I disagree with the Chairman of the PAC who said that I did not know how I spent my money last year. I know exactly how I spent the money last year. In fact, I keep a trace of where every single dollar was spent making sure none of it goes into wrong hands. This year I am given \$12million and for this reason alone I am so grateful that I am given this amount of money. Small this maybe, but it is not too bad, it is actually 140% increase on last year's budget. Last year's budget was the highest ever and yet this year is 140%. I hope this trend will continue into next year. The next government must endeavor to give more money to a sector that we always talk about, a sector that we always say lies the future prospect of this country; tourism.

Of this \$12million, \$5million will go to eco-tourism projects and product development. This is an undertaking my Ministry continues to take every year

and it has always been \$2million, for some reasons it stuck at \$2million over the last three or four years. For next year we have asked for a little bit more and we have been given \$5million, and that indeed is very good news and a positive step in the right direction. The other \$5million is, of course, for the construction of the Solomon Islands Hospitality and Tourism School at SICHE. This is a project this country needs and I can assure you that we will use this money properly. None of this \$12million will be wasted. We will make sure that it is used for the purpose it has been given and we will make sure it is used purely as investment in the tourism industry. I can also assure you that this project will not reappear in our future budgets. I can imagine it is going to be in the budget for two years, and that is it. We are not going to allow this project, it is so important but we do not want to waste our time carrying it forward in budgets after budgets. In fact we are hoping to start constructing this school come January/February.

We continue to talk about tourism in this country on the potentials we have, the beauty we have, and I agree that this ministry can be a ministry that will provide us a lot of hope, as my colleagues have said, as it is our main source of income as the forestry sector may begin to wind down in the next few years. Tourism provides us with a lot of prospects, a lot of good hope for the future. The school is very important because tourism alone can only be sustainable if we provide quality service. This school will help take this country forward in developing the tourism sector. Having gone through a lot of materials, a lot of discussions with operators and tourists, I believe this project is not just a project that we put up but it is a project that is consistent with what we should be really doing in tourism if we are going to believe in that industry.

I should be very thankful again for this government, the last government, and the government before the last government for the provision of constituency funds through the national budget. I am tempted to repeat what the Member for East Are Are has said but I will not do that. What I can say is this funding, this specific funding has enabled me to help my people during my term here in Parliament. We have about three to four months to go but I must say I have been totally satisfied with my constituency funds and my livelihood funds. I also believe, as the MP for East Are Are has said that these funds should be increased never mind what critics are saying. We should increase the constituency funds. I have said this before that constituency funds reach down much wider and it goes down right to our rural people. I would want to see constituency funds increase because those funds had enabled me to help my people. Those funds went straight to them. I do not have a house in town and so I did not use the funds to build a house. And so I have no problem with constituency funds and it should be increased. It is the job of the auditors to check how they are being used but there needs to be an increase.

Sir, if you look through the recurrent and revenue collection in this budget, you would see that tourism has no money against it to be collected. This is because our job is to bring in people into the country and they come to pay tax at the airport which is collected by Immigration. Tourists go and pay hotel levies and some ministries collect those. But one thing I know for sure is that the efforts we made and we are putting it into tourism have resulted in the increase in wealth of this country and that is exactly what that industry is meant to do, and that is to increase the wealth of this country and the spinoffs generated are enjoyed directly by our people.

There is also another thing that is a bit disappointing but I do not really care about in this book is that if you look at donor funding for this budget, there is no funding for tourism. We tried to source donor funds for our projects but the argument has always been it is a sector that should be private sector driven. I agree but at the same time I believe that the tourism sector needs infrastructure to grow and only the government is in a position to ensure infrastructures are in place, and for that reason I believe donors should chip in. In terms of economic management it is a good industry. Donors preach that we must practice good economic practices and I continue to wonder why they do not want to chip in by putting in some money in the tourism sector.

Whilst I am talking about donor funding, I believe that donors themselves must try to come up with some way of effectively delivering their assistance to this country. Concerns have been raised that most of these are re-channeled back to their home countries. This is not a big concern to me but what concerns me is the amount left in this country as it has to be optimized. We must find some ways of optimizing how it is used so that it becomes useful even though small so that what is intended is delivered to our people.

