

THURSDAY 11TH DECEMBER 2008

The Speaker, Hon. Sir Peter Kenilorea took the Chair at 10 am.

Prayers.

ATTENDANCE

At prayers, all were present with the exception of the Ministers for Planning & Aid Coordination, Foreign Affairs, Justice, Health & Medical Services, Environment & conservation, Civil Aviation, Agriculture & Livestock, Infrastructure & Development, Education & Human Resources and Members for Central Guadalcanal, South Choiseul, West New Georgia/Vona Vona, West Guadalcanal, East Honiara, Central Makira, Savo/Russells, South Vella La Vella, Temotu Nende, Lau/Mbaelelea, East Malaita, East Makira, Temotu Vattu, Shortlands North West Guadalcanal, Malaita Outer Island, West Makira, and South New Georgia/Rendova.

PRESENTATION OF PAPERS AND REPORTS

QUESTIONS AND ANSWERS

16. **Hon. SOGAVARE** to the Minister for Public Service: In relation to government's policy to improve and equip human resource needs at the provincial, constituency and ward levels, can the Minister inform Parliament as follows:-

- (a) the outcome of the proposed review of positions and grading of provincial administrative staff,
- (b) the proposal to establish incentives for rural based public officers and the outcome of training needs analysis in preparation of the proposed federal system of government?

Hon. Tozaka: Mr. Speaker, I thank the Leader of Opposition and Member of Parliament for East Choiseul Constituency. The answers to the question are as follows:-

- (a) The outcome of our review was that the provincial administration positions have been upgraded in 2008 this year from SS1 to SS2 for Provincial Secretaries, and from Level 10/11 to 12/13 for Deputy Provincial Secretaries. Promotion of staffs however are based on performance assessments
- (b) The Public Service Improvement Program (PSIP) is working on further reviewing of other positions of provincial administration staff and other cadres. This will include the review of incentives. The allocation in the 2009

Budget for the review of the General Orders will cater for these activities. These activities are all also in our corporate plan for 2008 to 2010.

- (c) My Ministry is proposing to do a training needs analysis of provinces in preparation for the federal system of government, however, the government is yet to endorse the form of federal system of government to adopt. In fact, the training needs analysis will be done when the federal system of government is adopted.

Also IPAM, the Institute of Public, Administration and Management continues to do training for provincial staff and the Director for IPAM will be visiting provinces to discuss with provincial executives and staff during the first quarter of 2009 to strengthen training in the provinces. Thank you.

Hon. Sogavare: Mr. Speaker, I want the Minister to confirm this. We take it that only the grades of provincial secretary and deputy provincial secretary have been reviewed. The other provincial staffs are not, and I take that to be seconded officers or both, may be for the Minister to clarify. That is still yet under review and it is not yet done. Can the Minister confirm that?

Hon. Tozaka: Mr. Speaker, I thank the Leader of Opposition for the supplementary question. Yes, we are starting the review exercise for provincial secretaries and deputy provincial secretaries. And now we are looking at the other administration level and this is being done by the help of the Public Service Improvement Program.

Hon. Sogavare: Thank you for that further clarification. Just a supplementary question. You are only looking at seconded officers, what about direct employers of provincial governments. What kind of involvement is the Ministry for Public Service or maybe in this case the Minister for Provincial Government has the right over the recruitment policy in provincial governments on direct employers? Two questions are lumped up there for the Minister to clarify, and the Minister for Provincial Government might want to help out too.

Hon. Tozaka: There are two review programs here. One is the review program under the UNDP, which is with the administration of Provincial Government and the PSIP, which is ours, and those two are working together to address staffing and manpower training in each of the provinces. That is one priority. Manpower at the moment is not yet devolved to the provinces, it is still with the central government, and so that is an ongoing thing for us to attend to the manpower requirement of officers, and we are doing that. This is for public officers seconded to the provinces. We have training programs for them and also attending to their incentives. So it is not only direct employees of the provinces but seconded and direct employees.

Hon. Sogavare: Mr. Speaker, another supplementary question and still related to incentives of public officers working in rural areas, and this is directly in relation to development officers.

