

## THURSDAY 30<sup>TH</sup> SEPTEMBER 2010

The Speaker, Sir Allan Kemakeza took the chair at 9.37 am.

Prayers.

### ATTENDANCE

At prayers all were present with the exception of the Minister for Foreign Affairs & Trade Relations and the Members for Temotu Pele, South Guadalcanal and North New Georgia.

### QUESTIONS AND ANSWERS

#### **Lands: uncollected revenue**

**29. Mr. SOGAVARE** to the Minister for Lands, Housing and Survey: Can the Minister inform Parliament of the level of uncollected revenue on the administration of crown land in Solomon Islands to date?

**Hon SOPAGHE:** I would also like to thank the Member of Parliament for East Choiseul for asking a very important question in relation to uncollected revenue aspects of the Ministry of Lands.

The level of uncollected revenue on the administration of crown land in Solomon Islands totals to SBD\$24,271,468.92 and this amount is equivalent to 6,272 clients who were granted fixed term titles and did not pay their land rentals. This number of clients is recorded in the Ministry of Lands in the data of lease.

For the information of Parliament, there are also a number of clients that did not pay their land rentals since 1985. And my Ministry is in the process of working very hard to ensure that land rentals are paid. It is expected that if everyone pays up their land rentals, we should receive \$24,271,468.92.

I would like to inform this honorable House that since a new Minister is now in the office, he will work hard to ensure that all outstanding weaknesses not done by the previous government will be done.

**Hon ABANA:** The Minister was saying that \$24million is still outstanding. I would just like to ask the Minister to inform Parliament what sort of mechanism is he putting in place so that the Ministry or the Government continues to collect the outstanding \$24million plus land rentals that are now due to be paid.

**Hon Sopaghe:** My Ministry in collaboration with the Ministry of Finance is in the process of collecting the revenue.

**Mr WALE:** How much acreage of crown land do these arrears of \$24million represent? How much of total crown land is this? Because obviously not 100% of crown lands are out on FTEs as some are still with the Commissioner. How much acreage of land is its arrears amount to \$24million?

Secondly, information coming out from the Ministry indicated that arrears should be well over a billion Solomon Dollars, maybe even approaching \$2billion Solomon Dollars, and whether the Minister is aware of this?

**Mr. Speaker:** I think I would not allow speculations. The answer has been given by the Minister. I only allow the first question because the other one is just a street talk.

**Hon Sopaghe:** I will get further information on that and in the next parliament sitting I will provide to the House the acreage of land that is equivalent to the total arrears. Thank you.

**Mr Wale:** My second question which you ruled as street talk is what I want to repeat because you ruled it as street talk and so I would like to ask on what basis are you saying that it is street talk because it has been a subject of discussions between the Ministry and the World Bank that it be part of reform so obviously is a valid question to be asked on the floor of Parliament, and I am entitled to an answer to it, Mr Speaker.

**Mr Speaker:** In fact what the Chair sees is that the outstanding land arrears is what the Minister has already stated. The new figure mentioned by the Member for Aoke/Langalanga is something the Minister did not say. We base our question on the Minister's answer. But if you have any information on that, Minister, you can inform the House in relation to billions and not millions. Do you have any answer to that Minister?

**Hon Sopaghe:** I think that question should be raised as a new question so that information can be provided to me. Thank you.

**Hon. SIKUA:** That figure keeps going up. The last amount I am aware of was \$20million and now it has gone up to more than \$24million. I remember as well that the Ministry has published the names of people who have outstanding uncollected revenue on crown land in the past and so the public is aware of those people who are not paying up their land rents.

My question is to ask the Minister whether he has in mind to publish the names of those people in the local newspapers, the parcel numbers and the amount they owe to government. I wonder whether that would form part of the move by the Ministry to ensure that government collects these much needed revenue. Obviously this is money owing to government and whether the Ministry has any plans to publish the names of these people in our newspaper so that the public knows who owes money to the government in this regards.

**Hon. MAELANGA:** I think to add on to what the Minister for Lands has said today, this is a new government and we are working very hard to try to address the situation. I think all of us know about the situation, past governments know what is happening in the Lands Division. Now the Ministry is working closely with the Ministry of Finance to collect those revenues. I just want to inform the House that the Ministry of Lands is working very hard in trying to address this situation. They are working on a certain strategy as to how they will collect this much needed revenue.

**Mr Speaker:** Minister for Lands, are you prepared to answer the question by the MP for North East Guadalcanal?

**Hon. Sopage:** Yes, the Ministry is in a process to produce a data to make sure all of us know who is in a position to pay their land rentals.

**Mr. SANDAKABATU:** My supplementary question is based on what has been alluded to in terms of a new set of procedures in trying to collect these arrears in revenue. Will these procedures that your Ministry will be proposing include punitive measures?

**Hon. Sopage:** Yes, the Ministry, as I have said, is working very hard at the moment to collect rentals from those who did not pay up their land rentals. The Ministry will soon issue a notice to those people that if they fail to develop the lands the Ministry will retrieve the land, forfeit the land and give it to any interested developer to develop them. I think that is what the Ministry is in the process of doing at this time.

**Mr. HOUANIPWELA:** I would like to congratulate the Minister first for the action he is planning to take. I think it is not a punitive action but it is an action he is entitled to under the Act.

I have a supplementary question and this is in regards to normal revenue. But the spirit of this question which I believe the Member for East Choiseul has asked is that it is in the interest of the government and all of us that we must collect as much revenue as possible so we cannot allow uncollected revenue to remain uncollected. In that spirit, may I ask the Minister if he can inform us but maybe if he does not have the information with him now, perhaps he could give to us at a later time, and that is what would the normal revenue might be from land rents? I think it is one very important source of revenue for the government. As I said if he does not have the answer right now he might provide it later on.

**Hon. Sopaghe:** I would like to thank the Hon Member for Small Malaita. As I have said I am just a day over in the Ministry, however, I think that is a very important question in that we need to know the revenue the Ministry of Lands is supposed to get from land rentals. I would suggest that this information be available in the next parliament meeting.

**Mr. HANARIA:** I thank the Minister for informing us that he is going to take action on people who do not pay up their land rentals. What are the criteria the Ministry is using to reclaim lands that are left undeveloped?

**Hon. Sophage:** I think the answer has already been given that the Ministry is working on forfeiting of lands that are undeveloped.

**Hon. Sikua:** Further supplementary question. I know that four or five years ago when the SISLAP project was in the Ministry of Lands, the notification to FTE holders is quite effective. That means those of us who own FTE's, annually we would receive the notice of how much we owe the government. In the recent past we have not received that notice. Some of the men sitting down here maybe are holding about 10 FTEs.

My question is on the effectiveness of the Ministry in sending out notices to FTE holders of crown land. Is the Ministry's capacity still as strong as when the SISLAP project was operative or are there some kind of administrative hiccups in the Ministry making FTE holders not being notified of what they owe the government which could be the cause of the problem? Which one is the problem? Is it the administration difficulty in the Ministry of Lands or what could be the reason because certainly in the last two years I have not received any notification to pay up my land rents.

**Hon. Philip:** It is true the Minister has given his answer, but I would like to give supplementary information. I think we are talking about a very big problem, which does not only exist in the Ministry of Lands but it is also in the Ministry of Finance, the Ministry of Forestry and in all other ministries as well where the dues have not been collected. The problem is both on the system and also the people.

In the Ministry of Lands, it is a question of the system and the Minister is going to look at how best it can be done more efficiently and also its enforcement. Enforcement is where many of our public officers seem to back-off. When they go to collect the dues they are also threatened. I think this needs a big awareness program as it is becoming a scourge of complacency that seems to be falling into our ministries and it becomes a very, very big problem and unfortunately these things have been placed on us as conditionalities by some of our helpful friends outside who say that if we cannot look after ourselves by not collecting the money due to us, how can we still ask money from outside. That is also the catch in it too. As much as we all know about it, the Ministry will need a lot of assistance.

In my simple way of thinking some of these things need to be privatized so that people actually go and collect the dues with, of course, the mandate and the strength of enforcement behind them too. If the government machinery cannot collect it then maybe we should subcontract such activity out to private people to collect the money and then give money back to the government.

The other thing is logistics to collect the dues is very difficult because the Ministry does not have enough transport to go around everywhere. The idea of putting people's names on the paper is an old practice. Many times I see this on the paper. The biggest culprits of this are not the small people, but the big men, the well-to-do, the industries and the big businessmen, like the Member for North East Guadalcanal, those that have five, 10 or 20 FTEs that really ruined this thing. And so I want to appeal to the general public in this country; the business sector and the people in high places to please give to the Ministry or the Government what is due to the Government. Please come forward with all honesty and pay the Ministry to make life a lot easier for all of us. People in this country are waiting for service to be provided to them and so money has to come in so that the government can run this country in a much better way.

This is just additional information to what the Ministry has given. I think it is a very big problem and it is not only exceptional to the Ministry of Lands, but it is also in the Ministry of Forestry and other ministries that when officers go to collect the dues owed to government, they tipped them off with something and send them back. That is the sort of thing that always happens. It is a very big problem, and so we have to re-culturalize this place again, people's mentality must change before we can possibly run this country in the most effective manner. If not, we would keep this status quo for the

many more years to come and we will be slowly going down the abyss of destroying ourselves again.

That is a very simple question by the honorable Member for East Choiseul but it gets down to the roots of our culture in working a functional government, and I think that is very important. All the things we are building now or how much we can destroy in a matter of no time at all if we do not dig down to the very basis and the root causes of the malfunctioning of our society and our institutions. That is a very important question.

**Mr Sogavare:** I thank the Prime Minister for expressing his view on this question, and he has raised some very important issues here. We asked a question about lands but the Prime Minister is raising that this problem is sort of cross the ministries, and we basically just express it without pinning down as to how we are going to really do it. The onus is actually going to be on the Government and so you need to inform Parliament as to how exactly you are going to do it. I think we have not come down to really addressing the problem. We just describe how frustrated we are on revenues yet to be uncollected and it is across ministry problem.

My question since we have now identified a very big problem and we need this revenue to finance our budget, can the Prime Minister or the Minister assure this House, the idea of coming up with a cross ministry inter departmental strategy and what that will be to seriously address this problem of collecting uncollected revenues.

**Hon. Philip:** I think this is very important and I can allude to that too that there is a big failure in all the ministries, not only this time, but it has been a contiguous, a long protracted problem in the governance system of this country in terms of not collecting what is due to the government. I think it is a cultural hangover too that if your wantok owes something from you, you cannot go and ask him/her to pay it up. It is not a quick fix thing so that we can set up a small mechanism, but it will be part and the partial of education, of enforcement and of understanding the way the government must function. Yes, I can assure the House that the government will work together with the Minister for Lands and the administration in place to try and work out a mechanism. We hope that that will be a blueprint also for the other ministries that we have, especially the resource utilization ministries are very, very slack in collecting what is due to government.

The government by definition is not for people to make business and not making profits. Government institutions are not by definition like that. The government is collector, and if it fails in that basic business of collection, then I think we fail ourselves on behalf of the country. I want Ministers and Cabinet to work on these sectoral

reforms to ensure the work of ministries become more effective and efficient by living up to the expectations and mandate given to them.