I had discussions with some aid donors and they agree and admit that they are administering a huge amount of funds, but what they do is they have taken a uniformed approach to how it is delivered and administered in the entire country. I said to this aid donor why do you not look at your locations and your target communities or provinces and try to adopt different ways of channeling the funds. I said to him that the constituencies may have gone into some bad public relations but some of the constituencies are very good, are very effective. Why do you not study them and channel your funds through the constituencies? If you go to another island, all the islands in this country, and as you know and I do not need to tell you this that they are all unique with different values, different emphasis and different effective ways of implementing projects. I said to this person why not use the provincial system that you see fits in well here. I can use the provincial system because of the uniqueness of this place. Some places you go you do not have to be uniformed because you are just being lazy.

You just come in here, take all the money and you just do not care how you disburse the rest, as long as you disburse it. It was a good discussion, it was a frank talk but that is what we talked about or that is what I said to him. Apparently, a lot of aid donors now are using the NGOs and some of these NGOs are the worse implementers of projects. They are the worse but I cannot understand it because if these people are concerned about the use of their money, why did they opt to use the NGOs? The constituencies are much better than the NGOs. The NGOs are manned by people coming here to find employment. They register the NGOs and use the name of Solomon Islands to get money. Those moneys are Solomon Islands moneys and they should be held accountable for those moneys because they use this country's name to get those moneys. Sorry for diverting a bit, but the point I made is that aid donors must try and look at the way they disburse their funds to make sure that they are optimized in terms of delivery of what they want to do and to make sure those funding reach people they intend to help.

This year, as we all know, had not been very easy. There has been a downturn in revenue collections, which forced the government to take some measures to ensure the system is still moving but there was one sector, one industry that progressed and did very well during this hard time, and somebody had mentioned is the workshops. I went to my constituency twice over a period of four weeks in last October, and when I was there the first week there were four workshops going on at the same time. The next week I went, after one week I went back and there were three workshops going on at the same time; in two weeks seven workshops were going on there. What are these people talking about there? What were these people talking about in those workshops, so that it is seven workshops in two weeks? If you extrapolate that figure it comes to 175 workshops in one year. Extrapolation is a scientific method of calculating figures. Only scientists use this extrapolation method.

The point I am making is that there had been too much workshops going on there and I do not know what they are talking about. But what I suspect and what I thought was happening is that it was some money scheme. It was some money scheme going on here and they were using workshops after workshops to draw some money. In fact what I heard is that some people got money to run workshops but those workshops never eventuate. These are things I see and raise because it all comes down to the proper use of money, and if we are going to be concerned about proper use of budgeted money, appropriated money in this bill....

Hon Leni (*interjecting*): And they are not audited too.

Hon Gukuna: Yes, the Minister for Fisheries was saying they are not audited, and that is true. They talked about auditing us but they do not want to audit themselves.

Sir, the last point I want to mention is about our future budgets. During the last budget I made a contribution in regards to the issue of some debt financing in our budget. I know there are some restrictions on us but when we comply, when we apply strict compliance to those restrictions, it denies us of the benefit of debt financing. Debt financing is not a bad thing and I believe our Development Budget should be funded out of debt. Not actual debt, it is short term debt where we borrow some money and pledge a development part of our budget for the settlement of those borrowings within 10 or 11 months. That is a very good idea. It is not good because I raised it but because it makes sense, so that comes January and February every year our development budget money is already there. We can allow the recurrent to follow because services can go on during the year, but the development budget, I believe, and the only way for us to progress some of our development budget is to try and borrow some money and use it. Like this year, for example, of the \$375million for the development budget, we can borrow \$310million, and the rest can take up interest, but that is the cost we will have to take to make sure the projects are done. As you know, most of these projects are not implemented because money is slow in coming through. You do the survey and then wait for another two months, do another thing and then wait for another two months, and you do not realize it is already December. If we can get funds early in the year and do the survey, do what is needed, implement it and only then I am sure we will achieve a lot of things.

Somebody has raised earlier the idea of concentrating on one project. I am not talking about this budget but I am talking about future budgets, as I have mentioned. One example is that the projects in Malaita, as somebody had raised earlier, keeps on occurring in budgets after budgets. I think we should just concentrate on one project, so that in the next budget only one project should be picked. Maybe pick only Auluta and divert all the resources to Auluta. I believe when that single project come on stream the rest of the other projects will fall in place. But we need to, at least, implement one, because for the last three or four years since the last government they have been talking about all these projects, and now it is four years and we are just about to leave and it looks like none of these projects will be done by the time we leave this place. It is reasonable and makes sense to try a new strategy, which I think will work.

