

**NATIONAL PARLIAMENT OF SOLOMON ISLANDS**  
**8TH PARLIAMENT – 1ST SESSION – 4TH MEETING**  
**DAILY HANSARD**

**THURSDAY 9<sup>TH</sup> AUGUST 2007**

The Deputy Speaker, Sir Allan Kemakeza took the Chair at 9.30am.

Prayers.

**ATTENDANCE**

At prayers all were present with the exception of the Ministers for Home Affairs, Infrastructure & Development, Women, Youths and Children Affairs, and Members for West New Georgia/Vona Vona, West Guadalcanal, East Honiara, Small Malaita, Ranogga/Simbo, east Are Are, North West Choiseul, North Malaita, Central Honiara, Hograno/Kia/Havulei, North Guadalcanal, and South New Georgia/Rendova.

**PRESENTATION OF PAPERS AND OF REPORTS**

- Questionnaire for the Australian Federal Director of Public Prosecutions, Mr Damian Bugg QC (National Parliament Paper No.36 of 2007)
- Civil Aviation Division Master Plan (National Parliament Paper No.37 of 2007)

**Mr Speaker:** The Chair recognizes the Member of Parliament for East Makira to ask a question without notice.

**QUESTION WITHOUT NOTICE**

**SUPPRESSION OF NAMES BY THE COURT**

**Mr SITAI:** Mr Speaker, I beg leave to ask this question without notice directed to the Minister

of Police, National Security and Legal Affairs. The question is on a matter of public interest and transparency and it also hinges on our evolving democracy, legal and justice system and to some extent on a matter of consistency in relation to Parliament Members and parliamentary privileges. The question is in two parts:

- (i) Can the Minister inform this Honorable House the reasons why the Court has imposed an order to suppress the names of people involved in a recent case, and a case in point is one involving my good friend and colleague the Leader of the Opposition and his two other persons?
- (ii) What has been the Director of Public Prosecution's position on this ruling therefore allowing for the submission of the defence in the situation to go through?

As I have said this is a matter of great public concern. The public is already questioning it in the media and so I just feel it is proper to ask this question on Parliament for information of all our people in this country.

**Mr Speaker:** Thank you MP for East Makira. That was granted in accordance to Section 61(4) of the Standing Orders.

**Hon TOSIKA:** Thank you, Mr Speaker, and thank you for the question asked by my colleague.

Mr Speaker, I want to seek your ruling because I want the Attorney General to assist in this case. The matter is now before the Court and before I can reply to the question I seek your ruling whether there is going to be contempt of court if I reply to this question. Can the Attorney General assist in this case, and your ruling as well, Sir, before I can proceed further in answering this question.

**Mr Speaker:** Can the Attorney General assist on this.

**Attorney General:** Mr Speaker, I am asked to advise the Government under section 42(4) of the Constitution in my capacity as adviser to Government in Parliament.

The question by the Honorable Member without notice implicates both the Constitution and the jurisdiction of the Magistrates Court. The foundation for the Magistrate's decision to issue a suppression order is under section 10(10) of the Constitution read together with sections 30 and 54 of the Magistrates Courts Act where the Magistrates possibly has the power to do what he made in ordering the suppression of names to preserve the identity of the persons before him to preserve the administration of justice.

Mr Speaker, my advice is that the Magistrate was not in error on face of the record. Regrettably the identities and nature of the incidences was revealed in interviews, sadly, overseas by foreign journalists is a matter which will be brought to the attention of the Magistrate at the next hearing, which is next Monday, and possibly there is an issue of contempt which will be dealt with. In those circumstances and ensuring that we do not breach Standing Order 22(g) Rule 1, which prohibits any reflection on the decision of a court of law, I would advise the Minister not to answer the question. Thank you.

**Mr Speaker:** Thank you Honorable Attorney General. Since the matter is before the court the Chair does not allow this issue to be debated or discussed and therefore although I granted leave to the MP for East Makira under Standing Order 21(4), as alluded to by the learned AG that the matter is before the court therefore could not be allowed to be discussed on the floor of Parliament otherwise Members will be in contempt of court or whatever the case may be. Thank you.

## **BILLS**

### Bills – Second Reading

The 2007 Supplementary Appropriation Bill 2007 (*Debate commences*)

**Mr Speaker:** Debate on the 2007 Supplementary Appropriation Bill 2007 commences. I would like to remind honorable Members that according to Standing Order 61(2), a total of four days is allowed for the second reading. However, it all depends on Members of Parliament in today's debate. Debate will start today and continue on to, perhaps, next week. If there are no Members speaking on the Bill, then the Chair will make its ruling.

**Mr HAOMAE:** Point of order, Mr Speaker. I do not know about other Honorable colleagues but I have not received the Supplementary Appropriation Bill in my pigeonhole. I wonder whether we should abide by the required time for purposes of the debate.

**Mr Speaker:** Honorable Member for Small Malaita, I am sorry that perhaps you might be omitted from the distribution of the Bill. Order, Order, the Bill was distributed last week.

**Mr Haomae:** Mr Speaker, that is right but I have just been issued a copy of the Supplementary Bill from the table, and therefore this is an injustice to the MP for Small Malaita as I have not studied the contents of the 2007 Supplementary Appropriation Bill.

I will abide by your ruling, Mr Speaker but I think we should give equal chance to every Member of Parliament. I have been aggrieved by certain decisions made by speakers of this Parliament as a regal Member of this Parliament, and I do not want to be aggrieved by the decision you are going to make now.

**Mr Speaker:** Thank you MP for Small Malaita. From the Chair, I am sorry for that bit of omission but you have to share a copy.

**Hon ABANA:** Thank you, Mr Speaker. Honorable MP for Small Malaita I think it is always good to check our pigeonholes as our duty in this Honorable Chamber. Thank you for giving me this opportunity to address this Honorable House this morning.

First of all let me congratulate my colleague Minister, the hard working Minister

for Finance and Treasury for the impressive account of government's commitment to administrative reform and implementation of the government's bottom up approach. This is a very self-explanatory supplementary appropriation bill, which reinforces the government's serious commitment to its people and this nation.

Mr Speaker, this supplementary appropriation bill indeed allows the government to be responsive to unforeseen needs that emerge and also government's rigor in ensuring the necessary administrative reforms in the government system are in place.

I am sure, Mr Speaker, none of us in this House can dispute the support to tsunami assistance to our people in the Western and Choiseul Provinces. The support for infrastructure development especially towards the national transport plan compliments donor assistance already committed to help the government address the long standing concerns for infrastructure maintenance in this country.

Sir, the need for establishment of the truth and reconciliation commission also cannot be overemphasized in our current context. This is very much consistent with the Government's commitment to address the root causes for what our beloved country has found itself in over the past years. Mr Speaker, any government that does not recognize the need for this is indeed not listening to cries of its people.

Mr Speaker, the welfare of our women, children and our youths also cannot be overlooked and therefore the establishment of the new Ministry of Women, Youth and Children Affairs is a fulfillment of Government commitment and obligation to seriously address their needs.

Mr Speaker, as alluded to by my Colleague Minister for Finance and Treasury, some 25% of this Supplementary Appropriation is being and will be spent in the provinces. Sir, successive governments in the past have also made similar commitments but with minimal visibility. The Grand Coalition for Change Government has taken a moral and more practical approach to directly involve our provinces in some of the national government's major programs as was reflected under some of the items in this Supplementary Appropriation

Bill. All in all, Sir, these expenditures in the Supplementary Appropriation do reflect advancement in the implementation of government priorities, policies as outlined in the government's bottom up approach.

Mr Speaker, allow me to also use this opportunity to elaborate on the progress made in the implementation of government programs and projects in the first half of 2007.

Sir, whilst it may appear in the books that there are some underspends in the Development Budget, as alluded to by my colleague Minister of Finance and Treasury, in fact a lot of progress had been made in as far as the development budget is concerned in setting the basis for expenditure for the development budget.

Allow me to point out that the process of expending development budget is not the same as the recurrent budget and therefore direct comparison may be difficult to make.

The implementation of the development budget involves proper thinking, planning and mapping out properly how these funds will be expended in order to ensure that such funds are used to make a difference and in a responsible manner.

Mr Speaker, development budget expenditure is modest in the first half of the year because projects are still being designed. This is just the nature of development and investment projects. However, we are confident that spending will pick up fast in the second half of the year as three quarters of the projects in the 2007 Development Budget are now ready for implementation.

The following are some of the projects now ready for implementation: - Forestry \$4m, Credit Guarantee and Rural Banking Scheme - \$7.9m, the Land Registration in Honiara - \$2.5m, Parliamentary Refurbishment - \$1.8m, Tetere Prison Housing - \$1.9m, totaling to about \$24.1million respectively.

Mr Speaker, based on the 2006 pattern of expenditure and in terms of quantity, total SIG expenditure increased from \$3.2m to \$26m representing approximately an increase of 800 percent. In terms of percentage, this represents an increase from 7.4 percent in 2006 to 33.4 percent in 2007. Based on the progress made so far (completed and approved ministries project

work plans) expenditure is anticipated to be approximately more than 70 percent of the appropriation or a little more than \$60million. This represents an increase from 2006 where only 31.5 percent of the appropriation is being expended amounting to just \$14million.

Sir, it is also important to note that the quality of expenditure is also improving and not just the volume. Mr Speaker, my Ministry is using planning process compliance to examine quality. What this means is that expenditures are now well planned by the sector ministries. This also allows for the necessary follow up during implementation. For instance, project implementation reporting improved from 9 percent in 2006 to 43 percent in 2007. On the same note, Mr Speaker, total approved expenditure also improved from 6 percent in 2006 to 17 percent to date. This also means that the total project work plans approved is currently at 54 percent compared to 4 percent in 2006.

Mr Speaker, these are huge improvements in both development expenditure and project compliance in the last six months. However, may I also note that there are still areas for improvement in this process, which my Ministry is giving priority in addressing?

Mr Speaker, this progress greatly complement commitments in the Supplementary Appropriation Bill, hence demonstrating the serious commitment by the government in implementing its bottom-up approach.