I understand that you are reviewing their salary scales, and I also understand that they came up with some of their views, and so I do not know. But what is the status of that series of talks that the CDO's are having with the government, may be

with the Rural Development Ministry or the Public Service. This is still related to incentives that will attract good officers to be based in the rural areas to drive the aspirations of Members of Parliament in constituency development.

Mr. Speaker, can the Minister brief Parliament of the status of a series of discussions that is ongoing between CDO's and the government.

Hon. Tozaka: Mr. Speaker, thank you for the supplementary question. We are very well aware of the problems or difficulties faced by our public officers posted in outstations in the provinces.

The program that is starting to work, the PSI Program is looking at bonus too. It is looking at the performance of public officers so that they can be paid bonuses so that they are interested to be posted to the provinces.

At the moment the problem is in relation to housing, office accommodation, which the public service has no control over because it is with provinces respectively. We post them to provinces but their welfare in the provinces is looked after by respective provincial authorities.

This program that was introduced together with the Ministry of Provincial Government is trying to work with the executive to come to some understanding as to how we can help public officers to be interested to stay in the provinces. But another problem there is education in terms of schools for their children. Most of the schools are in Honiara and so when they come to a certain level they want to come back to Honiara. Those are the problems we are facing at the moment. Thank you.

Hon. Sogavare: Mr. Speaker, before I thank the Minister, this side of this House fully supports the policy focus. And I fully acknowledge the difficulties that we have to actually address incentives for public officers to stay put at the constituency and ward levels because the policy there also touches the ward level as well, and I assume that we are referring to officers that we want to place there. So I thank the Minister for answering that question and may be continue to impress upon the government to look at ways of improving incentives for public officers if they are posted to constituency and ward levels.

Policy: Tourism, Fisheries & Marine Resources

17. **Hon. SOGAVARE** to the Honorable Prime Minister: In terms of the government's clear policy intention to shift emphasis towards the development of tourism, fisheries and marine resources, can the Prime Minister inform Parliament as follows:-

- (a) What progress has been made to achieve the objectives of this policy?
- (b) What specific strategies have been adopted to implement this policy decision?
and
- (c) What level of direct budgetary allocation is the government planning to put into these sectors to reflect the shift?

Hon. SIKUA: Mr. Speaker, I wish to thank the Honorable Leader of Opposition and Member for East Choiseul for his question. In terms of fisheries, progress has been made in the following strategic areas:-

- (1) Identification of sites for suitable development of onshore fish processing sites as for loining and canneries has been done, namely in Suava and Tenaru where respective MOUs have been signed to allow land acquisition and registration.
- (2) Mr. Speaker, the Ministry of Fisheries has undertaken a review of the investment conditions and incentives aimed at linking access to onshore development.
- (3) Foreign investors in the pearling industry have reviewed the potential for pearl farms, and one company has decided to commit to further investment.
- (4) The Ministry of Fisheries and Marine Resources has developed a community based fisheries framework involving provincial governments, community groups, donors and NGO's.
- (5) A draft fisheries bill has been done and the bill will be tabled in Parliament in its mid-year sitting in 2009. Also tenders have closed and are now being evaluated for the demolition of the current Ministry of Fisheries and Marine Resources building and designs of the proposed new building have been completed and tenders have been called and construction will then commence.

That is the broad policy areas in terms of part (a) of the question.

In terms of part (b) of the question for fisheries, the specific strategies in place are:

- the Ministry of Fisheries and Marine Resources, 2008 to 2013 Strategic Plan,
- the Ministry's Community Fisheries Framework,
- the Ministry's Tuna Management and Development Plan,
- the specific strategy on the pearl industry policy and regulations paper,
- the expansion of the EU funded seaweed industry in rural communities
- the SIMROSE capacity building project within the Ministry. There have been current discussions with potential significant investors and also the evaluation of small-scale pole and line and pump boat programs for community based fishermen as we have heard from the Minister yesterday when we look at the development budget. Also on the proposal to seek regional support for access to tuna fishery to protect Big Eye and Yellow Fin Stocks and improved fish prices. Discussions are currently underway between the Ministry and the FFA on the matter. Also a specific strategy on the provision of technical support for salvaging Soltai.

In terms of the level of direct budgetary support to the Ministry of Fisheries and Marine Resources, Mr. Speaker, as we have seen there has been discussion on the budget. About \$12million is allocated in 2009 for the Ministry of Fisheries, which is roughly \$3 5 million increase from the 2008 Budget.