The Ministry of Lands, the Ministry of Fisheries, the Ministry of Forestry, the Ministry of Mines and the Ministry of Agriculture, all these ministries will be strengthened through the government's new sectoral reform programs, not only in policy improvement but also in building mechanisms and improving on them and making sure they are efficient in ensuring what is due to the state is given to the state. Only in that way would we be able to run the government otherwise it is a hopeless business if we fail the basic mandate given to the government. And I am talking not only about this government but future governments and past governments as well. But the past has gone already and the present is what we have now and so we can all use this to build up the future and a better one for all of us.

The message is, yes, we will, as a government, work together on all resource utilization ministries to help them, which I understand right up to now is all in a big mess, and this mess is not a mess that has just happened yesterday, but it is a carry over from many, many years. I am sure that we are a very blessed Parliament, I am talking about a bipartisan thing now, it is not only for the government but there are certain things that we can all work together on. But since we are the ones sitting on the key areas so the responsibility very much hinges on us to make sure that mechanisms are put into place. If previous mechanisms did not work then we must improve on them.

The policy is that the government is going to find the ways and means to understudy the magnitude of the problem and set up the right mechanisms to address in the most efficient way to help the government collect what is due to it and to the state.

**Mr TOZAKA:** Supplementary question and I thank the Prime Minister for his explanation. I also share your concern and your identification of the problem and that the government will address head-on this outstanding issue.

The CNURA Government has also identified this problem very late last year and we have started to move in to appoint a very professional and experienced public officer to this very, very key position. This key position is responsible for the function of this issue that we are talking about now, and I have great admiration for this Commissioner of Lands, great admiration for her and I am sure that if given a bit more time, she would address this problem.

My question is, would you keep this Commissioner of Lands to continue with this good work in the Ministry of Lands?

**Hon. LILO:** People who are doing good work with good results will always be to the satisfaction of everyone. The simple logic is if it is good why ruin it. If it is the perception or the view of every one of us that certain public officers are doing a good work then let us keep them.

I am interested in this question because it touched a bit on revenue from the information submitted, so maybe let me just put some angle in regards to revenue. The Minister had already informed us that up until now, about \$24million is in revenue arrears owed to the government that is yet to be collected. This \$24million in arrears maybe would include some of us inside here or all of us. Try and look at the notice slips sent to you. The MP for North East Guadalcanal, try and look at your notice that if it is two years overdue then you may have been two years overdue in arrears in not paying up your land rentals.

It is very interesting recently when the former Minister of Public Service told us about the work they came up with last year which prompted us to look closely into why revenue from the government's biggest asset seems to continue to produce very little. We made an assessment on the total value of the unimproved capital value of all lands that are subject to either lease or fixed term estate and perpetual estate and you would not believe what we found. This assessment is subject to some kind of verification, but it was done jointly between the government and our development partners like the World Bank and the ADB and it was found that it is to the tune of \$2.4billion. Just work on that \$2.4billion and you would see that it is a good base for us to put some fees or levies and so forth.

This government has already been briefed about that and one of the strategies we are going to do is to put revenue enhancement strategy in the Ministry of Lands so that we get something back. How we are going to coin it would depend on further consultations as to whether it is going to be a levy or a tax or some other forms. Please do not ask me what sort of tax this is going to be. I am saying that it is still under consideration. But the good thing about it like the Prime Minister has said is that this government is fully aware of it and we are going to do something about it. That is why we are going to ask you for a resolution to give us a bit of time to enable the government look at how we are going to collect this revenue.

In terms of the arrears still owed to the government at this time, I can tell you that the Commissioner has exhausted all the avenues available to collect them. Two years is too much an arrear and you would all agree that two years in default for all of us is too much. We are not little kids so that the Commissioner of Lands comes with a broom and whips us telling us to go and pay up our arrears. No, that cannot be the case. The Commissioner had only one last resort, and that is forfeiture. If the Commissioner does that, all our possessions would be taken outside the door and the Commissioner retrieves the land like those guys at Lungga did who came into the

country with nothing and chase everybody out. That also is part of the whole problem that we are trying to address here. But that is in terms of revenue, and it is a very big amount - \$2.4billion of arrears in revenue and then work on the total value assets of the country based on the fixed asset of land, and it is unimproved capital valuation of \$2.4billion. I am sure you would all agree with me. Come on, this is a good basis for tax, is it not? And you are talking about the strong business houses here in the country, the financial institutions and businesses who continue to make profits but are paying rental premiums of just how much do you think? They are just paying \$150 in one year or \$200 a year in rental premiums.

What I am saying here is that we are still falling behind in the way we are developing the market on real estate in Solomon Islands. We have to do something about this and the only tangible value asset the government has is land of which 15% is here in the capital. In some of our provincial headquarters some of the lands have already been given away, and this not only happens in the provinces but here in the capital lands are also being given away. The Member for East Makira told us that in Kira Kira there is none. The Member for West Makira also told us that Kira Kira is almost like a village now because most of the crown lands there have been given away. But these are very valuable assets of the government, and not only the national government but provincial governments as well.

The strategy for us to collect this revenue which is the question asked by the Member for East Choiseul is firstly through forfeiture. We give them notice and either forfeit the lands, take them back and then put them out on tender. Most of the lands that are still undeveloped now, there is a collaboration between the Ministry of Finance and Lands that they must be put out on tender. The Commissioner must invoke the grant instrument of forfeiture and then put out those lands to people that can develop them so that the government can get real value out of them by converting those assets into improved value.

We will be working on a strategy to enhance revenue in terms of lands. What would be the exact nature of that revenue enhancement is still to come but it is most likely to take the form of a tax or service fee or fee or something like that. That is something we will be thinking of doing right now.

**Mr Speaker:** That would be a final supplementary question from the Honorable Member for North Vella La Vella.

**Mr Tozaka:** I just want to follow up on my earlier question. That means the Minister has affirmed that the current Commissioner of Lands will remain the Commissioner of Lands throughout the duration of this government in the next four years. Can I get an answer from the Minister of Lands please if that is the affirmation?

**Hon Lilo:** Point of order. I think that is a different question altogether. This is a different question and it is a question that cannot be asked to the government that has the discretion to make the decision. Mr Speaker, you need to rule off straightaway that question, what is it for?

**Mr Sogavare:** I thank all the Ministers who helped to answer this question. In fact, this issue has aroused a very lengthy discussions and that is only because it is a very important issue.

Before I officially thank the Minister, the figures that the Minister of Finance submitted as the value of a potential revenue base of \$2.4billion, I think the time is now right. As you know Sir, when you were my Minister in the Ministry of Housing and Government Services in early 1992, we were looking at the possibility of introducing a full pledge property tax/capital gains tax. And I think the time is right for the government to revisit the idea, now that we know exactly the value of the revenue base we are talking about, which is \$2.4billion. Just maybe 15% of that can give you up to \$300million. I would encourage the government to go down that direction and re-look into this.

In saying that, I thank the Minister for answering.

### **Fisheries: alleged illegal fishing**

**33. Mr SOGAVARE** to the Minister for Fisheries and Marine Resources: Concerning the issue of the six vessels whose agents we have served with notices for alleged illegal fishing. Can the Minister inform Parliament as follows:-

- (a) How did the Minister form the opinion that the vessels were fishing illegally in Solomon Islands waters?
- (b) What is the purpose of serving the letters to the agents for alleged illegal fishing if the vessels were indeed fishing illegally in the Solomon Islands waters?
- (c) What level of proof does a country need to blacklist foreign fishing vessels under the Western and Central Pacific Fishing Convention (SEPFC)?
- (d) What monitoring, control and surveillance system against illegal, unregistered and unreported (IUU) fishing activities of our regional fisheries resources have been agreed to by the regional countries under the Niue Treaty?

**Hon LUSIBAEA:** I thank the Honorable Member of Parliament for East Choiseul for seeking answers to these very important questions.

The opinion was formed after evidence was provided by the FFA that fishing by the vessels did occur inside the Solomon Islands waters within the 200 exclusive economic zone. That evidence comes from the Forum Fisheries Agency. For the information of Parliament, the purse seiner vessels that normally come to do fishing inside our waters have a system called a vessel monitoring system inside, and that system is installed inside all the purse seiners and long liners that normally come to fish inside our waters. If any vessel does not have the VMS vessel monitoring system inside it, it will not be allowed to come into our waters to fish or they will not be given a license. When a vessel enters our 200 exclusive economic zone, that system sends signals straightaway to the FFA. Also in the new fisheries office facilities which was funded by the New Zealand Government, it has a monitoring control room inside it too and so the moment any ship enters inside our 200 exclusive economic zone, it also sends the signal to this control room straightaway. The FFA can send a message straightaway to us telling us to charge the ships. That is in terms of the first question.

In regards to the second part of the question, the agents are the charterers of the boats and that was why they were served with those letters. There was no other purpose. The agents who are located here are representatives of vessels that normally fish inside our waters. The agent of those ships in the country here is the South Seas Fisheries and that is why that letter was served to that agent.

In regards to the third question on what level of proof does a country need to blacklist any foreign vessels, we only need to have undisputable evidence to blacklist foreign vessels on WCPFC's IUU list for illegal fishing. For the vessels to be delisted, they need to pay the fines we imposed on them.

At the moment we do have a very good teamwork consisting of my Under Secretary, the Ministry of Fisheries Deputy Director, a Legal Officer from the Attorney General's Chamber and a senior officer from the Ministry of Foreign Affairs & External Trade and the Secretariat of the FFA. Right now today they are meeting in the Federated States of Micronesia to discuss the issue of blacklisting the fishing vessels. For the formation of the House, later on today our group will present our case on this issue. We are also one of the members of the 17 pacific countries that those ships can come and fish in our EEZ's. They will also talk about this issue at this meeting.

In regards to the fourth question on what monitoring control and surveillance system is used, the Niue Treaty is about regional collaboration to combat illegal fishing. In the most recent meeting of members of the Niue Treaty in Canberra in May this year, members agreed that a subsidiary agreement be developed. This will allow for cross-jurisdictional cooperation, for example, if an Australian Patrol Boat intercepts a fishing vessel suspected of illegal fishing in our waters, it can arrest the vessel. Currently, this cannot be done. The best it can do is to report the vessel suspected of illegal fishing in our waters back to the Solomon Islands authority Islands. Thank you.

**Hon. ABANA:** If the Minister forms the opinion that the vessels were fishing illegally in our waters, what sort of fine can be imposed on them? The amount is what I am asking and whether it is in US or Solomon dollars?

**Hon. Lusibaea:** This will be discussed at the TCC but the minimal fine is not less than SBD\$20million for all the six boats. That is the new fine we are considering to impose on any fishing vessels that enter illegally into our waters.

**Mr. WALE:** I want to congratulate the Minister for a fine work on this.

**Hon Lilo** (*interjecting*): In case you are their agent in here.

**Mr Wale:** What?

**Mr Speaker:** Order, order, please carry on the MP for Aoke/Langa Langa.

**Mr Wale:** Thank you Mr Speaker, and when you say order, you must look at the Minister of Finance who has made me lose my thinking of what I was going to say. But thank you.