Sir Kemakeza: (*interjection*): Are you opposing the budget?

Hon Gukuna: The last point I want to raise because the Member for Central Makira interjected because he may want to talk, is on the use of subsidy. I will not talk about cocoa and copra because as you know Rennell and Bellona do not have copra and cocoa. But I disagree that people who buy these products should be taking the subsidy. As you know this subsidy should go straight to people who produce the copra and cocoa because that is where the wealth and the increase in production come from. Unfortunately, the producers are in the provinces and only the buyers are getting the money. Again, I raise this point all in the name of proper use of money.

That is my contribution to this Budget, and in conclusion I want to say again that I believe in this budget and I think it is credible. Having read through the outlook which forms the basis of this budget, the economic focus for next year, which is the best analysis that has been provided for us, I believe this budget will hold next year and there is no need to fear. If we are going to be comparing this year with next year in terms of accounting, this year is irrelevant. Yes, we have some outstanding issues but this year is gone, is not forming the basis of this budget, as the basis of this budget is based on projections and even though I also know that budgets are future projections subject to the uncertainty of predicting the future, I believe this Budget is credible, it is financially responsible and I am left with no choice but to fully support it.

Hon. PACHA: Sir, I rise to contribute on the debate of the 2010 Appropriation Bill 2009. First of all, I wish to thank the Minister for Finance and Treasury for tabling this Bill.

The Ministry of Mines, Energy and Rural Electrification forms part of the productive sector group. The year 2010 is a golden year to strategically implement what is needed to make conducive environment for investment in the mining industry as reflected in the Development Budget 2010 Appropriation Bill.

In any industry, energy cost becomes the determining factor of price and therefore energy infrastructure that can give a long term low cost and clean development is a way forward for Solomon Islands. The Tina River hydro project is a national project that needs investment and future support from the government. There has been several such projects in the past which does not materialize therefore, the government must make sure this is happening. My colleague of the Ministry of Finance and Treasury had been very good in providing cash available for the project.

One of the big hurdles in the mining sector is land issue. In the 2010 Budget, my ministry will work with the Ministry of Lands, Housing & Survey to deal with land processes that will allow investors to invest in the mining industry. There has to be clear demarcation of the mining site and relocation of

affected communities. I must admit that the biggest cost will be on the awareness and involvement of our people in the area of concern who needs to know what will happen and what is for their future generations. This process must involve women and children education. As you may be well aware, the dewatering process has already started, and this is a sign that we are moving forward. The relocation of affected communities is another major program that must be implemented to allow the reopening of the Gold Ridge Mining.

Let me inform this House that Allied Gold has secured the needed funds to redevelop the Gold Ridge Mining. This was revealed to the government at lunch time today at the Mendana Hotel by the Chairman of Allied Gold. We are grateful for the World Bank for giving the Ministry capacity building on administration of compliance of the mining law where necessary proposed amendments to fix loopholes, write up the policy and help generally in the procurement of the seven items for the Ministry to lift the standard of the Ministry to the World Bank standard. This will help to address good governance in the Ministry and the mining sector.

My Ministry is dedicated to the Tina River hydro project in 2010. Both the EIB and IFC have committed grant funds to help the SIG come up with a feasibility study that will be able to attract the private sector to build the Tina River hydro. May I inform Solomon Islands that having the World Bank behind this project is a big plus for us. Therefore, we need to work together to show that we want this project because we believe it is a good infrastructure that will last long and add value to our lifestyle.

Water is becoming a big issue in Honiara, Auki, and Tulagi, which SIWA is responsible for. The Ministry will do the undertaking to address certain things that will enable the Japanese Government to bring the SIWA project into plan soon. My Ministry had already taken the initiative to go ahead and make awareness to the people on the water issue. Exploration for a suitable water source is ongoing. We will be looking into the possibility of piping water from the Weather Coast because water in the Weather Coast is an abundant resource.