Mr. Speaker, I wish to congratulate the hard working Minister for Fisheries and his hard working staff. I think the fruits of their hard work will soon begin to be realized in the rural economy as well as from our export figures as fishing is one of the industries that has recorded an increase this year. And so I would like to ask the Minister for Fisheries help me in answering any supplementary questions that may come up in relation to his Ministry.

But let me just move to tourism, Mr. Speaker, as another area included in the question. In terms of progress, I think the foremost important shift in emphasis has been the political recognition that tourism is one of the leading economic sectors that requires government support policy implementation. Secondly, Mr. Speaker, the need to concentrate more on the demand factors that influence tourism development rather than pursuing supply led tourism, in other words, Mr. Speaker, developing products rather than simply creating rooms and beds.

In relation to part (b) of the question, Mr. Speaker, base on an AUSAID funded survey of international visitors completed in October 2007, there has been a shift to refocus the marketing strategy to promote equal and community based tourism with strong emphasis in product services development, for example, in regards to diving, surfing, culture and nature tours.

Mr. Speaker, in relation to part (c) of the question, the budgetary allocation to the sector is yet to be fully realized, especially in product development and industry training. It is expected though that subject to

- (a) completion of an international finance corporation (IFC) industry diagnosis in March 2009
- (b) the completion of a new tourism bill next year and,
- (c) the facilitation of the new tourism and hospitality school at the SICHE in 2009.

The Tourism Industry through the Ministry of Culture & Tourism should expect to have some increase in its budgetary allocations as we move on in developing this sector. And again I would like to thank my hard working Minister for Culture and Tourism and his hard working staff. He has kindly offered to help me out in any other supplementary questions that may come. Mr. Speaker, thank you very much.

Hon. Sogavare: Thank you, Mr. Speaker, for the answers from the Prime Minister. May be first of a series of supplementary questions, the Prime Minister made reference to community based fisheries framework as one of the activities the Ministry is going ahead to do as answer to part (a) of this question. Can the Minister brief Parliament on the status of that framework and the contents of the framework?

Hon. Leni: Mr. Speaker, this framework is mainly on training of communities around the country on how to manage fishing activities in the areas they are living

in, mostly on preservation of fish product so that it has the quality for sale in return for money. What the framework is trying to encourage is to do away with the fishing companies that are here and encourage local communities to participate in the development of the fishing industry. This is directly linked to the pump boat and the small pole and line vessels so that they can catch offshore or deep sea tuna and when it comes to onshore fishing in terms of reefs and marine resources around the continental shelf, they too know how to have access to harvesting of those resources. What the framework is doing is teaching them how to manage their own resources and at the same time teaching them how to develop these resources at the commercial level.

Right now what communities are doing is fishing in eskies and most of them bring their catch to Honiara to be sold at the central market here or at the provincial centres. But there are also fisheries centres throughout the provinces which are under utilized at this time. This framework will enable them to see how much resources are available to them and also where they fit in the development of marine resources in Solomon Islands. To do that, we have already held four workshops during this year. We will continue to do that until the level of their knowledge reach the standard where we can implement the policy of the fisheries and marine resources that is in the framework of 2008 to 2013. We hope that with the assistance with NGO's they would contribute to this plan and also other smaller businesses that are engaged in small fishing companies and activities.

The number of small fishing companies is starting to increase, not only in the provinces but around Honiara too where people are trying to set up small businesses but they contribute a lot to improving our development of the marine resources. Some are involved in fishing, some on trochus, some on bechedemur and areas like that.

Our policy mainly has been on tuna but tuna is not the only resource that is in the sea. There is also shells, new seaweed, and many more things. We want them to catch these resources and become productive in their own communities. Briefly, those are some of the things that are in the framework so that we help to facilitate what we can do in helping them to come up with development programs in the communities.

Mr. Speaker, I must take the opportunity to congratulate the NGO's because they are the right hand people of the Ministry at the moment. They carry out most of the activities that are in the policy and framework of the Ministry.