Mr Speaker, such achievements will not be possible without the commitment of all government ministries, and may I take this opportunity to encourage officials to continue to do the good work and keep it up.

The Development Committee chaired by the Honorable Prime Minister has also been very instrumental in driving project implementation in a well coordinated manner. I must commend my colleagues for demonstrating leadership and commitment to this responsibility.

As custodian of the development budget, Mr Speaker, my Ministry is committed to ensuring proper and transparent implementation of government development projects aimed at improving the lives of the people of this nation.

Finally, Mr Speaker, may I also take this opportunity to acknowledge the continuous support and commitment of our development partners for helping to develop Solomon Islands amidst the challenges we face in ensuring mutual understanding amongst us as partners in development in this country and its people.

My Ministry, under its mandate for aid coordination, remains committed to maintaining the good relations with our development partners on behalf of this government.

Mr Speaker, with these few remarks, I support this Bill. .

**Mr GUKUNA:** Thank you, Mr Speaker, for allowing me this opportunity to comment on this 2007 Supplementary Appropriation Bill 2007 that is now before this House.

Mr Speaker, I would like to first thank the Minister for Finance and Treasury, the Honorable Member for Gizo/Kolombangara for bringing to this House this important Bill. Not forgetting the Permanent Secretaries and their staff who worked so hard to put this important document together. Thank you. Of course, I have to also thank the Minister of Economic Planning, my good friend, for presenting to this House the second part of this Bill because what he has just read is actually what the Minister of Finance should have told us yesterday. Thank you Minister.

Mr Speaker, this Bill is made up mostly of a call for this House to supplement the Government's recurrent expenditure for this financial year, with a maximum appropriation amount of \$52,460,578. This same Bill is also asking this House to appropriate \$5 million to meet the government's development needs for the next six months. In total, Mr Speaker, this Bill carries a determined supplementary request of \$57,460,578.

In addition to this supplement request, this House is asked to give the Honorable Minister for Finance a total warrant capacity, recurrent and development of \$50 million. As a direct result of this Bill and by the end of this debate we would have given this government a total supplementary and contingency amount of \$107,460,578 to support its expenditure needs for the rest of this year - \$77 million recurrent and \$50 million development.

Mr Speaker, provided that this request is supported by our revenue collections, I have no problem with the \$52.4 million requested in this Bill for recurrent expenditure, notwithstanding the fact these appropriations are far less than that requested by our line ministries.

I have no problem too, Mr Speaker, with the \$25 million the Minister wanted for recurrent contingency as these provisions will give the Government flexible cover as it sought to position itself to implement in its stated development policies. In fact, Mr Speaker, the government needs this whole amount of \$25 million recurrent as it has exhausted the \$25 million recurrent we gave the Minister early this year. In February we also gave the Honorable Minister \$25 million to cover the government's unforeseen development costs, making available another financing option that government could use to pay for its rural development plans. As it turned out, the government did not need this option as it could not use \$24.5 million out of the original \$25 million we gave the Minister.

The Government is nevertheless again asking this House to maintain the same authority given to the Minister in the 2007 Appropriation Bill that is to maintain the development contingency warrant at \$25 million. Again, Mr Speaker, I have no problem with this request of maintaining the development contingency warrant at \$25 million. My problem, however, Mr Speaker, is that the government made use only \$496,000 of the first development contingency warrant - not even 5 percent of the 25 percent available value of that original warrant.

Mr Speaker, over the past year the government has not stopped filling the hopes of our rural people with development promises based on its much talked about 'bottom-up approach' to rural development. As far as this government is concern, this approach is new and costly, and naturally I would have expected this government to be craving for bottom-up approach contingency provisions in this supplementary bill. Failing this, I expected the government to have at least fully spent the development contingency we originally gave the government.

Mr Speaker, there is nothing exciting in this development appropriation. The mandate to

this Bill and these provisions have failed to match the support the government has generated amongst our rural people for its much talked about policy.

Mr Speaker, the people are waiting on you to deliver on your promises, promises you made through your bottom up approach. This Bill fails to assure us that you are ready to deliver.

Mr Speaker, the Minister of Finance told us yesterday that our economy is expanding fast, investment improving, our revenue collections continue to be above budget, our economic statistics are positive, public cash flow is healthy - the government has a clear mandate to implement its policy. Donors are coming in to support us. Money is not a problem.

Our people are keen to involve and this House is ever ready to stand by your development plans. Conditions are ideal for you to move your bottom up policies. There appears to be nothing on the way to stop the government from moving ahead full speed with its bottom up policies.

Mr Speaker, the Government has brought this Bill to this House because what is contained in this bill is money that the Government could supposedly use to pay for the bottom up development in our rural areas. Mr Speaker, the Government's true intention, the government's true commitment to this bottom up approach comes down to this budget. The government can either use this budget to move this bottom up approach policies or we can use it the same time to stall this bottom up approach.

Sir, as I study the 2007 Appropriation Bill (it is all in this report) and the obvious lack of development aggressiveness in the supplementary appropriation bill, it becomes clear to me that the government has continued to substantially under use the development capacity of the 2007 Budget. They under use it so much that these provisions are only good for mitigating the growing expectations of our rural people and buying time. That is exactly what I think the government is doing with these appropriations. Sir, this is what the Government is doing with this budget, its own budget. It is buying time with it.

Sir, of the total amount of \$25 million approved contingency development expenditure

early this year, the government has only managed to use half a million dollars, as I have said. On costs, it is totally unrelated to this bottom up approach.

In this Supplementary Bill, the Government is asking for only \$5 million under development, and again this money is to be given to the ANZ Bank to install money machines in selected parts of this country and meet costs that are not directly related to this bottom up approach.

Mr Speaker, if you look through the year-to-date budget figures, you would see that most of the funds approved in the 2007 Appropriation Bill 2007 to specifically finance the government's bottom up approach remained unused. It is in this report, Mr Speaker.

It becomes clear that the government had not used the money we gave it early this year to finance its bottom up approach, and it is not asking for any more development money for bottom-up approach in this supplementary bill because it has simply not used the money given to it the first time.

Mr Speaker, in terms of financing, when you fail to use approved money you as a finance manager will have to explain why you have not used that money, the approved money. He must explain this because this is not just approved money but this money was given to you and they relate to approved programs. When we approved that money and gave it to you to carry out your development policies, we approved those policies.

Mr Speaker, if that money was given to use specifically to implement your bottom-up approach policy, strictly speaking, when you fail to use the money that is given to you for development purposes as in this supplementary bill then that money is wasted. It is wasted.

Mr Speaker, you promised our people so much. We are all looking forward to see the results of your bottom up policies. Nothing is happening. Nothing is happening and yet here you are allowing approved funds to be wasted. If you cannot use it then give it to us because we are going to use it.

Mr Speaker, in two months time, and in fact we have already started talking about the 2008 Budget but we have yet to see any good thing from this bottom up approach. The same

people you promised, the same people who are supporting your bottom up approach policy are the same people who are now asking where this bottom up approach is. Where are the results?

Okay, Mr Speaker, may be the results will take time but there are even no actions and even no sense of direction too. Mr Speaker, one thing the government has been busy doing is that it has been showing off with this bottom-up approach. That is all. It is using the bottom up approach to show off with it telling people that this is the key to rural development.

We want rural development. You have been there more than a year now, so much so that this bottom up approach is like a cult. This government is spending its time turning this bottom up approach to a cult movement. Instead of getting it to work it has spent the last months brainwashing our rural people, brainwashing us with it, and using it merely as a tool to get support. That is all. Everything it is doing now is bottom up. Good or bad, it is important for this bottom up.

Mr Speaker, if you plan to create a new ministry of bottom up just take me to be the minister for that ministry or you take the Member for Central Kwara'ae because we can start it. You have to wait next week for the conference, and you will see what I mean. Very short time! I would expect the bottom up that you talked too much about it, you have to do something. So much so that this three sevens (777) - 7<sup>th</sup> July 2007 is like a magic number. That is a tinned fish. They claimed it is very magical and so they took the celebrations to Auki. That is bottom up.

**Hon Fono:** Manna will fall down.

**Hon Sogavare:** The first time in history

**Mr Gukuna:** One thing was also held there before. They took it there. Mr Speaker, what kind of bottom up is this? You should not have taken that celebration to Auki because it denied the rest of us. That is a national property. What happened to the rest of us who are living in the provinces and in Honiara, we missed out on that national thing.

Mr Speaker, do you know how cult leaders work? Cult leaders would normally

come up with a very nice story that they would use to brainwash the minds of their followers. Their followers would become so brainwashed that they spend their time admiring the stories while the cult leaders go on doing all the bad things. The followers simply accept what the leaders are doing as part of a nice story. No matter how bad or good this leader is they keep on supporting him because of his bottom up approach. So much so that these people are so indulged in this leader that they came and put a letter in my pigeonhole asking me to oppose the motion of no confidence tomorrow.

Mr Speaker, that vote belongs to me and my people. I carry it on their behalf, and these people have no right to ask me or to direct me what to do with it. I know what to do with it.

Sir, apart from brainwashing our people with it, Mr Speaker, one other thing the government has been busy doing is that it has been looking for people to implement this bottom up approach. They are still looking.

Mr Speaker, what happened to the Permanent Secretaries you handpicked last year? You removed all the experienced ones and handpicked the new ones but what has happened to them? What happened to the professor in village development you employed early this year? Where is the PhD Graduate who boldly told this house in February that he is a professional in the bottom up development?

The Government will soon recruit another 150 public servants specifically for this bottom up approach. This is enough to make one ministry or even two ministries, Mr Speaker. I have already told you where to get the Minister from.

Mr Speaker, just last month they recruited another bottom up approach professional from Papua New Guinea. Mr Speaker, when you produced that bottom up approach policy, when you promised us and our rural people that you will give us rural development using your bottom up approach policy, you made us all believe that you had everything sized up. This House gave you the money you asked for. Now we know that you have been talking too much because you did not even know what you were talking about.