I am congratulating my brother, the Minister because a lot of people doubted his credibility for this job. But he is doing a good job there and so is entitled to a pat on the back for doing a good work.

I did not have a look at the Fisheries Act and, of course, we are a party to the various treaties which governs our tuna fishery. It just seems to me that one man was alleged to have committed a crime or was accused of the crime and so a warning letter was issued to him. Unless, of course, this is the situation prescribed in the Fisheries Act, it seems to me the Minister is of a very clear and firm opinion vouched for by the surveillance monitoring system in the FFA Office and also in the new fisheries office, it is already an illegal act. Yet we are warning them as opposed to prosecuting them, unless, of course, the procedures and the grounds are prescribed for in the Fisheries Act.

I suppose my question to my very good and hard working brother, the Minister for Fisheries is, what are the grounds in the Fisheries Act to enable you move to actually confiscate those boats and then prosecute them, which seems to me that there is already sufficient grounds. Only issuing them with warning letters looks like there are no sufficient grounds.

**Hon. Lusibaea:** I thank the Member for Aoke/Langa Langa for that question. At the moment those six ships have illegally fished in our EEZ zone and have escaped back to

their country. What happens now is that the 17 countries that own the high sea pockets will be meeting in the FSM this week. Those boats can escape but they will not come back to fish in our waters because we will be giving our warning letter to the meeting to blacklist those ships. The purpose of blacklisting them is to bring them back here so that we impose the fine on them. Now that they are blacklisted they will be concerned about their business because they will not be able to do anymore fishing. They will be concerned that they will not be able to do anymore fishing in Solomon Islands waters. If they want to register under one of the other 17 countries, that country will say no to them and tell them to go back to Solomon Islands and sort their problem first before they can go to fish in that particular country. That is one thing good about being a member of the 17 countries. Right now we also have the PNA (Parties to the Nauru Agreement) which really strengthens it by closing the gap between the two high pocket seas that these ships normally come to fish inside.

The ships that we are referring to above have entered our EEZ, and therefore we have all the right to impose fine on them straightaway. I think this might answer your question.

**Hon. Abana:** Minister, in your answer to my first question you said it would not be less than \$20million fine. I wonder whether that fine is on the basis of just one ship or on the basis of companies that operate inside the country, and secondly whether that money is solely for Solomon Islands or will this committee that is meeting now decide on how the fine will be paid. But knowing the fact they have breached our laws, the Minister must encourage that fine. I am happy to hear if we could charge those ships at that amount to ensure that they do not enter our waters again.

**Hon. Lusibaea:** That is the total fine for the six ships and it is in Solomon dollars. For each ship, you divide the total amount which I stated earlier among them, which is \$20million. That is what we have in mind to impose as fine on the ships after the negotiations and they come back to us. We believe that with the good team being sent there to the meeting for the negotiations, there will be no other way to escape that fine because they were already caught. That is the total fine we are thinking of imposing on the six ships.

**Hon. Philip:** I guess this is supplementary information. As we all know, in the past we had a big problem regarding the Jeannette Diana and after that America became an enemy to us and so we came up with this multilateral treaty arrangement on fisheries in the Pacific. The only reason we can come out is to sign a multilateral treaty. Each country marks out what is for the ATA (American Tuna Association) and the rest of the country, the EEZ still belongs to us. But these six boats were fishing in the area

earmarked as multilateral and not within the ATA area and so all that fine should come back to the Solomon Islands Government. I am not sure after the TCC meeting in Majuro in the Marshall Islands they will come up with some kind of formula, maybe a little bit contribution to the FFA or not, I am not sure. But I think it will be like that. Thank you.

**Hon. Lusibaea:** Just to add on to what the Prime Minister has said. If it so happens those fines are paid, everything will be deposited into the SIG account.

**Mr Sogavare:** Just one supplementary question. In the event or probably an unlikely event that we cannot get them to come back to pay the fine, where else can we go to enforce them to pay this fine of \$20 million because we need to collect that? I think it is beyond all shadow of doubt that these people are fishing illegally in here, the Ministry has formed that opinion, it is beyond all shadow of doubt, this revenue is collectable. In the event we cannot get them under the blacklisting arrangement that is now in progress, if we cannot do that, where else can we go. Can we go to the International Court of Justice?

**Hon. Lillo:** The Minister has already said that the meeting we are having with the 17 member countries will see that it is not only us that blacklists them, but even these other countries will also blacklist these companies. I believe that will force them to come back to us to sort out their problem with us. But if in the unlikely event that we cannot force them to come back through that arrangement then we have to find other avenues. They have their agents here in the country and so maybe we have to blacklist their agents as well.

Under the Companies Act that we have whether it is a foreign company that is represented in the company by way of a trustee or agency, they represent those foreign companies. That is what our new Companies Act is saying. We could extend that to these agents operating in Solomon Islands.

**Hon. Philip:** Just supplementary information. If all our regional mechanisms fail to recoup what is owed to us from those six vessels, I think the only place we can take this matter up is to the United Nations; considering the law of the Sea Convention or maybe at the Hague, in the International Court of Justice. We know that we do not have diplomatic relations with the country that is at culprit now and so it will be really difficult. But I think the only international forum we can use is the United Nations, a submission to the United Nations through what is called the International Court of Justice (ICJ). But at the moment we cannot deal directly with China because we do not

have diplomatic relations with them, but we can use the international forum to bring our case for good.

**Mr Wale:** Just further to the answer by the honorable Prime Minister, I want to ask the Minister for Fisheries and not the Minister for Finance, whether there are further steps, further options available to us under the Western Central Pacific Tuna Fisheries Treaty that once this one fails whether there are other steps we can take with our other partners to the treaty, and secondly, whether the Secretariat of the Commission has some kind of capability that he can also pursue some outstanding payments on issues like this. What I am saying is that if all these avenues are exhausted before we can ask the international court to look at it. Just for clarification.

**Hon. Lusibaea:** At the moment, the story is that these six vessels have already escaped. What we are trying to do now is to bring them back and blacklist them and impose fines on them. That is the process going on now.

Fishing is a very important business, and if you look at the global world we are now living in, the South Pacific countries own part of the seas where fish is in abundance and graded number one. Therefore, these companies will be concerned about their fishing business because they will now have to consider whether to continue to do fishing or remain blacklisted. The warning letter given to them is to blacklist them. After the meeting that is now underway in the Marshall Islands, the 17 Pacific Island countries that are also members will also blacklist these companies as well. When those companies are blacklisted they will surely want to come back to pay the fine to us so that we delist them from the blacklist. If they do not want to pay the fine then we might end up in that court which the Prime Minister mentioned earlier on. Thank you.

**Mr Speaker:** I think we have covered the question quite well and I would like to ask the Member for East Choiseul to thank the Minister.

**Mr Wale:** Point of order.

**Mr Speaker:** What is your point of order, Member for Aoke/Langa Langa?

*(laughter)*

**Mr Speaker:** Ask your same question to the Minister?

**Mr Wale:** The Minister repeated his answer to the previous questions, but he did not answer my question. I asked whether there are other legal mechanisms or options within the treaty that is between issuing of warning letters and going to the court. That particular question was not answered and that is what I want if it is possible for him to answer, please?

**Mr Speaker:** I think that has been answered because there is no other way, except the ICJ.

**Mr Wale:** Well, he did not say that, Mr Speaker, with due respect so he needs to say that if that is the case. You, Mr Speaker, with due respect assumed that he said it because I did not hear it. He either needs to say that there is no other option in the treaty or something like that.

**Mr Speaker:** If that is so, then Minister you just repeat the same answer.

*(laughter)*

**Hon. Lusibaea:** The WCPFC is very confident the case will go through. Thank you.

**Mr Speaker:** Perhaps that is not very clear to you yet? Then you can ask another question to clarify your question to the Minister.

**Mr Wale:** Thank you but it is not really clear to me. I mean all that the Minister was saying was already said. But this matter only; in the treaty do we have other options beyond the warning letter issued and short of going to court. That is really my question and the answer should be yes or no. If the answer is yes, what are those options? That is the question and it has not been answered with due respect.

**Hon. Lusibaea:** I think the answer is yes, and that is the only option that I am confident this case will go through and will reach that level.

**Mr Sogavare:** I want to take this opportunity to thank the Minister and commend the Ministry for the fine work they are doing on this issue.

### **Security of students studying in PNG institutions**

**40. Mr WALE** to the Minister for Education and Human Resources Development: Can the Minister inform the House on the security concerns affecting our students at Uni-

tech in Lae, but we hear that it is not just Unitech but other institutions in PNG as well, and what steps have been taken by the University and the Solomon Islands Government to ensure the security of our students.

**Hon. HA'AMORI:** Thank you honorable Member for Aoke/Langalanga for raising that question, which is most certainly of interest not only to the honorable Member but to the people of Solomon Islands, especially the parents of students studying in the University of Technology in Lae.

At about the beginning of this month an incident took place between two ethnic rival groups. I do not think it is of further interest to us to name the two ethnic groups, but just for a background, two ethnic groups, and a conflict ensued which developed into a security situation and which the media made everybody to know about and, of course, arrived here in Solomon Islands too.

I want to say that the situation has now returned to normal to the point where the Ministry of Education has decided not to act to remove the students at this point in time. More particularly the security situation in Unitech Lae has returned, complement to the University's administration and the PNG constabulary who have helped to maintain the situation security within the institution. When the situation developed to a worse point, the students were confined to their halls of residences, but the Ministry has understood that they are now free to walk around inside the Campus, and some degree of acceptable security has now been maintained.

The University, as the Ministry understands, has suspended its classes due mostly to students for their own personal security have left the Campus and gone out. However, as of last week, I would like to inform the House that the University Council has met and decided to recall the students and so the students should have returned to the Campus around this time now. There has been a reconciliation program the University has planned to reconcile the two conflicting group so that classes can resume. The Ministry also understands that classes will be prolonged for about two weeks to compensate for the lost days incurred by the University.

Just before I sit down, I want to assure the House and the people of this country that the Solomon Islands High Commissioner based in Port Moresby will go to the University next week just to get first hand information about the situation that I have been led to believe has improved quite a lot.

The information provided to this House is current as of 29<sup>th</sup> Sept 2010. Our students studying in the Campus are 76. I am happy to inform parents that the situation has improved quite a lot to the point where the Ministry at this point in time is not contemplating repatriating our students as yet.

**Mr SIKUA:** I want to ask the honourable Minister for Education whether the arrangement for our students in Unitech is still in place where they are living together in one particular village within the University and are not mixing up with other students. I want the Minister to confirm whether that arrangement is still in place that all the 76 students are accommodated within the University in one particular area and do not mix around with the other students that are enrolled at the University of Technology in Lae.

**Hon. Ha'amori:** Yes, our students are kept at the international village. I would like to also add that advice has been given to them not to wonder about unnecessarily inside the city but to confine themselves within the Campus and wherever possible in that particular village, the international village, and they have also been advised not to engage in activities that may compromise their security.