Hon. Sogavare: Mr. Speaker, the framework that will run from 2008 to 2013, can I get the Minister's view because the view of this side is that, before I ask a supplementary question, a real shift will happen, it is realized and we are seeing it. Suppose the rural sector actively participate in earning foreign currency or actively involved in the exporting market. Right now bechedemur, trochus and other marine resources, and these are subject to control by government. Fish is something that is still open - reef fish and that is where a lot of our people participate. Without waiting for us to discuss the framework until 2013, in a short answer what can the Ministry do right now in 2008 or 2009 to encourage local fishermen, the people who have reefs, to actively participate in the export of their fish? Only then would I see a

real shift to those areas. To tap the brain of the Minister, can he just briefly explain to us those areas?

Hon. Leni: I forgot to say something earlier on but this framework also includes looking at the marketing strategy of the Ministry to help our small rural fishermen. But there is a good package of financial assistance that will come from NZAID which will be linked with the commercial banks so that it allows our rural fishermen to have access to bigger funding. Right now we only have the rural fisheries, which is \$6million. The NZ Government recognizes that there are more resources in Solomon Islands, but finance to kick start them is not there. And so the NZ Government has come in with its funding and by next year we should start on that. This is not indicated in this year's budget because currently we are still talking about it and trying to decide on what kind of process and rules will be followed. But as soon as the guidelines are in place, by next year we should see things moving, and that is one of the reasons why we have drawn up the framework because we know there are friends who are willing to help us in this sector, especially the rural communities.

In short to answer the question that funding by next year we hope it will come into play and will help fishermen develop the fishing communities around the provinces, and at the same time making use of facilities now in place in the 30 fisheries centres in the provinces. That is what is coming very shortly; it will be in place by next year. We are hoping it will come into place so that it will help our fishermen.

The \$6million project that is going on now is just a small part of it, but the bigger part will come in next year to help our fishermen. Thank you, Mr Speaker.

Hon. Sikua: Mr. Speaker, further to what the Minister has explained, I have also discussed with the Minister earlier the idea of talking with any of our development partner, which brings in goods to this country, for example, the Republic of China or Taiwan, if there is such a vessel that can carry cargo to Solomon Islands and at the same time this boat has facilities inside it to carry cargo and then goes around to the fisheries centres or to our rural fishermen to actually buy fish from them and go back and then come back again. It is through that way that we can capture what the Honourable Leader of Opposition mentioned in terms of the ability of our rural fishermen to earn foreign currency direct.

I discussed that idea with the Minister of Fisheries and it is an idea we are trying to implement because I am told that such a boat will have about 12 days turnaround if it sails direct here and goes back. It will probably spend a little time going around the rural fisheries sector to pick up fish and put inside cool room and goes back.

That is one of the ideas we were throwing around, Mr. Speaker, and probably is what the Honourable Leader of Opposition is trying to get. Thank you, Mr. Speaker.

Hon. Sogavare: So where are we at with that particular arrangement the Prime Minister is telling us about, which sounds good? What is the response by the Taiwanese authority with that particular arrangement and when are we expecting that to actually start?

Hon. Sikua: Mr. Speaker, the idea was put across to a particular fishing company in Taiwan and to also Bill's boats and they are looking at the possibility that that can happen. We are still in the talking stages on this specific idea, Mr. Speaker.

Hon. Sogavare: Mr. Speaker, I did not intend to dwell any longer than is necessary here, and before I thank the Prime Minister, in fact I can move on to tourism but the responses given are not appealing to me.

The \$3million may be an improvement in funding to fisheries, but if you account for 23% inflation, it is just swallowed up in inflation and so really nothing is moving to the fisheries division. But the thinking of the government is right, it is right on the spot. The areas mentioned by the government that it is going to put emphasis on are areas that we should put emphasis on. This side of the House fully supports tourism and fisheries, but we are yet to see may be solid actions that really show the shift both in terms of the policy thinking and also resources and strategies.

But having said that, I thank the Prime Minister and the Minister of Fisheries for answering the questions. Thank you.

Questions No.62 & 63 deferred

Point of Order

Hon. MANETOALI: Mr. Speaker, I would like to raise a point of order in regards to Question 110. I think this question would now be on the Order Paper for about four times now to be asked on this floor of Parliament. My point is whether my friend, the MP for West New Georgia and Vona Vona is still interested in getting an answer to his question or not.