As far as my constituency is concern, Mr Speaker, I know exactly what to do. I do not

need your professionals. To save you the trouble all you need is to give me development money and in 15 months I will bring rural development to my constituency – the sort that you have never seen in our living history. That is what I am here for.

Mr Speaker, the Government came up with another fancy thing just a few weeks ago called personal viability. It is now saying this is an important part of this bottom up approach and it is making plans to go around this whole country getting people to be viable.

Mr Speaker, the people in the rural areas whom we have promised are finding it difficult to cope with today's economic expectations and they were looking forward to this bottom up approach in the hope this will make them viable. Now you are saying no, but you have to be viable before this bottom up approach can work. The other way round, Mr Speaker.

Mr Speaker, I do not know but you sure have seen this. They marched with this personal viability thing on the street. They marched with this bottom up approach on the street. They took it to church and prayed over it and then they launched it. I went past the bridge and I saw this big notice and I turned back and saw the notice that says 'Come and see the viability and launching of the bottom up approach policy'. I said to myself this is a new thing - marching with it on the street. As they marched I could not help but ask myself what other forms of goodness are these people going to wear next in order to convince our people. They spend their time trying to make this secular government look righteous, giving them the right to stand up and condemn us, condemn others as evil. They condemn the Opposition as evil. We are doing our job and here they are standing up as righteous condemning us.

Mr Speaker, you can see in yesterday's paper the government sought 666 to Australia. I asked the government why it is producing 666 and they said it is because Australia is evil. I told them it is either Australia or you.

This new Attorney General too, he just came in but acted very righteously too. He is taking every one of us to court. The government too will be going to court because we participated in parliaments that were called illegally against the Standing Orders. He is

taking the Speaker to court too for acting against the Standing orders.

Mr Speaker, I advise the Attorney General to take the Prime Minister to court because last Parliament was called by the Prime Minister and therefore that is acting against the Standing Orders. You take him to court, Attorney General.

**Mr Speaker:** Honorable Member can you address the chair?

**Mr Gukuna:** Sorry, Mr Speaker, I will address you.

Mr Speaker, there is no trick to this, for having this bottom up approach will not work and just telling people about it will not get it to work either. This idea comes down largely to money. This is why we gave you the money in the 2007 Appropriation Bill 2007. We gave you the money because we want to, and we encouraged you to go ahead with the bottom up approach. Get development to the rural areas. But as you know well, Mr Speaker, money alone will not make this bottom up approach work. You must have the heart to help our rural people.

Mr Speaker, one reason why this government's bottom up approach is dragging is because many of the MPs who are talking too much about this bottom-up approach in the government did not even help their people. They have been here for eight years, 12 years and 16 years talking about development. You go to the constituency Mr Speaker, after Parliament, you go and see some of the constituencies. There is nothing in them. They have been staying here in Honiara doing nothing yet they have the guts to come here and talk about rural development paying lip service to their people and the country.

Mr Speaker, the rural people in my constituency are desperate for rural development. There has been nothing there over the last 30 years. I started two months ago and I put something there. These people are not only entitled to rural development, but you promised to give development through your bottom approach, Mr Speaker.

My people are part of hundreds of thousands of Solomon Islanders and rural people

who are still waiting for you to deliver on your bottom up policies. We gave you the money, you did not use it, and so they are still waiting on you.

Mr Speaker, I came to this House because I believe I have the heart to help my people. I have the ability, no doubt about that, and I have the will to help lift the living standard of my people. But as you know, Mr Speaker, this also needs money and this is why I am concerned that money approved in the 2007 Budget specifically for rural development has been under used.

Mr Speaker, setting aside what I have said I will help support this appropriation hence this supplementary appropriation bill 2007 knowing that by making more funds available to the Government through this Bill, I will also help increase our chances of taking basic development to our rural people who send us to this Honorable House.

With that I support the Bill and I resume my seat. Thank you.

**Hon SOGAVARE:** Mr Speaker, thank you very much for giving me this opportunity. This is the 2007 Supplementary Appropriation Bill 2007. As the title of Bill says it is just to supplement the heads that run short.

The last contributor, the Member for Rennell Bellona mentioned the word 'bottom up approach' almost 50 times. He said it is a magic word and half of the time he only mentioned that word.

This Government is proud of that policy, Mr Speaker. We are not ashamed to mention that this is the first time in the history of this country that the government takes a very bold decision to redirect the direction in which we have taken development in this country. We are not ashamed to announce this in our public speeches, in seminars and so forth.

**Hon Fono:** It is not a new thing.

**Hon Sogavare:** Of course, the Leader of the Opposition and the others are always saying that it is not a new thing. Of course, we too are saying that it is not a new thing. Governments after governments have been talking about this thing. The only difference is that we have

grabbed the bull by the horn and do it. That is the only difference. We do not just talk about it but we do it. There will be more improvements to it. This Government has only been in office for one and half year.

The last speaker was saying that our people are suffering in the rural areas. This government is only one and half year in office, and it is saying the right things, it is addressing the right things. People are already making all sorts of comments about it.

As I said this Supplementary Appropriation Bill is, as the name says it. It is only to supplement the heads that fall short of funds, and it is not affecting the bottom up approach allocations. The program is running very well. All of you have been allocated \$1million each, which is \$50million. When this government came in it equally distributed this money to every one of you. The first time, I think, it was only \$400,000, and the rest of it is discretionary. When this government came in it says no, this is money to help our people and so it equally distributed it to every constituency.

Every Member of Parliament received \$1million, so that is \$50million going to the rural areas to start off with. There is \$10million for cattle, and I can go on listing all the allocations to the productive sector targeting the provinces and rural areas. The Government has no problem with the allocations and the program is running very smoothly. We are only supplementing the heads that fall short. That is all what this Bill is talking about, and yet you are bringing up the bottom up approach and all sorts of concerns in here.

The last speaker talked about the independence celebration that was held in Auki. We are proud of that policy. The government belongs to the people, our people in this country. The Government has adopted the policy of moving around that prestigious celebration throughout the provinces.

The Province of the last speaker will have the privilege of hosting the Premiers' Conference, and this Government has put in a lot of resources into that conference. I thank the Minister of Provincial Government for taking that decision that out of all the provinces he chose to take it to the smallest province in the country. The government is pumping in almost

more than \$2million into that small economy plus \$1million to the MP. That is \$3million to that small economy and so he should really be congratulating the Government for recognizing our people in your province, and of course it is a constituency too.

The appointment of constituency development officers is in line with the bottom up approach policy of the government. We are developing it and slowly we should see a lean central government system. We are going into the federal system. The whole intention later on when this thing is fully established is to see a very lean, small central government system and the states being strengthened by deploying resources down there, because that is where our people live and that is where the government is supposed to be, and not here. Right now we have a very top-heavy government system. All of us live up here and we make decisions here leaving the village people to be indirect beneficiaries of decisions. The whole intention is to make them involved in the decision making process of the government and to actively decide on how their resource is to be developed as well.

I am pleased, Mr Speaker, that they have graduated after going through the PV Course, which the Member for Rennell/Bellona criticized very much. You attend the PV Course and you will see what this thing is all about. May be if we attend the course we would not have pointed fingers at each other but we become viable, we become assets of the economy and not liabilities. We will not be moving motions of no confidence against each other because we see the value in every body. Please attend that course. I challenge all of you to attend the course and you will see what we are trying to talk about.

In fact, Sir, with full confidence I think there is a missing link in everything we are doing in the country. If development plans are something that should work, they should have already worked. We have plans after plans for 28 years and 29 years now but they have not worked and therefore something must be wrong with these plans. There is something really seriously missing.

In fact these plans, Mr Speaker, are geared towards what aid donors will be doing for us. But do you know the problem with that,

Mr Speaker? The priority of the government and the priority of the development partners are not the same and so they are doing their own thing. We make these plans that do not work because there is no money for them.

Sir, if you look at the statistics on the success of those plans it is just less than 20 percent. Something is really missing here and we feel that the participation of our people, viable people is very important. We should make them consider themselves as assets of this country, and not liabilities. They should not just sit down asking for money but they do something for themselves.

Sir, this is very serious, and this is the policy of the government and we will enforce it. People who do not want to comply with these policies to employ constituency development officers in their constituencies, I will be feeling very uncomfortable to put money to that constituency. We might need to channel it through the provincial government system for it to implement the policies.

Let us cooperate with the government, Mr Speaker, because we can hold you up or hold your assistance or money channel through your constituencies.

Of course, the government has recruited a consultant as advisor to the government. We are proud of him, he is a person with a lot of experience in this area. There is nothing secret about this, we are open about it and we are proud to have engaged somebody who has brains, somebody who cares about the welfare of our people, somebody who cares about the full participation of our people and the participation of viable people in the rural economy.

Secular government versus religion, Mr Speaker. I find it very difficult to understand someone talking like that because this country claims to be a Christian country. Although we are not perfect, we are not righteous, and no one is righteous in this world. Read the Bible and see that there is not one who is perfect. All these finger pointing and statements like "Is it because you are righteous that you talk like that" is very irresponsible statements to make in this House. We do not claim to be righteous. We are sinners saved by Grace – that is what we are. At the end of the day that is what all of us are. We claim the forgiveness of God and His power.

That is why this side of the House never, never claims to be righteous.

What we are saying is that this country claims to be a Christian country. In fact more than 90 percent people of this country claim to be members of some Christian denominations. By the power of the Holy Spirit and those in Heaven, Mr Speaker, let us endeavor to live a kind of life that Christianity is teaching.

Mr Speaker, I find it very difficult to separate the involvement of the church and the government. All of us here are members of some Christian churches. I think it is very irresponsible of people to stand up in this House and say let us divorce church from the government. That is very, very irresponsible in the setting of Solomon Islands where everyone claims to be a Christian.

On the case taken to court by the AG, Mr Speaker, we are not showing off. All we want to show in here is that we comply with the laws and rules of Parliament. That is all and nothing else. That is what RAMSI is here to do - that is what it is advancing, and that is for us to respect the rule of law, respect the courts and respect the system. But when we put up cases like that to court people say they are trying to be smart, they want to undermine the system. No.