**Mr Wale:** Media has reported that the same cause of unrest in Uni-tech Lae has also filtered into UPNG, Port Moresby, whether this is true or not?

**Hon. Ha'amori:** At this point in time the Ministry has not been formally advised of the security situation in other institutions where our students are studying has deteriorated to the extent that Uni-tech has been reported to be.

**Mr SANDAKABATU:** A supplementary question to the honorable Minister. In the case of students who may or may not be traumatized by the situation and wish to change universities to study elsewhere next year or who decide to come back and find another university to study for the same program, is there any arrangement in the Ministry to be able to allow that to happen?

**Hon Ha'amori:** Such an arrangement can be discussed with the Ministry and upon being satisfied the case has merits in it that it is good for the requesting student to be placed somewhere else, the Ministry, of course, can consider such a request.

**Mr SOALAOI:** I want to thank the Minister for answering the question. I do not really know whether that information given by the Minister is provided to the Ministry by the University or by a student.

As I understand it from the Minister, our High Commissioner will be travelling to the University next week. Is the Ministry looking at sending somebody from the Ministry over to the University to actually find out the real situation there? Because as we have heard from the Minister he said that he will get first hand information of the situation after the High Commissioner's visit so we are probably given second hand

information from whatever the source is on the information provided by the Minister to the House.

We know very well, Mr Minister that when you are inside such a situation like that overseas, you would feel much better when somebody from home visits you and especially from the Ministry concerned. Just for the Minister to tell the House whether the Ministry has in mind to send somebody from the Ministry to actually go to the University and come back with first hand information that we are still waiting for, which maybe will come next week. Since we are far away Minister, we do not know anything might happen before the High Commissioner gets to the University to get us that first hand information.

**Hon Ha'ramori:** I just want to assure the House that the security of our students is paramount to the Ministry of Education. Make no mistake about that.

The information available to the Ministry has been provided by the University Administration, thanks to technology and the Students Association Executive itself. The High Commissioner going there would basically be a triangulation of the information already available to us. We have no reason to believe that the information coming from the University Administration and our own Solomon Islands Students' Executive is to be questioned at this point in time. When the High Commissioner arrives there he will just verify all this information provided to us already.

I would also believe that in a natural situation, the first people who would be calling to be removed if the situation comes up to such a situation that warrants such a request would be a call from the Solomon Islands Students Association Executive. But at this point in time, they must have felt it is alright for students to still remain there.

**Mr Wale:** I stand to thank the Minister, and in saying thank you it is important that this is not the first time civil commotions affect our students in overseas institutions. We hope it is the last but it probably will not be the last either, unfortunately and as former Minister for Education I know that we do not have standard protocol in place in government for invoking mechanisms; at what point do we repatriate our students from overseas institutions. And so perhaps it is a matter that the Minister might like to take up with the Minister for Foreign Affairs and perhaps the Police to discuss and set in place some protocols to deal with situations like that in the future, and perhaps even including the point raised by the Leader of Independent that perhaps someone from government could be on the ground right throughout even if not to assess the situation but to encourage students and offer counseling when that may become necessary.

With those few comments, I thank the Honourable Minister. Thank you.

**Mr Speaker:** That concludes our question time and we will proceed on to our next item of business.

## MOTIONS

*That the National Parliament of Solomon Islands in accordance with Section 103(1) of the Constitution, hereby resolves to empower the Honourable Minister for Finance to authorize the issue of monies from the consolidated fund for the purpose of meeting expenditure necessary to carry on the public services at a level not exceeding the level of these services in the previous financial year, until the expiration of four months from the beginning of the financial year 2011, or the coming into operation of the Appropriation Act, 2011, whichever is the earlier.*

**Hon LILO:** Thank you for granting me leave to move that the National Parliament of Solomon Islands in accordance with Section 103(1) of the Constitution, hereby resolves to empower the Honourable Minister for Finance to authorize the issue of monies from the consolidated fund for the purpose of meeting expenditure necessary to carry on the public services at a level not exceeding the level of these services in the previous financial year, until the expiration of four months from the beginning of the financial year 2011, or the coming into operation of the Appropriation Act 2011, whichever is the earlier.

Section 102(1) of the Constitution requires the Minister of Finance explain to Parliament the circumstances preventing the tabling of the annual financial year estimates to Parliament. The circumstances surrounding the need to do so are eminent and overwhelming.

The government assumed office just over a month ago and since then it has been determining where the country has been, where the country is and where it should be heading. We now recognize that there are many economic and financial challenges and difficulties being faced by the government and the country. In this connection, we fully appreciate efforts made by the previous government administration, particularly in the areas of finance and economic reforms.

We are fully conscious that the foremost objective of the government is to ensure that the development needs of the majority of the people of this country remain the key priority and must be appropriately addressed. It is also to ensure that the country moves forward with every citizen doubling their efforts in a meaningful manner and in the spirit of true partnership with all stakeholders, most particularly our development partners. This government is strongly committed to now we know the IMF program signed up to by the previous government administration, not only because of the commitment it is making to donor partners but mainly because we believe that sound and financial management will underpin a period of real growth in this country. The

government acknowledges that the International Monetary Fund conditions are not easy to achieve but we will give it our best shot to meeting the criteria necessary to access budget support from our development partners including the European Union, the Asian Development Bank as well as Australia and New Zealand.

We are in the final stages of preparing and finalizing our policy statements given the translation and the implementation plan and a successor national strategic plan. We need to ensure that these policies and strategies are addressed in the 2011 budget. This is necessary to achieve and fulfil the mandate and responsibilities bestowed upon us by our people.

The task ahead of the government to address these challenges will not be easy, but the government is prepared and committed to face the challenges head on. What we need is to be more mindful and conscious of our efforts and undertakings, most particularly to grow a vibrant and resilient economy of this country.

We therefore owe debts of gratitude to the architects and the founding fathers of this nation for their vision and wisdom in the incorporation of section 103(1) of the constitution. This is to ensure that the government machinery and services continue to function and be delivered while the succeeding appropriations are being prepared. The constitution being the supreme law of the country therefore must prevail and adhered too.

As required under section 102 of the national constitution, I will be obliged to present the 2011 Appropriation Bill to Parliament at its first session in 2011. To this end, the government fully recognises and appreciates the efforts made by the previous government and the consultative mechanisms by which the provisional 2011 budget has been prepared to date. The government in this regard will seek to revisit the strategies and policies employed in the preparation of the provisional 2011 budget, and accord the opportunity to further scrutinize and finalise the 2011 Appropriation Bill so that it will be in consistent with the government's policies and program.

I must therefore continue to call for hard work, commitment and corporation on the part of every citizen of all corners of the country, particularly leaders of this Honourable House and other leaders in the provincial assemblies, churches, service delivery institutions, economic production entities, villages and communities. Moreover, every citizen must work to contribute positively, effectively and meaningfully towards the building of our great nation and its economy. I do not believe that any member of the Honourable House present today will seriously consider that it would benefit the country to tie the hands of the government by withholding support for this resolution because preventing funding getting through to projects can only harm our rural and grassroots constituents. Preventing our public service from functioning will also not assist the progress and development of our country.

In agreeing to this resolution motion, the parliament will enable the salaries and services that government funds to flow unimpeded. It would not be good governance to turn off the tap. It is therefore, my humble request and expectation that this resolution receive the unanimous support of all members present here today.

I now beg to move that the National Parliament of Solomon Islands in accordance with section 103(1) of the constitution hereby resolves to empower of Minister of Finance to authorise the issues of monies from the consolidated fund for the purpose of meeting expenditures necessary to carry on public serviced at the level not exceeding the level of services in the previous financial years until the expiration of four months from the beginning of the financial year 2011 or the coming into the operation of the Appropriation Act 2011 whichever is the earlier.

With those remarks I commend this resolution to the House and I beg to move.

**Mr Speaker:** Hon Members, before I allow the debate to continue, I kindly remind Members to please follow the rules of debate, especially Standing Order 32 and also address the chair. The floor is now open for debate.

**Hon. WALE:** Thank you for recognising the Member for Aoke/Langalanga. This resolution is very appropriate. I do not think anyone on this side of the House or anyone in this House will question the appropriateness of this resolution. This side of the House can quite sincerely and genuinely say we want the government to succeed, not because the government is politically those of you on the other side now looking and laughing somewhat hysterically there, but because you represent the best hopes of these beloved islands. We want you, the Prime Minister to succeed in your role and we want the Minister of Finance to succeed in his role. We want the government to succeed, not in its personal situation as important as that is, but for the betterment of our good people in our beloved islands, and therefore this resolution is very appropriate.

The constitution is very clear that the executive government does not have authority to expend public funds other than that authorized by Parliament. This is very clear in the constitution and is a point our good colleague the Member for East Choiseul continues to remind us about and one that we must continue to pay attention to. It is therefore appropriate that the government comes to Parliament precisely for that authority on this resolution.

This feature of almost all modern democracies emanated from the time when the people and their representatives demanded greater powers and separation powers from monarchs and in such powers the people through their representatives resolved to retain for themselves the power to authorise expenditures. The people resolved that kings must not have the power to authorise themselves to expend public funds because

that would amount to what had been the situation throughout history where monarchs have absolute powers. We have inherited that principle of separation of powers and therefore the authority to appropriate public funds rightly belongs to this House.

This is an important principle enshrined in our constitution and one that we must continue to respect and live under. And so within that I am very pleased and I am actually very encouraged by much of what the Minister said yesterday when he spoke on the Supplementary Appropriation Bill and also what he said today when moving this particular motion.

I happened to be in the gallery, I was not a member at that time when the last resolution was moved, which was early in 2008, and I note that a fair chunk of the Minister speech today was the same, almost word for word of that motion of the then minister. Not that it matters greatly because the issues are similar. Although the context might be different, certainly the warrant that is being sought from Parliament is the same, and so in that regard it is really appropriate.

The consequences of not having supply for the first quarter of the New Year are enormous as pointed out by the Minister. And so our founding fathers were very wise in anticipating that there will be instances when the situation will arise and that an appropriation act will not be in place in time for the commencement of a new financial year. Whilst this is true, it cannot be an excuse or cannot become an excuse for us using this provision to cover up our own failure, perhaps or weakness in not ensuring that a budget is prepared in time. I grant, however, that the Minister coming today is not an excuse for that. Understandably, the policy document of the government is yet to come out to know where the allocation of resources must go to ensure our country moves in unison and moves together towards a vision that is yet to be outlined by the Honorable Prime Minister.

During the debate of the Supplementary Appropriation Bill we passed yesterday, I raised the point and it was granted by the Minister of Finance that in the last quarter of this year he will have access or the government will have access to \$16 million worth of contingency warrants. That also will be translated into the first quarter is an issue obviously that the Minister has to seriously consider. He is, as he stated yesterday, very keen in seeing greater, because there is already restrained and discipline in the treasury, but he is keen to see greater discipline in public expenditure, and so we will be looking to see what that greater discipline will be in the remaining quarter of this year, but obviously also in the first quarter of next year whilst this resolution remains in place.