Rural electrification is a program that touches the lifestyle of people in the village. The source of energy comes from wind, solar, sun, hydro, bio fuel, and we need to plant more coconuts and more palm oil. The Russell Islands plantations must open quickly. For geothermal my engineers have already inspected a hot water spring at Lambi and soon and very soon we will be moving across to Savo to inspect the volcano there. In other energy development, Hydro Tasmania is in Auki over the last weekend to carry out a very quick study on Rualae. There have been several studies conducted in the past on what is available and there is need to link it to other ministries to encourage growth and economic activities within the area of energy supply so

that it can sustain itself. Recently, the ROC had given solar to the Education Sector in the rural areas through the MPs to distribute to their people. I would like to once again thank the Government of Taiwan for its continuous assistance on rural energy.

Overall, my Ministry should be seen as an investment sector that will provide return on investment for investors. Resource owners and the Solomon Islands Government therefore, I would encourage all of us to contribute one way or the other in the development of a conducive environment for investment. With these few remarks, I support the Bill.

Mr. AGOVAKA: Thank you for allowing me to also contribute on this important Bill, the 2010 Appropriation Bill 2009.

Allow me first of all to acknowledge some people. First and foremost is the Minister of Finance and Treasury for the presentation of this Bill to Parliament. Also the Budget Unit for its hard work as well as all the ministries and Permanent Secretaries, accountants, especially those who attended the Public Accounts hearings.

Allow me to say that in the budget strategy outlook, the Minister of Finance and Treasury stated that the 2010 Budget is financially responsible and is fully funded and requires no further borrowing. He also went on to say that there is significant funding allocation for the Development Budget and adequate provisions to meet the recurrent costs of government which should avoid the need of supplementary support during the year. Indeed, only time will test this statement.

The 2009 budget, the total revenue was estimated to reach \$1.6billion, the total domestic source revenue is expected to be \$1.4billion and the rest comes from other sources, the donor partners. But do you know what happened this year? The actual revenue reported to us is about \$900million. On this note I was wondering where the money will come from for the supplementary that we have just approved, because the revenue that is collected for this year is budgeted for the 2009 budget.

In regards to the 2010 Budget, the domestic source revenue is estimated at \$1.664billion, donor budget support is \$253million, the expenditure (recurrent) is \$1.6billion and non appropriated funds by our donors is \$1.2billion under the development budget which is \$375million. The Permanent Secretary of Finance said during the interview that this is an ambitious budget. I would be using the word 'adventurous' if I may say so. Again, this domestic revenue will stand the test of time.

Allow me to first of all comment on what the Minister of Tourism has just said before I go on to the other ministries. The Minister told us that he knew

exactly where the millions of dollars for projects in his ministry went to this year, every single cent of it. That is good, that is part of accountability. But he did not tell us whether these projects are successful, whether there is feedback in the Ministry telling them that there has been assessment that these projects actually work, touches and reaches the life of the people that we so represent. I am wondering where the Minister is because in any country one of our national prides is the national museum. During the PAC interview I asked the Permanent Secretary and he was sad because the budget allocation for the National Museum was not given, it is too small. But here we are talking about encouraging tourism. When we go to other countries we would like to visit their museums to see the kind of cultures they have, and the kind of artifacts they have. It is part of an attraction for tourism. I think the Ministry should really address the issue of our National Museum. If you go to the National Museum now what do you see there? Probably there is nothing there, and it is a shame for this country to have a national museum that has nothing in it. But here we are talking about our cultures and our heritage, the cultures that we are so proud about and yet it is not reflected in the National Museum. The nine provinces with nine different cultures should be reflected in the Museum. This is sad as a Solomon Islander. I am saddened by the fact that the Ministry does not care and is not concerned about our National Museum. And I am wondering whether the \$5million that will be approved for ecotourism will be like the money that he was just talking about for this year that it will go down to the people and it will have an impact on the rural people in the country.

I was not here when my good friend, the Minister of Agriculture was making his flowery speech, but allow me to say that agriculture is the mainstay in the rural areas, and the CNURA Government policy statement includes the economic and productive sector. I agree with that policy statement. Yes, one of the six major policy areas is economic and productive sector development. However, the Development Budget does not support this statement as the allocation for coconut and cocoa is thinly spread and will not reach the rural people in the nine provinces unless, of course, the allocation for 2010 is only for Guadalcanal and Malaita Provinces' cocoa and coconut farmers.