In fact Mr Speaker, we have won all cases since Day One, so far, and we have just won another one today by the Court of Appeal decision. This basically demonstrates that this government is serious about complying with the laws of this country.

Sir, I am just responding to the statement made by my in-law. I thank him for his contributions and I think it makes debates in Parliament lively. But I am pleased to hear that at the end of the day he supported the Supplementary Appropriation Bill, and I know that every one on that side will also support this Supplementary Appropriation Bill, and so I too support this Supplementary Appropriation Bill. With that, Mr Speaker, I take my seat.

**Hon WAIPORA:** Mr Speaker, thank you very much for giving me this opportunity to talk on this Supplementary Appropriation Bill 2007.

Sir, I just want to go straight to my head - the Ministry of Provincial Government and Rural Development, Head 284. I would like to

explain some figures that are provided there. Although we will come to the committee of supply to answer specific questions, I think it is good to talk about it now in the general debate.

The figures under Head 284 are for supplementation because of recent increase to the Provincial Assemblies Conditions of Service and Salaries - something that has never been done for the last eight years. The last increase to the salaries of Provincial Assembly Members of the nine provinces was done when I was a minister before. Now that I am here again it is waiting for me to come and further increase it and that is why I am increasing it this time.

The other item is terminal grants and the most important one is the Premiers' Conference that will be held at Rennell/Bellona Province from the 11<sup>th</sup> to 15<sup>th</sup> September. I want to thank the Government for providing \$1million for the conference. I must also thank the Government of the Republic of China for giving \$800,000 towards that conference. I think the UNDP will also give about \$70,000 to meet traveling expenses of people who would be traveling to Rennell and back. My ship will also be used.

*(hear, hear)*

I think Renbel has never been used to go there and so it is good that Haurosi will go there. Although the ship has provided very good service for the Member for Small Malaita, I think it is time for it to service Renbel Province during that month.

People have been criticizing us for spending money to hold the Premiers Conference in a distant place but I think we care about rural people. We have held the independence anniversary celebrations at Auki, the biggest province and we want to show to the people of this country that we are concerned as well about very few people and that is why we are going to hold this very important conference of leaders in this country in the smallest Province of Renbel.

I mentioned and may be you have read it in the Star or the Island Sun that I almost cried when I presented a vehicle to the Province because I see the Province as a lost paradise. As long as I am the Minister of the Provincial Government I will never see any Premiers'

Conference held in Honiara. It will be rotated in all the provinces, and I am starting with Renbel Province.

Here I would like to humbly ask the Member for Renbel Constituency to help me. He did not come and asked me to hold this conference in his constituency. I want him to come with me to visit the Province next week so that he can help me out. If he does not want to help us then he must be careful. I am asking the honorable Member to help us out.

That is all that I want to say about those allocations and I want to take this chance especially to thank the Government and the Republic of China for giving money to help us out. After that meeting we will decide where to hold the next Premiers' conference so that we spend money down in the rural areas. When money is spent there, we know that money is actually spent there and not here in Honiara. That is our plan.

Mr Speaker, when we come to the actual details of the budget I will answer some questions on our head. It is good I mention this in this House for the Premiers and others who will be coming to be aware. I will be inviting Members of Parliament to go down there. I will make available transport for you to go there. We want to make that event a very important and memorable time for this country.

Mr Speaker, that is all I would like to contribute to the general debate of the 2007 Supplementary Appropriation Bill 2007.

Thank you very much.

**Mr KENGAVA:** Mr Speaker, thank you for giving me this opportunity to also contribute to this Supplementary Appropriation Bill 2007.

First of all, Mr Speaker, this Bill is a necessary Bill that must come into this House. I see this Bill as a sign of progress by the government of the day. It shows it is working very hard and therefore requires some more money. Those of us in this chamber have an obligation to support this supplementary bill so that the government of the day can function and our people can be served.

Mr Speaker, although it is common to see supplementary bills in the Chamber, I think not all supplementary bills are the same. I have interest on this particular bill because if you look

at it very closely, it has two parts to it and so it is very special. The first part wants us to reconcile past spending by the government through contingencies warrants. It needs this Chamber to approve this Bill so that those spending can be catered for legally.

The second part is the interesting one as it asks for more support from this House because the government needs to carry out more programs or more activities. Therefore, I think a further \$57million as additional to the Budget is the one that is very important for us to support in order for the government to implement its programs. Some of the Ministries need additional funds to carry out their programs.

I want to comment on three particular Ministries. The first one is the Ministry of Foreign Affairs which needs further \$5million to pay up its bills and dues in the various organizations. This is very important, and it shows a sign of commitment by Solomon Islands to pay up its dues as a member of the various international organizations.

As part of the global family this country has the commitment to pay up its dues so that those organizations would in turn help us. It is good for this country to meet its obligations by paying up its membership fees to the various bodies that it is a member of.

The second Ministry I would like to comment on is the Ministry of Provincial Government. Concern for the people of Western and Choiseul affected by the tsunami cannot be further stressed. I must congratulate the Government for putting something in the budget now to cater for them. All we have heard and experienced are donations and assistances from various organizations inside and outside the country and also through Members of Parliament. This is the first time the government is budgeting some money to cater for these two provinces.

Mr Speaker, I think putting something in the budget by the National Government is much easier to keep track of and to be accountable for. I myself find it difficult to keep track of what has been going through the National Disaster Management Office on how much the office received and how much it spent on Choiseul and Western Provinces. This is something the Government must look into so that it brings a

report into this Chamber so that we know who has given us money and where the money has been spent.

Mr Speaker, with increased funding being given to the provinces, there is only one thing that needs to be done, and that is the Ministry or the Government making sure provincial accounts is audited. This is a long overdue issue for all the provinces. Now that we have up to date audit reports of the various ministries and departments, I think the provinces audited report must be presented to this Chamber so that politicians in the provinces are also accountable for the day to day running of the provinces. With more money given to them, it requires transparency and accountability to be placed in this Chamber.

The third one, Mr Speaker, is the Ministry of National Unity, Reconciliation and Peace requesting \$3,927,200, reflecting an item which I would very much like to commend the government for. I say this because part of this amount will look into the Bougainville Crisis spillover effects in Shortlands and Choiseul. The cries of my people for compensation, for the first time I now can see a green light appearing in this Chamber. This supplementary budget caters for that now and so I commend the government for this.

Sir, this has been a long overdue issue and so I must commend the government. After almost 20 years something is now going to be done for the people at the border. There is money catered for this so that the government will look seriously into the wishes of the people to be compensated and also for reconstruction of their livelihood.

Sir, this issue has taken us almost 20 years. Delegations after delegations came to see the government about this issue. I moved a motion in this Chamber on this issue. A protest march to the Governor General was done at Taro on this very issue, and now at last I can see something in this budget to that effect.

Mr Speaker, I urge the Government to quickly approach this issue, may be appoint a task force to start looking into this long overdue wishes of the people at the border. I on my part as the representative of the people of North West Choiseul will soon present to the government a report on this issue as a first step from the

people urging the government to start working straightaway as soon as this budget is passed.

Finally, the problem with us in debating the bottom up approach is because we see the bottom up approach as a package or a deal or may be a bill that we can see it written as a step by step approach to implementing it. To me, Mr Speaker, everything that we do as Members of Parliament, Members of Provincial Governments, whether we are on the government or on the Opposition, we should all contribute to the policy of the bottom up approach. It is not the government that will do the bottom up approach, in my opinion. I think it must start from us Members of Parliament. It must start from us.

We receive the RCDF, the Millennium Development Fund, and the ROC Micro Grant, all amounting to \$1million. We must start putting this money into our constituencies as the foundation of the bottom up approach. If you do not do that then you should not blame the government or you should not blame the Opposition. It must start from us as Members of Parliament. We must start showing example by using the appropriated funds properly in the rural areas as the foundation of the bottom up approach.

The Provinces too have an obligation. With a lot of money or increase money to the provinces, they too must also work hard in the rural areas as part of contributing to the bottom up approach. The government's policy, whatever government of the day only facilitates what we Members of Parliament, Members of Provinces and Provincial Governments are doing in the rural areas to implement the bottom up approach idea.

Apart from that, Mr Speaker, we also need certain regulations to back up this idea. There needs to be education, and I think the Personal Viability Course embarked upon by the Government is a means of educating our people to know what should be done.

I think attitude is one thing. We must change our attitude towards self reliance. They must do something themselves so that when they ask for assistance from the Government and with their Members of Parliament giving the RCDF they can become practical, viable or tangible or whatever you might call it.

I think there is nothing wrong with 'Personal Viability' and going around the country educating our people to prepare themselves.

Some of us were educated during the colonial era and so we are used to the kind of spoon-feed attitude, you might call it. We must change from that attitude. We must become industrious, self reliant, and this needs a lot of thinking and a lot of changes. We, Members of Parliament are responsible in educating our people to implement the bottom up approach idea.

Mr Speaker, finally apart from the need to change of attitude, I think the most important factor in order to bring about a success story to the bottom up approach is that there must be political stability in this country. It does not matter if a government has very good plans, has all the best intellectuals, has successful businessmen taking the chair on that side of the Chamber, if we continue to quarrel in this chamber nothing will happen.

I do not want to waste time quarreling in this chamber. I want to help my people disburse the funds. What we are going to approve in this supplementary budget must go down to people in the rural areas. Therefore, we must have sustained political stability in the country so that investors can come in, not only in Honiara but also right down to villages in the rural areas.

We must support the government's national transport plan because that needs to be done in order to move development right down to the villages. We should allow the constituency development officers to start work before we criticize them. Let us see what they can do for us.

These are changes the government of the day sees as important in order to bring development right down to the rural areas in order to implement supplementary budgets like this to people in the rural areas. Let us allow them to function. If they do not function you have the right as the Member of the constituency to remove that person.

There is also need to change certain laws in the country so that destabilization does not take place year after year during the life of a government or a parliament. These are issues we that needs to be put in place before the

bottom up approach can be practically implemented.