Because this resolution by nature is blanket, obviously the House does not have access to the details of what will comprise the government expenditure for the first four months of 2011, and that too is understandable and totally permissible under the constitution. By definition, having the same level of services may also tie the government down to maintaining existing mechanisms that may require reform. What

the government is saying to us in coming for this resolution is that it will not embark on its announced reform intentions until possibly well after the second quarter of 2011. If that is the case, it will mean that from the 25<sup>th</sup> of August this year when this government was formed to latest April in 2011, at the earliest, may be even a little later than that, the government will have all taken a good eight months to even begin to gear up for substantive work.

I am not saying this by way of accusation, I am merely pointing it out by way of observation, because it is important for government to note that that is almost a year from the day it took up office, and it is a long time not to be doing the things it wanted to do. It is a long time not to be focusing on the vision it sees for our country, and it is a long time to be doing little if it comes to the worst of it and therefore the government must be urged to gear itself into action early in the first quarter of 2011. There is sufficient time for the government to bring a budget to parliament early in the first quarter of 2011. At the end of this year, we understand that the government is yet to come out with its policy document that gets translated and then a budget gives focus to what that means in its first year in office. All that takes time, and we permit that time so that it is done properly. We do not want to rush into these things. But by January of 2011, the government should well be in place to summon parliament and to table before it its intention is contained in an appropriation bill proper for 2011 so that we do not have to wait until the end of March, perhaps even April to consider an appropriation bill.

It will also be consistent with the Minister's own pronouncements of prudent financial management and it is obviously a more preferable situation for the government that its own budget comes as early as possible so that it has maximum time to expend resources in pursuit of policy options, priorities and strategic directions that it sees as important, as opposed to spending a good three or four months in continuing resolution that currently just maintains this year's levels but perhaps does not contribute in any significant way to the strategic direction that the government wants to set for our country.

I do not have very much more to say, I am almost finished, but by nature the major expenditures at the beginning of the year are for basic services. Our students that we have been talking about today have to go back to their schools at the beginning of this year. Of course, health services must continue, police services, the payroll and so forth must continue. Basically everything there is will continue at the same levels. Perhaps the only refrain will be that ministries will delay the full thrust of their activities until after the first quarter to allow the government to articulate its vision through the 2011 budget and then assume their true level of focus activity and resource.

As I said earlier on today, I liked what I heard from the Minister of Finance yesterday in terms of prudent financial management, the broad reference points that

must guide us in terms of good governance in terms of open government, I like all of that. I like what I heard him said today in terms of government assessing where we have been, assessing where we are at now and looking forward to where we must go. I like all of that. I want to be able to trust this Minister of Finance, hopefully not against my better judgment to ensure that government will live within the constraints of this resolution.

Obviously, it is an open question but one I hope the Minister will do his utmost to demonstrate to these lovely and beautiful islands that he can be trusted as a good honorable steward of public finances. Of course, we are drawn to trust him from his words yesterday, but as you know words do not always translate into action and often words deceive. We want to urge the Minister that he will keep his words and that he will ensure the government will live within the bounds of the resolution for the first quarter, but even better than that, that he will ensure that a budget is brought before this House way early in the first quarter so that government is afforded maximum time to be able to pursue its program of action.

With those few remarks, thank you again and I support the motion.

**Mr SOGAVARE:** Thank you and I am going to be brief in contributing to this motion. This is a constitutional motion that Parliament has the duty to pass. As the member for Aoke/Langa Langa alluded to, in fact Parliament has the duty to do that because failing that, of course, the government will not be able to continue. We take the plea by the Minister of Finance who also acknowledged that very issue as well that this is about continuing to serve our people when the Appropriation Bill for 2011 is delayed for the reasons outlined to us by the Minister. I might just dwell a bit more on the reasons the Minister has outlined to justify the delay in presenting the 2011 Budget.

It is very interesting to note the precise wording of this motion, especially in a setting where our country has just witnessed a change in government at a very crucial point in time in the running of the fiscal year so we can, I guess, sympathize with the position the government is faced with. The fiscal year is coming to its end and the government has to do a lot of work to put together its policies so that when it comes up with a budget it is in accordance to the policies it is putting together.

I am interested in this because the precise wording of the motion, and with your indulgence, Mr Speaker, I will read it so that it puts my mind into context. It says "that the National Parliament of Solomon Islands in accordance with section 103(1) of the Constitution hereby resolves to empower the honorable Minister of Finance to authorize the issue of monies from the consolidated fund for the purpose of meeting expenditure necessary to carry on the public services at a level not exceeding the level of the services in the previous financial year." That is a crucial phrase. And then, of course, it qualifies "until the expiration of four months from the beginning of the

financial year 2011 or the coming into operation of the Appropriation Act 2011. The Member for Aoke/Langalanga has urged the government and I guess he expressed the reasons why he feels it is important that the government quickly comes up with the budget before the expiry of the four months.

As I said, the new government is placed in a very, very awkward position on this matter because it is yet to be guided by a set of policy direction in the way the government is thinking of managing the levels of funds requested under this motion. The government is requesting funds but it is yet to have a set direction policy that it will follow, although we understand the government will launch its framework on Monday.

Be that as it may, in fact the reasons highlighted by the Minister, yes, just assumed office or determine the direction, determine the issues to be addressed, determine the situation of the economy so that you know exactly where you want to take the country. He also mentioned the ongoing consultations with the International Monetary Fund (IMF) and the World Bank and their various agencies and also discussions with the various aid donors who are very important players in financing the budget of this country since we gained independence 32 years ago.

Yes, I am saying these things, and be that as it may, the request clearly sets the perimeters within which the new government must utilize the funds it requested here, and maybe if the Attorney General is here he might be able to clarify to us our understanding of this motion. The crucial limitations are like this, as I have already stated, and that is to carry on the public services at the level not exceeding the level of these services in the previous financial year. I do not know whether that also raised this issue of contingency warrants if that has the effect of raising the level of these services. What are those? Maybe the Minister could clarify that to us with the Attorney General. Of course, the other crucial phrase, "until the expiration of four months from the beginning of the financial year 2011". In other words, the new government must continue with the services delivered under the 2010 Appropriation Act at the same level of budgetary allocation up to four months. I guess that level has been increased without really touching the contingency warrants of \$60million that the member for Aoke/Langalanga has mentioned. Just by the supplementary appropriation we passed yesterday of \$177,788,400.00 brings up the ceiling in terms of provisions to \$1.8billion. The Minister also briefed Parliament yesterday that revenue performance is probably about 60% in July/August so roughly the revenue performs at 50% of projection, which means the real level of service delivery and because it is cash budget where we collect and spend, effectively the level of service delivery, maybe half of that, the projection that the former Minister of Finance presented to Parliament was based on \$1.6 to \$2million that we will use to finance the 2010 budget, and \$80million of that as we understand it comes from the government of Taiwan or the Republic of China. That, I guess, brings down the provision in terms of Solomon Islands funded to about \$1.4 or

\$1.3 something. That brings it further down. Therefore, if the projection revenue is based on the budget presented to the floor and not on the increased amount by the supplementary appropriation yesterday, the actual performance of services is probably about \$850million. That is another issue which maybe the Minister of Finance when he winds up the debate on this motion needs to clarify to the House the legal position on that point raised.

What I am saying is subject to the official opinion of the Attorney General that the new government is obliged to continue with the policy rationale that formed the basis of the 2010 Appropriation Act. The schedules and the detailed analysis are elaborated on in the supporting documents and I guess the economic rationale the Ministry of Finance submitted to support the operations of the 2010 budget, because that seems to be the basis upon which the request here is presented before the House and for Parliament to approve.

That being the case, the new government must appreciate that the 2010 Appropriation Act is structured to drive the following priority areas: reconciliation, national security and foreign relations, infrastructure development, social services in the six main areas submitted by the CNURA Government, the economic and productive sector and civil affairs.

It is interesting that in terms of reconciliation \$19.3million is what the government has put in the 2010 budget, donors -\$5.5million. If you strictly interpret that, the limit we can go is four months and remain at the same level then that is the kind of level we are looking at here; four months to limit is \$6.43million and donors \$1.93million. I am not sure if like some donor funded projects and, I guess, expenditures that are ongoing can also participate or be willing to be part of this resolution.

In regards to national security, \$185.5million is provided for that in the 2010 budget and donors put in \$936million. Infrastructure gets \$76million with donor \$113.2million. On social services the government really emphasizes that area, which is good by allocating \$778million and donor \$275million. Economic productive sector gets \$268million from the Solomon Islands Government and donors give \$235million. If those are prorated in line with the requirements of what is now requested under section 103 of the Constitution then, of course, the limit the Ministry can go to is up to four months at the same level.

I do not want to go through much of what I have prepared here, but I think the areas suggested, of which reconciliation is one, the Prime Minister made the point very clear that the issue of getting Solomon Islanders to start to see eye to eye of ourselves, to get more, I guess, the spirit of national identity. The PM has come out very clear on that in terms of getting the country moving forward. We cannot move forward until we complete our work of getting Solomon Islanders to see eye to eye. That will strictly

interpret the provisions of section 103 and the emphasis must still be on that area because you just have to carry on at the same level.

National security and foreign relations are also very important areas as well. A total of \$188million is allocated in the 2010 fiscal year. Of this amount, as I have already said, \$135million is Solomon Islands contribution while donors invest \$53million. This is interesting because I think there is a very significant change in the 2010 budget because when the first version came, the figures to keep RAMSI in Solomon Islands were fully reflected. But when the final version of the 2010 budget came, that figure is no longer there and the only figure that appears there is \$53million. The reason for this very significant change is not clear. The concern that every one of us have here is the preparedness of the Solomon Islands Police Force to effectively take over the responsibility of law and order in the event that our friends decide to withdraw. I think it is a fact that the Royal Solomon Islands Police Force still relies very heavily on logistics provided by the Regional Assistance Mission to Solomon Islands in carrying out its work.

The issue we will face in the long term, of course, is how we are to sustain the standard we have achieved so far. In the first four months the government is expected to implement the same level of services, this has to be a crucial issue, and how do we transit that to the new policy the government is going to come up with because this is a standing issue and I do not think we can just simply disregard it when it comes to formulation of the 2011 budget. I guess what I am saying here is that this is an issue the new government cannot afford to take lightly. The effectiveness of law and order in this country of Solomon Islands, in the long term will depend very much on how we exit the Regional Assistance Mission to Solomon Islands.

I know the Prime Minister has some views on this matter and it would be interesting to see how the views of the various parties that make up the present government will be reflected in the new policy framework of the government. I guess, as the opposition side, we only have the duty to start express our thoughts of what may be coming. As any Solomon Islanders would tell us, one of the major hindrances to the effectiveness of our police force is lack of logistics. I think the report of the Foreign Relations Committee also emphasized this as well. That report was discussed fully in here, its recommendations carried and now with the government and government as the living entity and not government as run by the governing party. I assume that when new the government formulates its policies, it takes account of outstanding issues that this very Parliament has already discussed and has put to the government to take up.