I support the call by the Member of Savo/Russells that the Ministry should encourage the export of cassava, and he is quite right. In 2007 when I was then Minister of Commerce I made a tour to Temotu Nende Constituency with the current Member for Temotu Nende, and when we went there I was very impressed with two exotic commodities, one of which is the Selfish Taro and the other one is the turmeric. In Temotu Province, the Selfish taro grows just like the cassava that grows here on Guadalcanal which grows anywhere, everywhere and at any place. I know that Fiji exports taro to New Zealand and Australia,

and in Fiji the taro is harvested between six to seven months. The Selfish taro in Temotu is harvested in five months. Therefore, we could make two harvests in one year and beat Fiji in the export of taro.

The Minister for Agriculture, I want you to take note. We also encourage turmeric production by our people. I say this because these are commodities we have here in the country, and people know the technology of growing these commodities; they know how to grow these things. These are not new crops like rice that the Ministry is trying to encourage. Of course, rice is good but let us also look at other plants.

The other thing also is that in our recent trip to Taiwan where I was a delegate to the Deputy Prime Minister's group that went to Taiwan we went to the southern part of Taiwan, Kaohsiung and we went to one of the agriculture universities. There were two things that impressed me whilst visiting that place. The first is their research and development department where they were developing some kind of juice. On seeing this I was thinking about the pineapples grown in Auki, Malaita. I said something to the Deputy Prime Minister that this is something we could utilize back in Solomon Islands so that pineapple farmers in Malaita could be assisted to produce slice pineapple and pineapple juice instead of importing pineapple juice and slice pineapple from Australia, from Indonesia and elsewhere.

When I look at the budget for exotic and indigenous crops, it is zero there, there is nothing planned for this kind of improvement. A large amount of money goes for the development of rice. Are we going to go rice all the time? But these are the sort of things the Ministry of Agriculture should be looking into.

I also noted that when we asked the Permanent Secretary about the non-appropriated funds in the Ministry of Agriculture, he did not know what to say because he is not connected, he is not part of those non-appropriated funds. I said to him that if he is the accounting officer in the Ministry he should know what the donor partners are doing in his ministry, especially the Australia/RAMSI component of the non-appropriated funds. And like the Minister for Tourism was saying otherwise they come here only for their own benefit and not for the benefit of our people. I asked him what impact these non-appropriated funds would make to the people and the lives of our people. What would it make? Or are those funds only given to pay for technical advisors? Or are they given specifically to make some impact on the lives of our rural people?

My question is what these projects in the non appropriated funds will have on the country and how would they be used, what purpose would they be used for and how would they impact on the lives of people in the rural areas? I

do not know because even the PS did not even know and cannot give me an answer. A fundamental principle of governance when the government appropriates funding to undertake a particular activity or when a donor provides funding for a particular purpose that funding should be used only for the purpose for which it is provided.

I would like to refer you to the report by the Auditor General. In his report he found a lot of misuse, abuse, wastage of funds and one of them is the Ministry of Agriculture. Let me find in the report where it mentions the Ministry of Agriculture. In the work program in this year's budget the Ministry was supposed to buy one land cruiser. When the Ministry went and procured the vehicles it bought three vehicles of which two are land cruisers and one is another vehicle of some sort. As you can see this is against financial instructions, accounting officers are going against financial instructions. If we approve this budget, is the same thing going to happen? I ask because the same officers will still be in the Ministry next year. What has the Ministry done about this? Is there going to be any disciplinary actions taken against them? If we do not then these funds that we are going to approve are going to be misused again by the same people, year in and year out.

Again, the 2007 cattle project and I will give an example. There is \$8million allocated for the cattle project. In 2007 it was funded by our good friend, ROC, the Republic of China. But what happened to this money because we have not even seen a single cattle, and there are Members of Parliament who interfered with the administration so that the administration of agriculture fund their cattle farmers who are not listed in the work program, thereby the Ministry spending more money in excess of what it has budgeted for. This is against financial instructions. Are we going to see the same thing happen again once this budget is passed? I think we should reconsider how our officers are accountable to the money we pass in this House. And one good example is the primary school grant. The Minister of Education, you listen to this carefully. Through the Ministry of Education New Zealand gave the primary school grant. These grants come down to the Educational Authorities and what happens? The Educational Authorities use it in the running cost of the education authorities, instead of taking that money and giving it to the primary schools that needed it so badly in the rural areas thereby depriving the education of children down there. The children become victims of this kind of action.