Before I sit down, Mr Speaker, I think all of us are misleading the people when we blame the government as not performing the bottom up approach or if some of us takeover the government then we are not performing. No. I think the bottom up approach, I want to stress again should start with us 50 Members of Parliament. We must show the example. By doing that, what the government or what Parliament passes can only facilitates development to take place in the rural areas.

Mr Speaker, this Supplementary Bill is very important especially for my people in Choiseul and those affected by the tsunami. It is also important because of the cries of my people to be compensated for the Bougainville spillover effects that this is the first time the government is putting that in this budget. If anyone opposes this budget it only means you want the people of Western and Choiseul to suffer. I want you to support this Budget.

With those few comments I support the Bill.

**Hon SIKUA:** Mr Speaker, thank you indeed for giving me this opportunity to make a brief contribution to this very important Bill. In so doing I would like to thank very much my colleague Minister for Finance, for the hard work that him and his staff have put in to enable this Bill brought to Parliament.

My brief contribution is just to allay any fears from our good teachers on funds to pay for the re-leveling exercise, the arrears and the various allowances they have been asking from the government and where these do come in this Bill.

The Ministry of Education, as you can see from the Bill, does not appear in the Bill. The \$7.6million to pay for the various allowances would come from contingencies warrants. As you are aware, Mr Speaker, there is \$25million in the recurrent budget as well as another \$25million in the development expenditure. That is where it is going to come from.

I would like to assure teachers, as we have agreed, that the Ministry is putting re-leveling as a priority. I am hopeful that the

payment of re-leveling for more than 3,000 teachers will be completed in next week's pay period on 16<sup>th</sup> August. I hope we will get rid of all the arrears of teachers to come on to the new unified pay structure at the end of August.

For other allowances such as the inducement allowance, boarding allowance, extra curricular allowance, long service benefit and traveling allowances, all these would be paid by the end of September.

Mr Speaker, long service benefit is also included in the budget. The long and dedicated services of some of our teachers, about 48 of them are ready to be paid. These are teachers who have either retired or resigned from the Service or have passed away.

Mr Speaker, I would like to clarify to this House as well as to our teachers that the misunderstanding that led to the strike was that when the draft came to the Public Accounts Committee, the Ministry of Education head did not appear and that made the Union feel I lied to them. I have already made it very clear to the Union in our meetings that payment will come under contingencies warrants.

Sir, I think it is important that I make this clarification so that there are no ideas as to how we are going to be able to meet the various allowances and the re-leveling and arrears of our good teachers.

Mr Speaker, I would like to touch on the issue of our bottom up approach, and join the Prime Minister in reiterating the fact that we are all aware the bottom up approach is not a new thing. We have all known that governments after independence have all mentioned and have all wanted to adopt the bottom up approach as a way to improve rural development and rural livelihood. As the Prime Minister has said, the difference with this government is that it is able to put money where its mouth is. That is the difference.

You should not isolate the fact that the million dollars going to constituency funds is part and partial of the bottom up approach we are talking about. It should not be isolated. It would be unfair to say that you have not felt the bottom up approach. You can say you have not spent this money where it should have been spent. That is part and partial of the bottom up approach we are talking about.

Mr Speaker, there has been talk of us as being very proud of this approach and the fact that we encourage it. I think *proud* is not the word. What we are saying is that this is the right way for us to proceed. This is the only way we can be in a position to reach our people right down in the rural areas.

You see, Mr Speaker, in the last 29 years now since we become independent, the development agenda of our donors is different from how we perceive development should happen. If you look back at the development approach undertaken by our donors, it comes with some assumptions. It comes with the assumption that perhaps Solomon Islanders are not that well educated.

Sometimes, I think, they think we are stupid and we are not able to do anything good for ourselves. They think we cannot be trusted to do anything good for ourselves and therefore they have to be here to help us, they have to be here to tell us that they only know what is good for us. I think that is what aid donors are coming with.

Sir, it is this government that is taking a stand against this by saying we are equally smart as anybody else and we are equally as bright and able to manage our own affairs. Let us look at that in the light of what we are saying about our bottom up approach and being in a position to trust our people. We have to learn to trust each other.

In moving forward with this bottom up approach we can trust our people to do the right thing because all the resources are down there with the people. They own the resources and if we give them the money needed to develop these resources, I think that is where rural development can prosper.

Mr Speaker, with these few comments, I would like to thank you again for the opportunity and I support the Bill.

**Mr TOZAKA:** Mr Speaker, thank you for allowing me the floor and the opportunity to contribute briefly to the debate of the 2007 Supplementary Appropriation Bill moved by the Minister for Finance and Treasury and MP for Gizo/Kolombangara, who unfortunately is not in his chair as I am talking right now.

This Bill is merely a formality in nature to legitimate ongoing and anticipated spending by various government ministries, departments on respective items as it was found their original provisions have been inadequate in the national budget.

Sir, the basic role of the Ministry of Finance and Treasury is basically, in a nutshell, to look for funds and manage funds on behalf of the people of Solomon Islands. In this context, Mr Speaker, the Minister of Finance, yesterday, doing his managerial statutory responsibility and role came with this Supplementary Appropriation Bill seeking extra funds on top and above his authority in allowing government machineries to continue function. For this, Mr Speaker, I join other honorable speakers and Ministers who have already spoken in thanking the Honorable Minister for presenting this Supplementary Bill

Mr Speaker, this does not mean allowing the Minister to go out without subjecting this Bill to our microscope according to our respective roles and responsibilities as Members of Parliament in our own constituencies to ask questions on where those money have gone to, what has been done to the money we have approved, as already pointed out by my colleague from Bellona and Rennell, and what has been delivered in the form of services and development to our people in the rural areas.

This Supplementary Appropriation Bill does not give you the full authority. Just look at the list of ministries in this Supplementary Appropriation. It is a very long list of ministries and therefore poses a question in my mind as to why we are asking for more money.

Two things come to my mind, Mr Speaker. One is that ministries have been running the ministries without enough funds. What they have asked the Government and Parliament for in this Budget here was not enough. They tried their best to impress upon the Government that money is not enough to implement the policies they have been asked to implement on behalf of the people and our country, especially in the rural areas. They are saying they need more money and they do not need it on piecemeal basis or bit by bit. It does not work that way. They want it wholesome. Give them the lot. That is why I think, and I

might be wrong, they came up with this situation of needing some more money.

If ministries do not have money it means they are not functioning and are not delivering services. They are not tuning but sitting back wondering what they are going to do. That is one point.

The other point I see in this Supplementary is what the ministries are supposed to be doing. The functions of a ministry have been lumped or have been taken over perhaps by another ministry in the government making that particular ministry a monster in the government system and not functioning.

Mr Speaker, our government system is a collective system and also has connection with a system that goes right down to our family and tribal system. We are man of the people, we are man of togetherness and we seek and consult each other on how we do things. That is basically how this machinery is operating.

When I look at this bill I am saddened by the fact that ministries keep coming back asking for further funds basically because they have to. Therefore, we either are going to say yes to this supplementary, and I am going to put my hands to it right now because I support it or perhaps funds have already been spent, already gone and so they are going to go back to their inadequate positions again, and so the story goes on. That is my first point.

I am aware, Mr Speaker, that the Minister has answers to the questions I am going to raise, but I do not want the Minister's verbal assurance on the performance of the government. No. I am asking here for actual performance, and actual performance reports, if I can add that word. I want annual reports from ministries and departments indicating where they are spending money, where they are going to spend the money and the tangible achievements of our government since it took office in 2006. I want to see reports on those aspects.

The two very important tools that can measure the performance of a government are plan and report. A development plan is very important. If we do not have a development plan we have no direction. If we do not have

reports in here then we do not know what we are talking about.

I know that our culture is based on verbal communication where we only talk and that is enough. But no, we are dealing with another machine here that depends on these things. We are not islands any more, but we are part and parcel of the world that deals with these kinds of things and also operates on this kind of system.

When I am talking about reports in here, Mr Speaker, I am making reference in particular to two operations. Whilst I appreciate the work of the Ministry responsible for the National Disaster Council, and appreciate very much the help it has done, I have not seen the report of the two operations - the emergency operation and the current rehabilitation operation under the National Disaster Council Plan. I have not seen these yet.

The two provinces that were badly hit by the tsunami and the earthquake, we have heard their voices in the media, are calling where is the money that was collected in the name of tsunami for these provinces? I think this is a very important question. They need this report. They need to see it, and I am calling on the responsible Ministry to take note of this.

Having said this, Mr Speaker, the economic performance of the government must not only be measured in terms of economic indexes. For example, Mr Speaker, the honourable Minister said that our economy is picking up and is growing at 6 percent indicating a very positive reflection of government performances.

I am happy with that, but that is not quite true because since the ethnic tension our economy was in tatters. It went down, and then we worked together to bring the economy, not only ourselves here in this country but other countries as well. We brought it back and we tried to stabilize it, and so the word here perhaps is 'recovery' and 'stabilization'.

Sir, I am going back to the point here that it is not only the economy that should be measured but people in the streets, the common people measure economic development in terms of what is affecting their daily lives. That is how they measure it. The social side that touches their heart, and that is the ever rising

cost of living. The cost of our living has risen. Transport, school fees for children are things that if we talk about in this honorable house would tick and say yes I know that is happening. But in this case that is not so.

Mr Speaker, when they hear this statement from us in this honorable House, and when I say us, it is us making the statement that the economy is growing but what does this mean to our school dropouts roaming the streets of Honiara and other provincial centres looking for job or employment. What are they going to say about this? They cannot see it as they are still jobless looking for work. This has no meaning to them.

Mr Speaker, our economy remains highly vulnerable to political development and associated activities - fiscal weakness, problems, and general lack of confidence. Logging is the only thing I see that remains as active and generating foreign exchange for us in our tax revenue but through a very high cost to the environment.

Mr Speaker, talking about vulnerability and management of funds, I am referring here to more than half a million dollars that disappeared from the eyes of the Ministry of Finance and Treasury and the bank as being stolen. This is public funds. This is the people's money. They want to know what has happened to this money - \$500,000. If you divide \$500,000 to buy a Lucas sawmill to cut logs to rebuild houses destroyed by the tsunami, it would be five Lucas sawmills. This is what people in the rural areas are talking about, and this is what I am talking about as our vulnerability.