I had expressed the view during the debate in 2010 Appropriation Act that the Solomon Islands Government must now invest in this area before we are caught unprepared. (I know the Minister of Police is sitting down there listening in). The way

we are going is that we may be in terrible shock when RAMSI assistance, which includes provisions of requisite logistics are withdrawn. We from the back way province of Choiseul when our local police officers want to follow up on reports from our side in North East Choiseul they do not have logistics like canoe and outboard motor to go there. The only people who have an OBM are our friends, the RAMSI, and in many cases such logistics are not readily available. I am just sort of emphasizing that so that in the formulation of our policies, we need to look very seriously into that area as we transit the policy of the immediate former government on what areas we are going to take up. As I said, our police must now get use to taking control of law and order.

Having said that, in the 2010 budget, we did express appreciation for the tremendous help our development partners have put into this, and I make specific reference on police on law and order, and that is for the police stations, the investments in police housing and police stations by the New Zealand Government and also continue as well to upgrade the various prisons throughout the country, and I assume those investments will continue.

On national security, in the last government, foreign relations also come with that grouping. On foreign relations, I think Parliament and the people of Solomon Islands will be interested to see any changes in these areas. Of course, the first four months we will not see any change as yet, but as you would know the country's engagement with Iran has received mixed reactions from the people of this country and so it would be interesting to see the new government's position on this matter.

On the Melanesian Spearhead Group, I am encourage by the early statements of our Prime Minister of his position in regards to some of the issues that some of us Solomon Islanders feel strongly about, and that is on how we handle the issue of Fiji. That issue will remain a very important regional issue for Solomon Islands as a very close friend, brother and partner of Fiji. I think Fiji needs Solomon Islands and other members of the MSG country to pull through. As I said already, I am very encouraged by the early statements issued by the Prime Minister of this country and I encourage him to continue along that part.

I said that because over the years there is a clear lack of cohesiveness and solidarity by the Melanesian Spearhead Group countries on the Fiji issue, and that is very, very disappointing. We go to international forums, to regional meetings and we are split on issues affecting our very close brother. I think we really need to take a firm, cohesive and joint agreed position on this issue.

The country will be interesting to see how the new government will see this look-north policy that the Prime Minister also announced will take shape. I would like to believe that Solomon Islands has a lot to learn and a lot to gain in the area of security,

trade relations and technical support in areas like health, education and the development of the private sector.

I can go on, but I do not intend to go more into that, but just to make a point on strict interpretation of section 103(1) of the Constitution that the government will continue with the programs that the last CNURA Government has put in place until such time it comes up with the budget. And as pointed out by the Member for Aoke/Langalanga, the quicker the government comes up with the budget, that budget will be yours, you have redirected it. Therefore, maybe the reason that the Minister of Finance said that they need time to determine the direction, to determine the issues that need to be looked at, determine the situation, look at the policies of the immediate former government and in the interest of continuity of some programs that are good for this country in the absence of a long term development plan that the government is obliged to follow, the discretion really is on the government of the day to ensure that good programs continue.

I guess the last two issues I want to emphasize before I sit down is where and how aid donors will play in the new budget and we will be interested to see the policy of the new government on the involvement of aid donors. I guess views were expressed, and some of us held the view that they are thinly spread. For aid donor resources, we are sure that it is there, it will come. If we can narrow that down to areas that we really need to address and that is the importance of having good infrastructures in the country and definitely aid donors have been coming in on that. Maybe we need to pin them down in that area and also health, medical services and education. We must narrow them down in those four areas instead of thinly spreading them out where at the end of the day we achieve really nothing from or very little from the investments of our friends in here.

I would like to believe that our aid donors can sit down and listen to us if we put forward a sensible proposition to them. I think in the absence of a long term development plan that they too are involved in, the wisdom and discretion really remains on the new government to put up a good case to our friends.

Of course, the other thing for ourselves as well is our own resources. There is a tendency that these are being spread out very thinly so that at the end of the day we have not achieved much from them. Just look at us after all these years that we invest so much but we get very little from those investments. This revelation on the new level of funding for public service which now reaches \$586 million is a new thing. And as I said yesterday, it begs now for us to sit down and seriously come up with some cost benefit analyses whether this government or this country gets something out of a big investment on the employment of public officers.

Of course, I take what the Minister of Finance has said that public spending is a very important stimulant of the economy and so the government needs to spend. But I think it should spend in areas that really produce the desired outcomes.

With that, I do not want to go through all the six major points, but just to emphasize that point, and I think that point is clear. This motion, this side of the House as others has spoken, maybe others will talk as well, but we have no problem whatsoever and the Minister should not worry. The motion will be passed to allow the government to continue to withdraw funds from the consolidated fund up to four months or if you bring your budget much early then that is the end of the effect of this motion. Accordingly, we fully support this motion.

*Sitting suspended at 12.00pm for lunch break*

*Sitting resumed at 1.54 pm*

*Debate on the motion continues*

**Mr HOUENIPWELA:** I welcome the motion moved by the Honorable Minister of Finance on the resolution. Like my other colleagues who have spoken before me, especially my Honorable colleague for Aoke/Langalanga, I would like to thank the Minister and also to support him entirely because I want him to succeed, and not only him to succeed but I want the Government to succeed as well. This is indeed an expectation by our people. We want our government to succeed because in succeeding it is a benefit for the country. That is how I see it and so I have full confidence in my Honorable Minister in fulfilling this goal.

I also noted his reasons for moving this motion that given the recent election of the government, I recognize that timing is an important factor in this matter. It is a very important constraint to the government because the government is yet to issue its policies and strategies. At this time of the life of the Government, it is too early to formulate a budget that would realistically reflect government policies and priorities. So I do not have any issues with the intent and the reasons for the motion. To me, it is in order and very necessary. But I just want to leave a few remarks perhaps to my Honorable Minister to think about while waiting for him to come up with a budget itself.

I would like to make a suggestion to the Government that I think it would be quite important for the government to cash in, as it were, on the good work of the previous government, which he was part of so I would like to commend him as well for the good work that government has left to this new House, especially in terms of the economy. I believe the Solomon Islands economy has performed really well despite the

recent Global Financial Crisis. The performance displayed by this economy has been quite extra ordinary in the sense that, I think overall, the economy has performed much better than expected. Inflation as we have been informed by the Minister himself has been below 2%. I think that is a very splendid sort of outcome.

I also notice that the external reserves position of this country has been very firm, firmly strong. Domestic credit has been under good control, of course, by the Central Bank. As I see in the reports, the productive sector continues to increase on a very firm basis with the minerals and the tourism sectors being mooted as the next growth sectors for this economy. With the hard working Ministers responsible, I think this economy has got a good footing, a very strong footing to set off to grow so the potential to grow is quite good.

As I was saying, I think this economy, the Solomon Islands' economy has performed really well, much better than people would have expected. As a new member of this House, I again would like to commend and congratulate the previous government and all of those who were in the previous CNURA Government who are now on the other side for a job well done.

I would like to also thank the Minister for his call to all of us to show hard work and commitment. I think it is a worthy call that all Solomon Islanders must work hard. We need to heed the call by the Minister. We cannot be complacent any more. Having said what I said before that the economy is on a much firmer footing and the economy's potential is good. We cannot be complacent but that all Solomon Islanders must work hard, especially those of us in this House must work very hard.

I would like to echo and reiterate the wisdom the Minister said in his statement that we must work hard; we must work hard especially to help the Minister in his efforts to protect the positive outcome I have just spoken about. The Minister has worked very hard in the last government to achieve this positive outcome. I can only pledge myself to work hard with him. In that connection, I would like to remind us all, especially the government that we must be very careful not to squander the good efforts, the good outcomes, the good results that have already been achieved. This is not in the interest of anybody, but all Solomon Islanders, all ordinary citizens of this country, least of all the government, it is definitely in the interest of all of us that we must work diligently, we must work very hard to protect the positive outcomes that have already been achieved.

The economy is strong and so we must protect that. Incomes are strong and so we must protect that. I would like to add whatever is there to the Minister's announcements that in regards to making things work we have to work really hard. I think the Minister has also made statements in regards to financial management and this is something that we must all try and work towards. The Minister's call on all of us to be vigilant and be prudential managers is a call that we must all look at, we must all

work towards and we must all work hard to achieve. Indeed, I am very encouraged by his call. Such utterances coming from the Minister of Finance can only enhance my strength to work even harder. I know that he meant what he said. That is why I want to say it more and more that I would like to work with the Minister on this.

The Minister also mentioned that whilst thinking about the budget and whilst thinking about the issue before us today, in a way there are mechanisms that are already in place that are a bit like tying the hands too. There is the mention of the IMF program that is trying to measure the economic and financial benchmarks and also the Honiara Club that deals with the area debt servicing and sustainability. Like him, whilst these maybe constraints in terms of what we want to do and how much freedom we want to manage ourselves, at the same time these are very important mechanism and measures, which are very much part of government's overall system of trying to manage itself.

We have a problem of applying self discipline. Some of us do not know how to be self discipline too, and the Government too is not self discipline. Unfortunately, some these things have to be agreed to between other parties, other countries, other organizations to help apply discipline on ourselves. We have to recognize that, and as I was saying before I do recognize and agree with the Government and especially the Minister that these mechanisms sometimes look like carry punitive benchmarks and milestones that the Government has to adhere to. But be that as it may, these are important mechanisms the Government has to realize in order to protect what I was saying earlier on, and that is to protect what we have. We have a strong economy, we have a strong path, the economic growth path that has been left by the previous government. I think it is important to continue with these important mechanisms and measures and applying discipline to ourselves, applying discipline to government financial management as highlighted by the Honorable Minister.

I am further encouraged by the remarks of some of his Cabinet colleagues, especially the Honorable Minister for Mines and Energy, the Honorable Minister for Lands and the Honorable Minister for Fisheries. These are all very important ministries because they deal with resources. I think the next phase, as it were, in developing and widening the economy has to come from those ministries. I am encouraged by what the Ministers, the respective Ministers have said in the last couple of days in our previous discussions already held in this House. I can see there is great potential for the Government to advance and there is great potential for the government to do a good work.

In fact, as we heard this morning from the Minister himself when there was this question on land rentals we heard that the potential revenue from land rentals is about \$2.4billion. This is quite significant. In fact, this is probably more than enough to fund the Solomon Islands Government's Recurrent Budget. This is why I am encouraged by

what the Minister of Lands has had to said this morning that he is working very, very hard and we have to encourage him, push him and strengthen him to work very hard, not only to collect those outstanding \$24million but to establish the base. This is a very good base because we can even run the Government on just the land rentals, as it seems to me if we had collected all the rentals. But that is not what I meant. I meant all the areas in our natural resources plus tourism, we have very good potential to have a government that is fully financed, a budget that is fully financed even both budgets, both the recurrent and the development budgets.