Mr. Speaker, this question has already come to the floor of Parliament and I can see it appear on the Order paper every day. So much so that I begin to see it like a 'seek and hide' game, where someone shoots at a friend and he hides and another one shoots at him again and he hides again. That is what this question seems to be like because I was looking for my friend but he does not appear again this morning. Therefore, Mr. Speaker, I wish to seek your indulgence whether I can answer Question 110 in the absence of the Member of Parliament for West New Georgia and Vona Vona.

Mr. Speaker, this question has been appearing on the Order Paper since the beginning of this week. Mr. Speaker, striking out the question would not be the best way to go as being ruled by this Honourable House yesterday. This question has been finding its way on to the floor of this House since the beginning of this week and it would not fair to let the question go without being answered. We would be doing injustice to the question if it is not answered.

Mr. Speaker, this question comes to Parliament looking for an answer and it must be answered. And as the Minister responsible of answering this question, I am prepared to answer because I have answers for the question.

Mr. Speaker, the order in this House is entirely in your hand and so if a question comes to this House and appears on the Order Paper for a number of times,

a point of order can be raised, hence I raised this point of order so as to put the proceedings back to order again.

Mr. Speaker, I need your ruling as to whether this question can be answered without the presence of the Member of Parliament proposing this question. To assist you may be to seek the views of possibly the Opposition Leader or maybe the Independent Leader, if any, now. Thank you.

Hon. Kengava: Thank you Minister for Police and National Security. I share with the sentiments you raised, you are very correct. I think the onus is upon Members who prefer to ask questions to attend meetings in order to ask their questions.

However according to Standing Order 23(7), when a MP or Member of Parliament is not present the question is deferred to the next question day. Whether he would like to ask the next day is a matter where may be you could see the Member or the Leader to sort that one. Question No. 110 is deferred to the next sitting.

Question No.110 deferred

Mr Speaker: That concludes our question time, and so we will proceed to the next item of business.

STATEMENT OF GOVERNMENT BUSINESS (*further statement*)

BILLS

Bills – First Reading

The 2008 Supplementary Appropriation No.2 Bill 2008

Bills – Second Reading

The 2008 Supplementary Appropriation No.2 Bill 2008

Hon. RINI: Mr. Speaker, I rise to beg that the 2008 Supplementary Appropriation (No.2) Bill 2008 be now put to the Second Reading.

Mr. Speaker, this Bill demonstrates the Government's continued commitment to the cause of national unity and rural advancement. Sir, I am, therefore, humbled to present to this Honourable House the 2008 Supplementary Appropriation (No.2) Bill 2008 on behalf of the Government and our people of this nation.

Mr. Speaker, this Bill is in keeping with section 103 (2) of the Constitution and section 15 of the Public Finance and Audit Act (Cap 120). These sections stipulate

that the Minister of Finance may at his discretion authorise expenditure arising from an urgent and unforeseen need under a contingencies warrant (CW) where the amount required exceeds that available under an existing appropriation, up to certain financial limits as set by Parliament.

Sir, contingencies warrants, as the Honourable House is fully aware, allow for urgent and unforeseen spending where it is not practical to provide funding through a Supplementary Appropriation beforehand. As such, Sir, contingencies warrants provide Governments with flexibility to adjust spending when the use of a Supplementary Appropriation for urgent and unforeseen spending is impractical.

Mr. Speaker, the Government continues to keep its commitment to our people in the rural areas. It continues to implement the policy vision and framework that will improve access to social and economic opportunities for all our people, most particularly those in rural areas. It continues to take a focused strategy over the medium term to ensure that the Government and the people get the best value from every additional dollar of government expenditure and that it is committed where it is most needed. For this reason, the Government's policy priorities on reconciliation, national security, infrastructure development, social services, economic and productive growth and civic affairs continues to represent a strong and determined commitment to ensure that the benefits of development and economic growth are equitably distributed amongst all our people.

Mr. Speaker, the Government acknowledges that the delivery of services to the people still requires a great deal of improvement. Leading into the 2009 Budget, the Government will continue to focus on its policy priorities within the context of strong fiscal discipline and responsibility.

Mr Speaker, the 2008 Supplementary Appropriation Bill (No.2) 2008 seeks an appropriation to cover expenditure already authorized by contingencies warrants in the latter part of 2008. Sir, the total supplementary expenditure authorized by this Bill totals \$27,390,702. The Bill seeks to legalize \$18,490,702 in recurrent expenditure and \$8,900,000 in development expenditure.