Sir, are we looking after the money properly? Is it safe? These are basic questions but this is what the people are interested in and are concerned about. If this \$500,000 can be lost then may be something else is happening that we do not know. I am posing this as it is the job of this side of the House to say it in here. If we are not saying this thing then we are not responsible here and so you have to take note of what we are saying.

Mr Speaker, this Supplementary Appropriation Bill is full of items. It is full of luxurious, consumable goods and services just to maintain the status quo and maintain government machineries particularly at the

headquarters and in particular in the city on things like vehicles, house rentals, salaries, new posts etc, etc.

Mr Speaker, I was in my constituency recently and I am very concerned about the lack of action by the government to address the rehabilitation of the tsunami and earthquake victims who are still living in tents. I know you have heard this but I am going to repeat it again as my constituency still lacks basic services and things lost in the disaster such as transport and communication, clinics and schools are yet to be addressed by respective ministries and departments for five months now despite of numerous promises and boastings in the media.

The only thing our people see is the shaking of hands in the media in the name of tsunami and earthquake, in the name of places that were victims of the disaster but nothing is happening to them.

Our people are not stupid. They are well aware of what is going on in the government. They are well informed of what is going on in the government. They are following us and they are waiting, as somebody has already alluded to here in the House. They are waiting for the government to come.

Sir, had it not been for the goodwill help and concern of volunteers, especially the churches - churches here and also overseas, also the Non Government Organizations both local and overseas and other funding agencies, I think it would have been very difficult for us to address the disaster situation at home.

Sir, in talking about spending here, I am also very concern about what was pointed out here on the action of the government in spending more money on the purchase of vehicles. Does the government not have enough vehicles and that is why it goes on purchasing more vehicles?

Somebody was referring to the colonial days when we used to serve the government just by walking on the road and using bicycles but no cars. That is what we used to serve the government with before honestly, dedicated and committed with a very small salary. That is what it is all about.

But now or today, even to go from one ministry to the post office just to collect a mail you go by four wheel drive vehicles just to collect a mail. You travel in big vehicles. I

think this is the thing somebody was referring to that there is need for a change of mentality, change of behavior, change of attitude, and we must do it. And who is to do it? It must start with us leaders taking this initiative.

**Hon Lilo:** Are you going to paddle back home? Can you paddle back home?

**Mr Tozaka:** Mr Speaker, this brings me to the point of the government's policy in trying to involve the rural areas in what it calls the bottom up approach. I appreciate that it is not something we are going to talk more about basically because it is already happening. The only problem is that the mechanism between the rural areas and us is not in existence. There is no mechanism in between. The provincial government is there but it is that connection that is missing.

I have already spoken in this House about my concern on the 150 personnel the government is going to employ. My question about this new establishment is in relation to the connection or linkage between the village and the provincial government system. I am glad the Minister of Provincial Government is here to take note of what I am going to say. But I fail to see the connection.

I want to remind you that authority at the provincial level is the provincial assembly. That is the full authority. We have given that authority to them and they are the authority at that level of governance. This particular establishment, to me, reminds me of the area council that was already abolished by the system. This system was already tested but it did not work and so it was abolished.

Because I was very concerned about this, I went and visited the Provincial Government at Gizo just to ask how this particular establishment is going to connect with the province to implement the bottom up approach. And I am very surprised that without hesitation to my question, the Premier and the Administration said that they too do not know how this is going to connect with them. They are waiting for instructions. Sir, this is also my question, which I am still puzzled about on how this particular thing is going to connect.

The other question I have, Mr Speaker, is that the driving ministry because it has to do with the provincial government system is the Ministry of Provincial Government. But there is a new name I can see here called Regional Development, which is another good name but I see that particular ministry as responsible for that particular function. But when I follow it up I find that it is in the Office of the Prime Minister. How do you reconcile this in your function?

Everybody in the rural area knows that anything to do with provinces must be under the Ministry of Provincial Government, but this particular one is not there. The Minister used to be very, very protective about his Ministry's function, and so I am a bit mystified as to why he is silent about this. Perhaps his interest has changed from provincial government to shipping.

Mr Speaker, I would like the Ministry responsible to take note of these points, and I would like to hear his comment. The last thing I want to hear are his last words to the trainees when bidding farewell to the 150 personnel. Do you know what he said? He said, "Now I let you go to the provinces. I wish you good luck. I will see you in six months that if you perform you remain but if you are not you are out". That was the instruction, Mr Speaker.

How dare he say those words, Mr Speaker? The Minister of Public Service responsible for them is sitting down right next to the Minister. The General Order is there, Mr Speaker. You should not do that.

The moment one signs as a public servant, he/she comes under the procedures and systems of the government, and the man who gives the order is the Minister of Public Service. None other than the Minister is the boss and he runs the government under the Public Service Commission Regulations. So I am saddened by that instruction to the 150 personnel. I will try my best to work with them and to put them into perspective.

Mr Speaker, when I think about this new establishment these questions come to mind which I want to share. Is this a secret move by the Government in trying to address the problem it finds with the system it alleges or claims as an obstacle to development? We are trying to

change the system or we are trying to attack it or we are trying to do it in another way so that we change it. Is this is how we are trying to do it? We are really silent and we go ahead with it very easily.

Is this another secret move, Mr Speaker, for us to reestablish the area council which has been abandoned many years ago? If it is not any of these questions, then what is it? Or is it for us to prepare for the next election.

Whatever it is, I hope it is not going to be another layer of government at the village level which will become an additional liability. The Prime Minister echoed the word 'liability'. It is not going to be an additional liability at the expense of the people in the rural areas. I do not want to see that happen.

Mr Speaker, I am not used to boasting here and even make self praise but I would like to tell my honorable colleague, the Minister of Finance that my people in North Vella, in fact my tribe, have given to the government in terms of revenue just last week more than half a million dollars. That is my tribe's contribution to the government.

My question to you, and I am smiling to you, how much of that money is going to be ploughed back to my people. How much of that money, half a million dollars coming in as revenue to the government from the resources of people is going to go back to them in terms of development? Put it another way. This is government tax going into the government purse which I appreciate, but I question the government in terms of its bottom up approach, in terms of its home grown policy.

I go along with my colleague, the Member for North West Choiseul who said that the bottom up approach must start from Members, from us. I would go a little bit further and say that it must start from the people. It must start from the people and then go up.

These people would like to engage using these resources. It makes very big sense if we return this money to the people for them to use to develop themselves, to meet their needs in terms of transport, communication, housing, reforestation, and the list goes on and then you are free. My RCDF is free too. I don't have to attend to them. I can even help others who do not have the same opportunity like the others

with the money I reserve. That is why I am saying I am not boasting here but I am making a suggestion. Can the Minister look into this suggestion, and not only to look at it but to actually make some hard decisions? This is a hard decision that we ought to make.

When you make this for people in the rural areas, the resource owners will feel they own something and they will start to do something by seeing their own development, by seeing their own money going back to their own resources and they will develop.

**Hon Waipora:** Point of order, Mr Speaker. I would like to clarify a point raised by my honorable colleague for North Vella La Vella about the CDOs that have been recruited and the link with the Provincial Government and the state government.

Since we are talking about the bottom up approach and constituency funds that Members are getting have also increased, we must understand that we are not administrators but we are law makers. Therefore, I think it is only better and advisable for the government to recruit these officers so that they are busy administering the RCDF. That is the reason for having the CDOs. We must make use of them.

When we say it has to start from the MPs that is the reason why the CDOs are recruited. Grants to Provincial Governments too have also increased. Although this is not an established mechanism the CDOs are to help politicians as administrators. Otherwise politicians are busy disbursing money in the constituencies and not doing their work as legislators in this House. Thank you.

**Mr Tozaka:** Thank you Honorable Speaker and I also thank the Minister for his intervention.

Sir, my final point before I sit down is that I recognize and appreciate the work of the Minister in restoring credibility, confidence and trust in the national economy. I respect that. It is not an easy task especially in our current situation and the globalization process. I do not envy his job. You have done extremely well in trying to inform this Honorable House of developments in his Ministry and how he is running the Ministry.

Finally, in talking about credibility and respect for other communities, we are living together side by side in our economy, and not only ourselves but others as well. I urge the Minister of Finance and Treasury if he has not yet secured funds for the rebuilding of the famous China Town. This will be a token of our expression, of our reconciliation, our sorrow, our peace to this Community that we are living in and helping us in rebuilding this country and rebuilding our economy. I think that is one thing I would like to put across to him for his attention.

Mr Speaker, with these few remarks I support the Bill.

### *Sitting suspended for lunch break*

The House resumes at 2 pm

### **POINT OF ORDER**

**Hon Lilo:** Mr Speaker, point of order. The point of order I would like to raise is that I understand that the Speaker yesterday, when reciting the motion that I proposed in moving the second reading of this Bill, may have made an error in not actually putting the motion that the Bill is to be proposed in the second reading.

Mr Speaker, my position is that anything that is being proposed would therefore be debated. Anything cannot be debated without it being proposed. Therefore, the way it is worded in Standing Order 67, I take it that the Bill is therefore being proposed in its second reading and should now stand to be committed to the committee of supply and should not be debated because it is not an appropriation bill but a supplementary appropriation bill. Any appropriation bill that comes into this House, all we are doing is voting figures to the heads and sub-heads. The heads and subheads have already been voted for by Parliament in February under the Appropriation Act, and therefore this Bill should be committed to the committee of supply.

But, Mr Speaker, perhaps Parliament seeks the explanation of the learned Attorney General on this matter.

**Mr Speaker:** Thank you honorable Minister for Finance. We will allow the Member of Parliament for Small Malaita as it would seem to appear nobody opposes the Appropriation Bill and therefore I will allow the Minister of Finance to wind up. We cannot use that particular Standing Order for the committee of supply after you wind up.

**Mr HAOMAE:** Mr Speaker, I shall speak in support of the bill, and so the Minister of Finance has nothing to fear on what I am going to say.