I think the government is on a very strong footing to see its plans and priorities and strategies come to realization, which now brings me to the matter at hand and in closing the resolution. As I have said I do not have any issue with this motion, but I just want to ask a very basic question. From August this year to the end of April next year will be almost about eight to nine months and so how long is enough time for the government to come up with its priorities and a budget? How long? How long is enough time to put policies and priorities in place? I think this time is sufficient, I think this time is enough and so I want to encourage all my good parliamentary colleagues, let us get this motion passed so that the government will get down to business so that we can ask them to quickly come up with the budget because we cannot wait for another eight months because our people will be waiting. Well actually they are waiting now, they are very, very eager to see a government that is fully functioning, a government that is financed, a government that is looking after their interests. Right now we are only talking but our people really would want to see the budget.

I am very keen to see the 2011 budget come to the floor of this House so that we discuss it, scrutinize it and debate it. But for now, as I have said I would just like to urge the Government to accelerate the process of getting the 2011 budget before Parliament as we cannot wait. With these remarks, I would like to support the motion. Thank you.

**Mr. TOZAKA:** Thank you for allowing me to contribute very briefly to the motion on the resolution to give power to the Minister for Finance or authorizing him to continue spending or issue monies from the consolidated fund for purposes of meeting expenditure between now and the end of December or when it is time for him to bring in the Appropriation Bill 2011.

Firstly, I would like to thank him for doing that and join my Honorable colleagues that I too would like to see that the Government succeeds. I congratulate once again the Prime Minister and the Ministers for the election of the Prime Minister and also all the Ministers for taking up their functions. I would like to make three points in contributing to this motion. What I want to say is that I would like the government to be successful. I would like to see the government listening hard and to

govern properly. I would like to see the government listening hard to our people on what they really need.

I also would like to see this government perform and deliver on its programs and policies. It is a bit sad, but I understand the government needs time to formulate its policies. I would have thought that the policies of the Government would have been ready so that it is available to us at this meeting so that it arouses our thinking and also prepares us as well to work with them because it is very vital that we have the government's policies and programs of action. But the Prime Minister has stated that that is not immediately available and that is very understandable.

I just want to make a few points to the Minister for Finance, and he has to take note of the points I am about to make and that is on the relationship between the Central Government and the Provincial Government, where 90% of our people live. Every one of us sitting down here represents our people living in the provinces in our villages and they are waiting and listening as to when we are going to start to work.

Our weaknesses, as you yourself are aware, Mr Speaker, is that weakness between our relationship and the provinces as far as the implementation of our policies is concerned. We know that some of the functions of provincial government, especially the connection between the village and centres like Auki, Gizo, Kirakira, Tulagi does not exist anymore. That gap to implementing the policies is missing at this time. I hope the new government takes note of that. They have plans of action and they have budgets that they came up with but many times those plans were not incorporated into the budgetary system of the Government. In that way the connection is not dovetailed and is missing. I hope the new government takes into consideration that missing link. I think our emphasis now should be the provinces; it should be our people in the rural areas as to how we would assist them.

As you are aware, there are no extension services, there are no agriculture extension services, there are no fisheries extension services and other fundamental services of the government in the provinces. I think it is fundamental that in the coming budget, the needs of the provinces or these outstanding needs of the provinces should be taken into consideration in our budget.

Having said that, I think the MP for Small Malaita also talked about the management capability or the coordination and communication mechanism between planning and budgeting. I think that is very important. There seems to be lack of coordination between the area of planning and the area of budgeting in our experience. This is due to several reasons but our development and recurrent budgeting are kept separate. The first focus is on foreign aid, and that is the development side and the normal budgeting process is under the Ministry of Finance. The limited budgetary power of the Ministry may lead to a struggle to control the budget. There is no institutional coordination between them or the institutional coordination between the

development side and the planning side is weak. There is no regular committee system to ensure there is coordination of those two. That has been an outstanding problem, not only experienced by the last government but in previous governments as well that that fundamental weakness in the system is always there.

I trust that the Ministry of Finance and the Ministry of Planning, both of whom are very experienced Ministers would address this very important weakness in terms of coordination between the development budget and the recurrent budget. Instead of them working together, those two have a missing link between them. They do not really coordinate and fit in. I would like to mention that because I think it is important that when you look at the budget, you have to make sure that happens.

My colleague MPs for East Choiseul and Small Malaita mentioned about the importance of continuity. There are some very important viable policies and programs of previous governments, not only the CNURA Government but other past governments, which the Minister of Finance and also our colleagues on the other side were key players to. Our economy as the MP for Small Malaita said is growing, is stable and is steady. Why is that happening? It is because of these policies and these programs we are working on at the moment.

We need to recognize that. We need to provide an environment, a friendly environment, a secure environment, an environment where these programs and these policies can work well in efficiently, effectively and productively. The government is being assisted by the Machinery of Government through RAMSI on some of these programs. There is good capacity building in the Ministry of Public Service. There are some very good programs in the Ministry of Public Service. The Public Service Improvement Program is now picking up and is addressing the problems we are all experiencing, the slackness and the weakness in the public service. I would like to call upon the government, and I am sure this is a responsible government and these programs, in my view, should be continued, should be supported and should achieve their objectives respectively.

On the same note, regardless of what we are doing, however, beautiful our plans and our programs maybe in whatever we do in our experiences in the past, if there is no security, many of the things we want to do are going to be very difficult and our continuity will be very difficult. We have not seen what has been achieved by the Regional Mission of Solomon Islands through the "Helpem Fren" which us been with us and is doing a very good job. I think we all agree with this.

We all know that we went through the election successfully, which I can say is one of the best elections where some of our colleagues did not make it and some of us managed to come back. But my feeling on this side of the House is that I feel very comfortable with the other side of the House. I can see the partnership and I can see the

seriousness. I can see that, and it is coming up and it will happen. The best is yet to come. Do not forget that in everything we do, there is only one person that looks after us overall, and he is the one to say the last thing.

Being on this side, I am confident that we will address the problems and the needs of our people in the rural area. Let us not forget our people in the rural area; do not lose sight of them. Let us make the delegation, not this way (*point fingers up*) but down to the people. We have to go and visit them, and I am very happy with the media's call that MPs with the increase in allowances through the PER, we ought to visit our people. I believe that is what our people want. They really want us to be with them. Sometimes we overdo going outside of the country, which is good that we go overseas to visit but going down to the rural areas is what we have been missing. Sometimes we miss going down and sometimes we forget that. We overdo going outside and we forget going down to our people. We only go down to see them when the elections are coming. We must try to also give our attention to our people; all our attention should be given to them. I think it is enough of our people needing us to help them; they really need us.

I would like to thank my wantok from South Vella who is now the Minister of Rural Development. We will support you and so try your best in that Ministry. We will ensure that you deliver and help our people in the various programs, projects and policies of the government because that Ministry is a fundamental ministry that looks after our people throughout the nation.

This is not a sine motion, but it is a resolution motion and so forgive me if I have gone overboard to touch on other areas, which I think are important. Most of us have experienced some of these weaknesses, the structural weaknesses of our budgets that we need to address. What the MP for Small Malaita is very true in regards to collection of revenue in the Ministry of Lands where about \$24million still needs to be collected in that ministry and if that amount is collected it would answer some of our problems. But we have not done so. We only look very much at the big things and forget about the small things. Can we go down and look for the small things? May be the answers are there with the small things down there. I therefore support the thinking that we have to look at collecting the revenues due to us in the areas we have not collected.

I think I have exhausted what I would like to say. I think if I have time I will talk again at the sine die, but with those few words I support this motion and I thank you.

**Hon. Lilo:** I can see that everybody seems eager to move on to the next motion so I might as well just say some very brief remarks in concluding this particular motion.

I would like to thank colleagues on that side of the House who have spoken to this motion. I am encouraged by the spirit of bipartisan support that all of us seems to show, especially on motions like this. This is important because these are provisions in

the constitution come a time that we have to resort to, so that we can continue perform as a government or the government machinery must continue to perform or function so that it delivers services to our beloved people of our very great nation.

Just to recap on some comments that have been echoed in MPs contributions to this motion. I am really encouraged by the continuous reminder to us about the supremacy of parliament. I think the Member for East Choiseul who has been a beacon of that voice continues to remind us that we must come back to Parliament where we need to seek the authority of Parliament on matters like this. It is a good sign of our faith and commitment to parliament, as one of the cornerstones of our modern parliamentary democracy.

This is a constitutional motion and so the way the motion is drafted has to be in the same way. Whether it be now, in the past or into the future the wording of the motion will remain the same. Every time this motion is always moved, it is also moved at almost a time like this during a change in government. When there is a change in government, normally the government has limited time for it to launch a fully pledged policy and strategy upon which government programs like financing resources and things like that would be made available, this motion is the provision that we have to resort to. The motion has the same wording like what it used to be in the past. I am someone who used to write motions like this in the past for previous ministers and they are just the same. I also moved one like this in the past in 2006 and it is the same when the Member for East Choiseul and I were in government at that time; just the same one, it is not different. But I think it is time for us to come and remind ourselves on what issues we need to take stock of so that we develop a better program and budget into the future. I think it is also time to remind ourselves not to be careless too.

I would like to thank all the members on the other side of the bench for continuing to remind us on this side to be cautious in the actions we are taking. I am sure you can see from the nice looking faces on this side that we are very serious. We have taken up our responsibilities in full confidence. I only wish everybody on that side of the House emulates my wantok MP for North Vella, who feels very optimistic about the capability of those of us on this side or the commitment of this side. I thank him for giving a very commendable comment about the government. I also want to urge people on the other side as well to exercise greater responsibility, as the Official Opposition during these difficult times. Do not go around inventing all sorts of information and then come around trying to disrepute our boys on this side. That is not politics but carelessness. So I would urge you all to exercise greater responsibility in your role as Her Majesty's Opposition. That is a big title, "Her Majesty's Opposition". Have you forgotten that you are Her Majesty's Opposition? You need to bear that in mind. If you put some time and think about what sort of grouping you are a part of, I

think you would have time to think about the dignity of that grouping, which is Her Majesty's Opposition.

I am asking you, please, to exercise greater responsibility during these difficult times, between now until the end of the year. I can assure the Member for Aoke/Langalanga that the actions we have taken, there is no need for you to cast any doubt on them. These are leaders duly elected by their people. They have vested upon them the mandate that is hard for you to take away, just like you too.

You would have made life and time for all of us to be very interesting, to have confidence in the most dignified way rather than coming into the floor of Parliament and say yes, 'you are good, but I am very sorry that I am still going to hold onto something from you, let us, cross our fingers, okay, that is fine, that is politics. But all the attributes of a responsible government have been shown by this side. And as you can see we are running around in old bombs that you have left us. That is greater responsibility. These are difficult times and so we did not go and buy flashy cars but we just run around in old bombs that you have left behind to us. Some cars we wanted to start them but we cannot and so we have to push start on them.

**A member** (*interjecting*): That is part of exercise as well.

**Hon Lilo**: Oh yeah. But what can we say? I mean this is it. We have to do that to bring the confidence of our people back to us. I thought you should talk more about things like that than trying to theorize as what some of us would always like to do. You would have made a very good contribution to this House if you had spoken about some of the good deeds that have been done over the last four weeks.

I would like to thank everyone on this side, including our boss, the Prime Minister himself and the others that we still stick to some of the rotten vehicles. We go around in those vehicles, and some of them we can see the ground from inside as there are big holes in them. But that is what is left for these new Ministers of the crown to run around in.