I would like my good friend the Minister of Education to take note of this and to ensure that this inappropriateness does not happen again. You only need to look at the Auditor General's Report to find all these, and disciplinary action Minister, there must be disciplinary action taken. Another good example is the Ministry of Provincial Government for the building of an office at

Rennell/Bellona, a government office. What I am trying to say here is that we are trying to pass this budget, and what all the Ministers have said and all those who have spoken said are good things because they are what our nation needs, but the people who actually handle the money down at the ministries are doing otherwise. For example, the government office at Rennell and Bellona, the Chief Accounting officer made payments, no documentation and still today and I stand corrected, the MP for Rennell/Bellona is here, and still today there is no office there and no materials as well.

Hon Gukuna (*interjecting*): You are correct.

Mr Agovaka: You see what I am saying is true. This is the kind of thing that is happening that we need to go down and tackle right there and then. That is why I said that unless disciplinary action is taken against public officers, they will continue to use funds in the manner they decide themselves rather than complying with the government's will or the intention of donor organizations. This is true because despite of the many good things you might be saying it is those who are going to implement the programs is where the hiccup is.

You see when I look at the Ministry of Home Affairs and I can see some money allocated for the sports stadium, it reminds me of the 2008 Solomon Games where money is allocated from the Ministry of Home Affairs for the games to be hosted in Malaita. I know that they were supposed to build a tennis court, basket ball and netball courts, but today there is none of those things. They were supposed to build fencing but there is no fencing instead they bought louvers and timbers and some other things. This is the kind of misappropriation that is happening down at the line ministries. Therefore, we may talk about many good things in here but when it goes down there for implementation, nothing is happening down there.

Otherwise you might think I am not going to support this Bill because I am going to support this Bill because this nation needs this Bill to carry on its business and it is the duty of the government to do so and your obligation. We are all going to support the Bill. But are we going to support a bill for money we are going to throw down the drain? Is that what we are going to do?

Let me now go to the office of the Governor General. You know our good friends, the inmates, the long term inmates have submitted applications for pardon by the Governor General to the Prerogative of Mercy Committee, however, the budget of this Committee for 2010 is only \$9,000. How is this Committee going to do its work and obligation with this allocation? Or has it achieved its obligation this year 2009?

There are inmates now at Rove and Tetera who have spent 20 years in jail. How long we are going to punish these people? How long? We called ourselves a Christian country and yet we cannot forgive these people? They have suffered enough and it is time that they should come out to see their families, relatives and friends. There is a guy from Kwaio who has already spent 30 years in jail. There is another guy from Makira who has spent 20 plus years already in prison, and a lot of them 10 years over and above. Are they that terrible that they should be locked up forever? Where is the mercy of this so called Christian country?

I think more funds should be allocated to this Committee to do its work and get some of those prisoners out. They have been serving for too long. They have now turned good Christian people, and so it is about time now that we do the right thing for these people. They are Solomon Islands citizens, not foreigners so that they are treated like animals. It is now time to get them out. Their pleas and applications for pardon I wonder whether they would be heard next year in 2010? I doubt it very much because the allocation here is too small because I know the Committee members would also want allowance, and by the time the first sitting is over this \$9,000 would have been gone, finished. I strongly believe in forgiveness and as a Christian I believe it is time that this nation does the right thing and forgive these people and pardon them so they can come out and become better citizens after having served their time and term in jail.

When the Ministry of National Unity, Reconciliation and Peace was created and the Truth and Reconciliation Commission was established, \$5million was allocated for this Commission under the Development Budget. This worries me because I hope the government will not repeat what has happened to the Office of the Prime Minister by the Constitutional Reform Unit. The Constitutional Reform Unit was established in June 2007, and its role is to provide the Constitutional Congress and the Eminent Persons Advisory Council secretariat support and to deal with matters of process funded under the recurrent and development budgets from the consolidated fund, SIG funded. We also noted that some payments for allowances were not justified. These guys are getting very huge allowances that neither conform to General Orders nor the Financial Instructions. I hope the TRC does not do that, it does not happen that way. The payments made to people being interviewed are properly paid according to the GO and according to the FI. There is one special imprest from the Constitutional Review Unit Budget was used for the Prime Minister's Christmas party, an amount of \$10,000.00. This is the kind of abuse of the system because funds were used not to do constitutional review work, but it went for the PM's Christmas party. I am airing this out because this is the kind of thing that is happening that we are not aware of, hence people complain we are not

delivering. We cannot deliver because funds are not going out to where they were supposed to go but are misused somewhere else. Do not take me wrong Prime Minister or the Minister of Finance because I will support this bill but I am airing out things that we ought to know and we ought to curb, kill at the bottom so that it does not grow much root anymore.