Mr Speaker, in a parliamentary democracy the role of Parliament is to scrutinize the decisions of the executive government. I will be failing my duty as a Member of Parliament and the hereditary high chief of my constituency if I do not perform my duty of scrutinizing government decisions, executive decisions and bills. Hence, Mr Speaker, if my contribution appears to be in some way critical to the content of the Bill then that is not my intention. My intention is to make improvements.

At the outset, I would like to make that particular explanation in view of what the Honorable Prime Minister said this morning. It will be irresponsible of me, Mr Speaker, if I do not perform my duty as a Member of Parliament for purposes of scrutinization of government executive decisions and bills especially money bills.

Mr Speaker, I have written to my hardworking Minister for Infrastructure Development pertaining to the wharf at Afio Substation. He replied my letter saying that the allocation for the maintenance and rehabilitation of wharves was withdrawn from the Appropriation Bill, Mr Speaker.

As the Prime Minister reminded us, this is the 2007 Supplementary Appropriation Bill 2007. Also in the supplementary you will see certain items that appear that do not have original estimates. I refer to the Ministry of Commerce on conferences and seminars where there is zero in the original estimates, \$2,000 in the supplementary estimates and \$200,000 in the revised estimates. On the next page on the Ministry of Women, Youth and Children's Affairs, which is a new ministry, there is a new

item there, and also the Office of the Prime Minister under good governance and so on and on. That provides the basis of my earlier statement in terms of the provision for maintenance of wharves. I would have thought that this item should also appear in the supplementary under the Ministry of my good friend, the Honorable Colleague Member for East Kwaio, the Minister for Infrastructure Development instead of the provision for more vehicles.

I am aware of the need for logistics in terms of vehicle but in terms of priority I would have thought that the rehabilitation of wharves, not only at Afio in Small Malaita but throughout the four corners of the country where wharves are economic ones, and I can vouch that Afio wharf is an economic wharf, should be provided for as a new item in the supplementary.

As I have already said at the outset, Mr Speaker, there are also new items I can quote in the supplementary. Therefore, all they need is a supplementary supplementing the items that have already been used there as also new items.

What I am saying to the government, especially to my good friend, the Minister for Infrastructure Development is that there should have been an item for wharf rehabilitation in this supplementary replacing vehicle. It is my view that the provision for vehicles under the Ministry of Police and National Security has my support. But the other one under the Ministry of Infrastructure has my reservations. It should have been substituted for purposes of rehabilitation of wharves. Although the supplementary appropriation bill 2007 is a supplementation but it also has new items.

Still on the Ministry of Infrastructure, Mr Speaker, I would have thought that the National Transport Fund should receive more supplementation instead of \$7million that is reflected in this supplementary. That is peanuts, it is very small. I am really ashamed when I see that number.

On National Transport Fund, Mr Speaker, I believe if the Government implements the transport project throughout the country spread over five years, it will be \$1billion. Why is the provision in this supplementary small? Does this mean the government is not trying to find money for it? I

think this amount is very small. I am speaking in terms of the development budget. I think if the development aspect of it is big then it is all right with me.

For purposes of implementing the national transport and telecommunication network for purposes of unifying the country or to further cement it and hence acts like a catalyst to stimulate economic growth throughout the four corners of the country, in my view, will need \$1billion.

I want to ask the Minister for Infrastructure Development and the Minister for Finance to work extra hard for purposes of finding more funding for the national transport fund in order to finance infrastructures in terms of air transport, land transport, sea transport and telecommunication network throughout the country.

Mr Speaker, in terms of the Ministry of Police and National Security, and if I may also cover the justice portfolio, there are also new expenditures. One is for the newly recruited Commissioner of Police and another one for the Legal Draftsman which do not have original estimates. There are about five in the Ministry of Justice and Legal Affairs.

I want us to give more money to the Ministry of Police and National Security and Justice and Legal Services. I support my colleague Minister for Police and National Security and Justice and Legal Affairs in that direction. That is an important area we must build.

In terms of the expenditure for repair of buildings, I want the Minister to take note and repair the Police quarters and office at Maka'a. Maka'a is not in Small Malaita constituency but it is in the constituency of my colleague Member for West Are Are and Minister for Agriculture and Livestock Development. However, since he is a minister and we are both from the southern region I have to make this point. I would like my good colleague, the Minister for Police and National Security to take note of this.

In terms of the Legal Draftsman, Mr Speaker, if we are to appoint a new one, I want us to appoint a good one and also that it be advertised and not handpicked. Certain officers within the high echelons of the government were handpicked. The technical nature of the work

and the man or woman to be recruited must go through the normal process of the Public Service.

The post must be advertised locally and overseas. Locally so that it gives opportunity to our legal people here to apply and also overseas if we do not have that technical expertise within our country then it must be advertised overseas but it must follow the procedures of the Public Service and the Public Service Commission so that we do not argue over the recruitment.

Whilst I am still the shadow spokesman for Police and National Security and Justice and Legal Affairs, if there are any discrepancies that arise it is my responsibility as a Member of Parliament to raise them either on this floor of parliament or the media.

That is on that point and I would like my colleague, the Minister for Police and National Security and Justice and Legal Affairs who is responsible for overall policy matters in the Ministry and also my friend the Prime Minister to take note.

Mr Speaker, on the Ministry of Foreign Affairs, I can see there are too many overseas trips. This is making us look like a government for overseas trips. Any overseas trips taken by Ministers or public officers must be assessed for their cost effectiveness. If a trip is just for someone going as a tourist then it is better not to go. If a trip can only be taken by a permanent secretary or a director of a department or a division then the Minister should not go. That is what makes this supplementation to further increase.

Whilst the problem between the government and teachers continued because there is no money to pay them, going overseas continued and purchasing of vehicles continued. For purposes of improvement, as I said at the outset, if my comments appear to have an implication of criticism, that is not my intention. My intention is to make improvements.

I want to point out to my friend, the Prime Minister to put an important stop on overseas trips because if the overseas trips are not cost effective or do not benefit our country, then do not go as it would only be a waste of time.

Since I was a Member of Parliament in the Opposition, I have not gone overseas yet. I

am not asking that I go, Mr Speaker, but I am pointing out that overseas trips for purposes of attendance by Ministers or Permanent Secretaries or officials must be cost effective. We only send the right people. If it is the time of Permanent Secretary and officials then the Minister just hijack the chance by going.

I want to question the budget assessment in the Ministry of Foreign Affairs in terms of membership fees to international organizations. We should know already how much is needed in membership fees of each international organizations which Solomon Islands is a member.

Why did the Minister not sort this out in the Appropriation Act so that it has to come for supplementation? Are these new organizations? I do not think these are new international organizations. I think he has made it half way or quarterly or just sideways.

I think the Ministry of Foreign Affairs under my good friend, the Minister should make improvement on this. I do want to see any supplementation in terms of membership fees to international organizations because that was already sent last year but we were not ready. You should impress on the Minister of Finance not to reserve those items to be brought up again in supplementary appropriation.

Mr Speaker, I want to say something on the Ministry of Provincial Government, which is now Regional Development. Last time it was the Ministry of Provincial Government and Constituency Development, in the Appropriation Act it was the Ministry of Provincial Government and Rural Development and now it is the Ministry of Provincial Government and Regional Development. This is the same thing, just like Abarai's pig that always changed color but it is still the same Ministry and the same thing.

I would like to impress on the Minister of Provincial Government not to come up with too many labels. I am not sure of the objective of those labels whether it is for advertisement or substance. But I would like to thank the Minister for allowing his ship, as he mentioned today, the constituency ship of West Makira constituency for making some trips to Small Malaita. Although we have one ship we always share and so we allow the ships of our

colleagues to visit and to provide service to people of my constituency. I would like to thank the Minister for that consideration.

I do not have any problem as well with Provincial Premiers holding their summit in the provinces because that is their work. It is a provincial matter and so if they hold their meetings at Renbel Province, I do not have any quarrel with that. In fact they are going to hold it in one of the resorts.

If I may say so, this resort was built when I was Minister for Tourism. I want to say to the people of Rennell/Bellona that even though this summit is not going to be held at the provincial headquarters it is all right. When Ministers go overseas they never hold meetings in headquarters, but they hold meetings in conference centres, in hotels and so on.

This leads me to what everyone has been saying today, and that is the bottom up approach. I and my Chiefs of Small Malaita support the approach or the strategy of the bottom up approach. What we are concerned about is the structure that will be followed.

My colleague, the MP for North Vella raised earlier on today whether it will go through the provincial government or where because as it appears, Mr Speaker, it is directly from the Prime Minister's Office to the rural areas.

In terms of Small Malaita, Mr Speaker, we are already prepared. Our office has been opened in Afio Station and we are fully equipped. It is the CDO that we do not want to be here in the Prime Minister's Office. We want him to go and man that office so that he works directly and very close with the people. But where is the structure? That is our concern. Which structure are we going to use?

My people of Small Malaita and the chiefs are very orderly people and they want to do things in orderly ways but if there is no structure we will be going haywire.

Mr Speaker, in my interpretation, the provincial government is an agent of the national government. If we want to channel it through it is a top down approach every time and so how are we going to create the structure. Are we going to wait for another day for the adjustments, the constitutional adjustments before we can come to that particular structure?

In a way, Mr Speaker, although the policy and the strategy looks fine, it would seem to me the emphasis here is putting the cart before the horse at the moment, especially when the provincial government is still there. That point has been eloquently raised by my colleague, the Member for North Vella and I repeat it because it is important.

Where is the structure that will be followed? Will it follow the Ministry of Provincial Government through the Provinces? Is it because the Government does not have confidence in the Minister for Provincial Government and that is why it is taken to the Prime Minister's Office where it is left high and dry.

I do not mean the present Minister, Mr Speaker, but the Ministry of Provincial Government in the structure because we are talking about a structure. Government funding must follow a structure, if not we will be short cut, up cut, side cut and low cut and all sorts of cut on it. It must follow a structure and I want my chiefs and people of Small Malaita to be backed by legislation and not doing things haywire. It must be properly done and backed by legislation. That is what I would like to impress on the government.