Sir, as a prudent measure the Bill also seeks \$5 million on contingencies warrants under Recurrent Heads of Expenditure that can be issued by the Minister of Finance for urgent and unforeseen expenditure between now and the end of this year.

Mr. Speaker, the increases in recurrent and development expenditure have been inevitable. Nonetheless, these have been to ensure that the Government continues to deliver on its commitments to our people.

Mr. Speaker, the \$27,390,702 in Contingencies Warrants has been expended to date as follows:

- \$1.8 million to Finance and Treasury for assistance to Sasape Marina Limited in preparation for its sale;
- A further \$1.36 million to Governor General for state visits to Bundaberg and London and for repairs to office building;

- \$1.5 million to National Parliament for facilitation of the newly established Foreign Relations Committee;
- A further \$1.76 million to Office of the Prime Minister and Cabinet for overseas travel of MPs and public servants, purchase of standby generator and setting up of the Commission of Inquiry into RIPEL;
- A further \$536,000 to Lands Housing and Survey for office rental arrears of Guadalcanal Provincial Office;
- A further \$1.6 million to Commerce Industries and Employment for additional bills incurred in the National Trade Show;
- A total of \$7.04 million to Home Affairs for assistance to sporting federations representing Solomon Islands at international competitions as well as for government assistance to local churches;
- A \$2.4 million to Mines Energy and Rural Electrification for purchase of a hydrologic machine for hydrological survey;
- A further \$0.5 million to Environment Conservation and Meteorology for overseas travel to attend international conventions relating to environment and climate change issues;
- \$400,000 to Infrastructure Development for assistance to Guadalcanal Province for shipping services improvement;
- \$1.0 million to Mines Energy and Rural Electrification for land negotiation and survey for Ngalmibiu and Tina Hydropower projects and;
- A further \$7.5 million to Rural Development for SIG contribution towards the ROC funded Rural Constituency Development Fund (RCDF).

Sir, we are projecting revenue to increase substantively (\$70 million) over our original estimates. This would be through increased compliance activities by Inland Revenue Division, increased training efforts in Customs and the education of the public which has seen a greater willingness by businesses to register and to pay taxes as and when they fall due. In addition, we are confident of positive benefits accruing from the cancellation and reduced number of tax exemptions granted.

We will also continue to rely on higher than expected revenue or under spends to cover the additional expenditure. In addition the Government will finance this through recurrent expenditure slowdowns, taking on more debts or reductions to development expenditure.

Mr. Speaker, our overall aim of the Bill, nonetheless, is to ensure that we continue to deliver on all our programmes and commitments. The Government acknowledges that delivering all programmes this year is a huge challenge and may not be achieved fully. Sir, the least we want is lack of appropriation by Parliament to be a constraint. All in all, the Government is fully confident that this Bill is both fiscally responsible and caters for delivery of its programmes and commitments.

Mr. Speaker, as always we have faced and will continue to face a number of significant challenges.

Mr. Speaker, this Bill demonstrates that we are making real progress in advancing administrative reform and in implementing the Government's policy priorities, focusing on rural advancement.

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

(The Bill is open for debate)

Hon Rini: Mr Speaker, I beg to move that debate on this Bill be adjourned until the next sitting day.

Debate on the Bill adjourned for the next sitting day

Mr Speaker: Honourable Members, according to Standing Order 61(2) and as the Prime Minister has announced in his Statement of Government Business, he proposes to move a special adjournment today".

Hon Sikua: Mr. Speaker, I move that at its adjournment today, Parliament be adjourned to Monday 15th December 2008. Mr Speaker, this is due to the busy schedule of Parliament sitting making it difficult for members of the Public Accounts Committee to deliberate on the 2008 Supplementary Appropriation (No.2) Bill 2008.

Parliament suspending till Monday will give PAC opportunity to consider the Bill and also produce their report to assist Members when they speak on the Bill.

The Bills Committee also needs to meet to consider the Constitution (Amendment)(No.1) Bill 2008. Mr. Speaker, with that I beg to move.

Mr Speaker: Honourable Members, unless any Member wishes to speak, I will put the question.

The motion agreed to

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

The House adjourned at 11.00am