Sir, it is now 8pm and I know we are getting hungry, but I now come to the Ministry of Infrastructure Development. When I looked through the budget in the supplementary for this year, the Minister stood on the other side there, looked across here and said when we questioned him about the rescue vessel, and \$3million was allocated for that this year, and Minister, we are still waiting for the rescue vessel. And you know what, it is getting towards Christmas now and people are going home and there is bound to be accidents. When a boat capsizes in the sea or a canoe gets lost in the sea where is the rescue vessel to search for such incidents? Probably he will phone up the patrol boat because one of the patrol boats has just been refitted and he will use it. But this year there is no allocation for a rescue vessel. You know that our islands are surrounded by seas, and one of the two means of transport is by sea and if people going for the Christmas to celebrate in the islands get lost in the sea what is the Ministry going to do? There is nothing it can do because there are no rescue vessels to rescue people. Mr Minister, can you tell me whether we are going to have a rescue vessel for our people or not because it is not reflected in the budget?

When the Minister of Infrastructure stood up and gave his speech on the Budget, he was talking about government assets and one of them is vehicles. I think the Minister should really consider, really seriously consider re-centering all government vehicles in the pool. Every night and every evening I used to see a hilux driving past my house at Lengakiki, which was driven, not by a Permanent Secretary, not by a Minister or constitutional post holders, who are entitled to government vehicles, but driven by a clerk with his family at the back, go shopping, taking their children out for a ride every day. This is abuse of vehicles by public servants, and this is more than we can see. And these are not cheap assets but expensive assets. A hilux, if you go down to Ela Motors is how much? It is \$300,000. Now, you go down the roads, and that person stood up and said all the roads on Guadalcanal. I think that must be West Guadalcanal, and not East Guadalcanal. He forgot that a lot of the heavy industries are on the eastern side of Guadalcanal Island. My good Minister, you have to reprioritize again some of your road projects to reflect the importance of the eastern side of the island. I am not saying the western side is not important, of course, thank you for doing that but also reconsider us, reconsider us in your work programs.

Civil Aviation is one of the ministries or departments that is very important to this nation. I say so because it can earn big revenue for our country.

I do not know the outcome of the inquiry into the civil aviation special fund, and so maybe the Prime Minister in his response or the Minister of Finance should give us an update. In the Auditor General's report it stated that 94% of the expenditures of the Civil Aviation Special Fund were unaccounted for; no documents, no receipts, no purchase vouchers and nothing at all. All documents are lost, even the cheque book too is lost. And so it will be good to hear from the Prime Minister or even the Minister of Finance on the status of that inquiry because our people need to know and this House needs to know how those funds were expended.

I think these are some of the things I would like to contribute on, and just to air the fact that this nation that we so love needs to be well looked after and to be directed by us properly.

Let me read one of the recommendations of the Auditor General and it says, "that the government establishes a performance reporting regime which requires all government funded agencies to provide brief regular performance report of major activities". For example, if a major project is \$1million and above in total budget, there must be a regime of reporting to the responsible Minister and any relevant stake holders, such as donors with a copy going to the Auditor General. The other recommendation is that this report should detailed the money spent on the project or activity to date suitably classified into expenditure categories, the objectives achieved to date, the objectives still to be achieved and an estimate of the funds required to complete the project. The public servants must comply with GOs and Financial Instructions. Disciplinary procedures in the GOs are there and should be used to protect public funds from wastage and corruption.

With these few remarks, I support the Bill.

Hon Rini: I move that debate on the 2010 Appropriation Bill 2009 be adjourned to the next sitting day.

Debate on the Bill adjourned to the next sitting day.

The House adjourned at 8.03 pm