Mr Speaker, on the state of the economy, I still maintain that we are in a recovery stage. The Minister of Finance said the yardstick by which we can measure economic growth is the GDP. That is only statistics and not only that but it only reflects one sector and that is the forestry sector in terms of logging which is responsible for 60% of government revenue. If you go to another sector there is nothing. So it is not a representative yardstick that measures right down to the rural areas on what is affecting our people.

Mr Speaker, I submit to you that statistics do not have any feelings. They are only figures. People have feelings. The statistics are like that but right down there our people are suffering from the depreciation of the Solomon Dollar, inflation and all those and other things as not going on well.

I think we are still at the recovery stage, and this recovery stage is due to the present law and order situation in the country due to the presence of RAMSI which is providing the

environment for the economy to start recovering. If you remove that we will be hitting the bottom line. I want to say this directly to the government.

When the Minister of Finance answered my question last time he just tossed it aside. I can understand where he is coming from but we must give credit where credit is due. I think we are still at the recovery stage. When we reach the stage where we are fully recovered then we can start to talk about growth.

I want to ask the Minister of Finance not to twist our heads in all directions. He must use the right terminology for the right things. Do not cover it up too much otherwise those of us who do not understand will think that is it when in fact it is not. That is on that point.

I would like to support the Minister of Finance for the \$5 million for the rural credit and banking expansion project. Although funding for this comes from the European Union nonetheless that is our country's money. In doing so, if the Minister is not careful it will create development shadows.

I would like to propose to the Minister to look at mobile banking or shipping so that he can go and visit all the isolated islands and areas too. Otherwise that money will only be for others and the rest are not thereby creating a development shadow that we never had before in this country.

Whilst the Government is doing this, and which the Minister of Finance is talking so much about, I want him, if need be to make proposals with the view to making improvements. I am not criticizing the Minister of Finance or the government. I am making suggestions with the view of making improvements.

Mr Speaker, in terms of the Ministry of Commerce, Industries and Employment there is absence of investment. There is no substitute to foreign investment in our country today. Whether the climate is conducive for those kinds of investment, it is the investors that must be co-opted and encouraged for purposes of investing in Solomon Islands as there is a lot of competition.

If we criticize Australia very much or we adopted what is called the draconian foreign policy investors will go and look for greener

grass somewhere else either in Fiji, Vanuatu or Papua New Guinea or other South Pacific countries.

I want to impress on the Government for purposes of conducting our foreign policies attached to the Ministry of Foreign Affairs, Commerce and Investment, you must make sure to look after our country otherwise investors will go and look for greener grass somewhere and we will only have those fly-by past.

Mr Speaker, thank you for giving me this opportunity to contribute to this Bill. I thank the Minister of Finance for yielding the floor to the Member of Parliament for Small Malaita to talk on this supplementary appropriation bill. I thank you and I resume my seat.

**Mr Speaker:** Since there are no further speakers, I now call on the Minister for Finance and Treasury to wind up the debate.

**Hon Lilo:** Thank you, Mr Speaker, for recognizing the fact that we may have gone wrong in terms of the requirements of Standing Order 67 in allowing debate on this Bill.

But let me say that it is good listening to the many contributions that had been made and I would like to thank both sides of the House and those who have spoken on this bill.

**Mr Speaker:** I think what I said is that I cannot change the decision by the substantive Speaker, and therefore I only give chance to the Minister to wind up after the debate so you can continue.

**Hon Lilo:** Mr Speaker, I recognize that I am just making that point in relation to the requirements of Standing Order 67.

Mr Speaker, this Bill is very simple. It basically seeks the authority of Parliament to approve firstly expenditures that have been authorized under the contingencies warrant as required under section 103 of the Constitution. In relation to the total amount that is required under the contingencies warrant, Mr Speaker, the Bill is seeking \$25.3 million of the total amount that has been approved under the contingencies warrant to be authorized by Parliament.

The other part of the Bill, Mr Speaker, relates to additional expenditure pressures the government is confronted with, and this is in relation to provisions provided for under section 104 of the constitution, and in terms of this particular bill it amounts to a total of \$57.5 million. That has given rise to \$82.5 or so million.

Mr Speaker, one thing you will note in this Bill and I have emphasized this when moving this Bill is the capacity of the government to meet additional expenditure is very much on a sound base. This shows the economy is growing. I

There are a lot of people in here who questioned the concept of growth versus recovery. Mr Speaker, there are ways for us to understand this, and one way to look at it is basically to look at historical figures on how the economy has grown. If your argument is that the economy is merely recovering and not growing then just look at the growth rate before this country erupted into the ethnic tension.

Can I ask the honorable Member for North Vella and Small Malaita to do some research on this to find out that in fact the growth rate during those times did not even reach 4 percent, Mr Speaker? The growth rate of the economy at that time was actually around the rate of 3.4 percent, and it was during those times that many economic advisors and organizations like the International Monetary Fund were already warning the country that our growth is not looking good because at the growth rate of 3 percent taking into account a population growth rate of 3 percent you will basically end up with no growth. It is like that. It was even at that time we had been signaled the country or the economy was not growing.

But today using the same tools that have been used prior to the ethnic tension, you will find that the economy is growing. We are now growing at the rate of 6.1 percent, and thanks to that growth which has enabled us to build up that financial capacity - the financial capacity for us to meet additional expenditure requirements to meet the social and economical needs of our people. And this is not simply because RAMSI is here, Mr Speaker. It is not only that.

We can have RAMSI here but if we do not have those essential economic reforms we

should be having we would not be able to earn the kind of income the government is supposed to be earning too. Only you, Mr Speaker, when you were the Prime Minister and also the MP for Vona Vona can tell that. Because at the time when we enjoyed the privilege of having law and order in the presence of RAMSI but yet we still continue to grant things like exemptions and we were not able to collect good revenues, no enforcement of tax laws and so forth, we would not be able to earn the kind of financial standing that we are supposed to be earning. That is basically what we are saying. What we are saying is to make use of the capacity building that is with us and to continue enforcing economic reform measures in order to build a strong fiscal basis of the government.

What we are seeing right now is that this country is being able to achieve this economic growth because of the good fiscal situation the government has been able to manage. That is what this government is showing and that is what we are trying to share to our people through this supplementary budget. We are sharing it to our people through this supplementary budget on good things.

If you look at the list that we have gone through in the Bill, you will find for instance we are able to provide good support to the tsunami affected regions, we have been able to support our sports team, we have been able to support improvement to equipments, vehicles - the working environment of the government.

There have been a lot of complains as why we are purchasing new vehicles and so forth. In fact some people have gone to the extent of making comparison of now and the colonial days. You see, Mr Speaker, I will be surprised if the MP for North Vella starts to paddle from here to his home island. We are now in a modern world, we are in a modern world. Improvement in technology, improvement in communication that we are taking advantage of is creating good efficiency, the working environment has improved, and these are gains to the economy. We cannot just continue to go back and criticizing that look back in our old days we ride on bicycles. Can you load a big box of government purchases on a bicycle? Obviously, you cannot do that. You cannot do that. Time has changed, we are going

through modern times and we have to keep changing. But the most important thing is that as we change, the economy grows and we gain out of those changes.

I see there is real justification for the allocation given to vehicles. We have for quite a number of years have not actually gone to the extent of replacing government vehicles, fleets and therefore incurring quite a lot of expenditures too in terms of the repair and maintenance of government vehicles.

Mr Speaker, this Bill is also seeking to create a new head, and one very important head this Bill is creating is the creation of this Ministry of Women, Youth and Children Affairs. I am quite surprised that we should speak about the importance of the creation of this Women, Youth and Children Ministry because it is one very important goal under the Millennium Development Goals. This is the first time, recognizing the importance of Women, Youth and Children development that this government has created a separate ministry just to deal with this particular sector in the country.

Mr Speaker, in terms of the development budget, the additional provision that has been made available there, I have no doubt at all that what is being proposed here is very much consistent with what Parliament has already agreed and approved under the appropriation Act, and that is for us to provide for this additional \$5million to support rural banking extension.

Sir, this will be the second time to correct this. The Rural Banking Extension we are talking about is not funded by the European Union. It is funded by the Solomon Islands Government. It is this \$5million we have provided for under the Appropriation Act that we have called for tender for all the three Banks in the country to bid as to how they will provide rural banking throughout the rural areas in Solomon Islands and they bid. The lowest bid or the most effective bid we have received and which was accepted was the ANZ bid. Instead of them bidding for \$5million it only bid for \$3.6million, which is a saving of \$1.4million.

I said yesterday that on Monday we officially launched the six ATM Banks that will go out to our provinces. With those six ATM

Banks going out to the provinces, it will mean about 280,000 people of this country having access to rural banking. That is 280,000 people in addition to about 150,000 to 180,000 people who are now currently having access to banking. With these six ATMs it will mean 280, 000 people having access to rural banking. The ANZ will also provide for three additional mobile banks in the two biggest islands, and that is Guadalcanal and Malaita. That is bringing banking right down to people in the rural areas.

The \$5million we are asking for in this Bill is what we called rural equity supplementation scheme, and that is that a lot of our rural people don't have the equity when they go to the banks to seek credit facility in the banks. Where the bank finds a good proposal this is where they will call for to provide for equity to the people or the rural applications that come from our rural people. That is the significance of this \$5million. It is a very small amount but it is there to supplement what we have already appropriated for in the 2007 Appropriation Act.

I would like to say that what we are seeking for in this Bill is very simple and it is geared at what we think we would be able to accomplish between now until the end of the year.

We planned for something we can expect to accomplish. We do not just come up with figures and tell Parliament that this is the amount we want and then come the end of the year we do not spend it. We are asking for something that practically we know we should be able to spend, Mr Speaker.

Mr Speaker, with those I would like to say that this Bill is a very simple one and it should complement the programs the government has been pursuing in terms of enhancing the bottom up approach policy the government has been pursuing this time.

With those comments, Mr Speaker, I beg to move.

*The Bill passed the second reading*

## **MOTIONS**

**Hon Sogavare:** Mr Speaker, I beg to move that this House do now adjourn.

*The House adjourned at 3 pm*