These are challenging times ahead and I want us to stick to, as what we have been reminded, the intent of what the Constitution says about this motion. There are two very important catch phrases here; "meeting the expenditure necessary to carry out public services." When it says expenditure necessary, I myself who has been in this official position in the past advising Ministers, always told them that I think these are actuals and not estimates. I say this because what is necessary is what you have actually met already and you know. That is what is necessary.

The makeup of the provision for the first quarter can be debated but, in my view, say for instance the issue that has been raised by East Choiseul on what about the contingency warrant. To me, if the contingency warrant is incurred in that first quarter,

of course, it will be reflected on the actual expenditure reflected in the first four months. But it does not include what is after. That is how I look at it. What it should be expended on has to be on public services. How do we define public services? Very basic, and that is essential services, public services. We can go on arguing about what are public services. People may say what about discretionary programs and things like that. Maybe that is something we can look at because given the current situation we are facing, it would be good to define what public services are.

We have taken those things, we have noted them and we are going to do them so that expenditure on public services is not unnecessarily being abused because we all know that all these have to be vetted against our revenue performances. The beginning of the year is always a very slow time for revenue to pick up. But this is one of the benchmarks under the IMF program we are running now that we should build up a cash reserve to a certain level by the end of the year that can flow onto the next year. This kind of financial management is what we are trying to practice. In the past we did not; we just throw in everything and come the end of the year, it is empty and we start the New Year by looking around, opening all the drawers asking if there is any money left so that we start the services. What we have committed ourselves under the reforms that have happened in the past, which every one of us is a part of; some of those on the other side we did it and some of them understood it and some are not, and so you have to pay attention to me right now. We need to put ourselves into a financial management culture where the sustainability of the budget keeps rolling over every year.

You can actually see the commitments as to why we are trying to do it now in that we are not bringing in any new provision in the Budget except the ones that you have all committed during the caretaker time of the MP for North East Guadalcanal and the Leader of Opposition. That is what we are bringing here, and which was already passed yesterday, and this means we have to go through a hard time trying how to manage it, but that is a reality we have to do.

On revenue performance I said yesterday that up until August was almost about 60%, just beyond 60% performance. That is not surprising because we came through a very cruel time - the global financial crisis where there is reduction in Government revenue, the capacity of the government to apply tax is even lesser and so we ended up with a situation where revenue performance has slightly performed ahead of the 50% mark. But not so surprising because by August and then towards the end of October or November, we should be able to have some provisional tax coming in and the other tax revenues will come in so maybe it can shoot up. I think we would still be able to make

up some of the criteria that we need to establish a sound financial basis for us to move on to 2011.

We also consider easing the relaxation of the reservation policy so that we do not just unnecessarily open up the floodgate and everyone just tries to spend and there is nothing left by the end of the year. I think the culture within the Public Service is slowly changing, not totally but a little bit. Some ministries are still showing signs in control of utilities like telephones. All of you who are holding onto government telephones should try and exercise control as well; all of us, so do not stare at me because it is every one of you. The whole lots of you sitting down there are all entitled to governments phones anyway and some of us on this side too, every one of us. Try and consider the usage of those telephones. Phones are now going down and so we need to start thinking about cutting down on landlines because it is cheaper communicating now with mobile phone. There are two mobile phone operators in the country and so it is cheaper. But we still have the landlines.

What I am being informed about now is that those landlines are being used for overseas calls to countries like the United States, Australia and some other places, and some of us are asking what are they phoning those places for. Running of private business is the big reason for using government phones. We need to look into that. This has started from the past, from those of us in the past. You have not seen it so now we have to clean it up. These are some of the very essential but necessary control measures that we have to do.

Of course, overseas travel continues to be a major issue, but like what the Prime Minister said yesterday every overseas travel that is going to happen towards the end of the year, most, if not all of it, a good bulk of it will be funded by aid donors so there would be not much pressure on the government.

We have a very good performance in the economy now, as stated by the MP for Small Malaita, and I would like to touch a bit on inflation. Some people when I said in the last two days that inflation is going down were exclaiming, is it true. I will give you information that has been given to me because I myself too when I was briefed about it put my doubt on it, but this morning I have been given this, not by officials in the Ministry but it was the Governor of the Central Bank who came and told me that inflation is actually going down and so I have to go direct to the people who are doing it - our statistics officers.

The low inflation rate has been recorded since the last quarter of 2009 and it was due mainly to food prices. As we all know, our inflation is measured based on the consumer price index (CPI) here in Honiara, and the two influential factors are food prices on rice and vegetables.

Last year when we were in government, some of you were saying do not reduce it but some of us were saying reduce the price, and that is what is happening now. The duty on rice has actually dropped. That was the best decision we did at that time, the removal of the duty on rice and so the price of rice has gone down and that has helped to bring down inflation. Also the price of fresh fruits and vegetables are also going down. You may say but the price of vegetables up the road at Kaibia and Lengkiki are still increasing. Well, those vendors go and buy those goods at the Main Market, split those parcels into smaller parcels and sold them for \$10.00 when they only bought it for \$5.00 at the Main Market. You may say that, but in as far the figures captured that is what it shows that inflation is going down. Because rice carries about – with that recent statistics, it is rated on 75/1000 denominators of the weighted of all the goods that make up the CPI in Honiara and fruits and vegetable is 73/1000. There has been a great change where price fell at by 8.7% in February 2010 and further in April of about 10.7%. That was what gave rise to reduction in inflation to less than 2%, but if you remove the impact of those prices it will rise to about 5.5% inflation, which is not bad. That is on inflation.

In terms of moving forward in financing the budget, I agree with all of you that one of the greatest assets of the Government that for so many years has been neglected is land. We now have to establish and recognize that, that is the biggest taxable revenue base of the country and of the Government that we must start to think about. The suggestions that all of us are making that what form it will take, whether it be in a form of tax or other much lighter levy, we have to start thinking about that because when we start to talk about tax, everyone is afraid. We need to find some better understanding for us to do this.

Working on the basis of about \$2.4billion value of the whole land the Government owns, it is not receiving a fair return on land premiums as levy. That is something for us to think about. Because even a 10% levy on that \$2.4billion is \$240million, and so we need to do something about this. We, in the last government did nothing about it, but this government is all geared up. I can tell you that and so we need to congratulate this Government for taking that issue up head-on. It is \$2.4 billion of total undisputed asset of government - land. Because land, which is a perpetual estate must be held by the Commissioner of Lands and it is only fixed term that is

leased out. And with a total unimproved capital value of \$2.4billion, and we just forget about it. This is our biggest revenue base.

Next year if something like this comes up, you should know that it would be in the area of land revenue. We need to maximize a good return of this. If it is 10% of the total value of the capital value of that land, which is land premium, so be it, it must be like that. We need to also tighten up enforcement as to how we collect this \$2.4b, with the right of government even to forfeit in the event that people are not able to comply in paying up.

The basis of this motion is to create a path for us to move towards a more responsible budget in 2011. I believe all the issues that ought to be addressed are well taken. We thank the contributions and comments made by the other side of the House on these issues.

There is one point raised about the timing. The maximum limit is four months of next year. This government is serious and we are working very hard to complete the policy, the translation document. If we can put all things together and get a firm understanding on how we will move forward to start preparing for the budget, the meeting may be called much earlier. But I think you should not rush us. I am sure you all understand the magnitude of the difficulty and challenges we are facing. Just for the sake of politics so that you come here and say 'you have eight months and you have not done anything'. I think you have to put something more responsible into it, and that is, no, the magnitude of the problems and the difficulties we are going to face is this so give time to the government to carefully find ways of addressing the difficulties we are facing.

I am sure we are banking on the better side of your part to exercise greater responsibility as the Opposition to understand the issues we are facing here during these difficult times and trust that everyone on this side will put a good program for us when the time comes for us to present the budget next year.

With those remarks I beg to move that the National Parliament of Solomon Islands in accordance with section 103(1) of the Constitution hereby resolves to empower the Minister for Finance to authorize the issue of monies from the consolidated fund, for the purposes of meeting expenditure necessary to carry on the public services at a level not exceeding the level of these services in the previous financial year until the expiration of four months from the beginning of the financial

year 2011 or the coming into the operation of the Appropriation Act 2011 whichever is the earlier. With those remarks, I beg to move.

*The motion is passed*

## **Sine Die Motion**

**Hon. PHILIP:** Mr Speaker, I rise to move that at the adjournment of Parliament on Friday 1<sup>st</sup> October, which is tomorrow, the present meeting shall be concluded and parliament shall then stand adjourned sine die.

Mr Speaker, thank you for allowing me the time and space to move this motion today in this honourable house. The motion, I suspect may have come too early for some of us. I am sorry if this is indeed the case because it is now necessary for parliament to adjourn sine die for government to proceed with its planning and to ensure that we have prepared and settled in with our new program of action. The process will further require interpreting policies into implementable mechanisms and to further translate them into affordable budgetary outlays.

Today is perhaps a momentous occasion for me, for a number of reasons. First, that on average, this will be perhaps my 33<sup>rd</sup> motion of sine die speech in all, including those in my previous term of service to parliament, for 16 years since 1985 to 2001. My very first sine die speech was delivered 25 years in the Kalala House in 1985. The Kalala House was the alternative venue for holding our meetings when the high court chambers that we used to hold our meetings in was occupied by the court. Today, we are very fortunate that we do not have to shift parliament meetings elsewhere because we now have a decent home for our national parliament. Thanks to the government of the United States of America. In that sense, this sine die motion is somewhat familiar but one that brought a kind of nostalgia with it.

Secondly and in addition, this motion is indeed my very first sine die motion that I will move as the prime minister of Solomon Islands and therefore personally it is quite momentous as well as special. Thirdly, that upon reflection I feel a little tinge of emotion that time and space does strange things. As I walked into the high court chambers 25 years ago, I look at 48 familiar faces, faces that no more today. Many have been called to rest, the surviving few have retired and live with their communities.

Today, as I look around I could not help but feel the emotion of missing so many friends that I had acquainted with during the Third Parliament. Right here in our midst I could not help it but to acknowledge the presence of the Member of Parliament for North New Georgia, the hon. Job Tausinga who came to parliament at the same time as well as the former member for Savo/Russells who is today the Speaker of the House, who came in at the fourth parliament. Mr Speaker, you are the closest to my memory of the past and only in that sense I feel that I am not a loner in this Ninth House.

Honourable Members, for all that we are worth as leaders, we are only here because there is a job to do, a calling far greater than what you can imagine but also a sense of duty to fulfil to this point. The urgency of it is that we are but for a moment, after that when a task is done we must all be prepared the verdict next time around.

The first session and first meeting of the 9<sup>th</sup> Parliament though brief, has been a very important one. It is important in that it is the first Parliament meeting for our new Members of Parliament. It is also important in that it gives us the opportunity to express our appreciation to one of our statesmen, the former speaker of the National Parliament, Sir Peter Kenilorea. During this brief meeting we were also able to adopt the Customs Valuation Amendment Bill, the 2010 Supplementary Appropriation Bill 2010; a Resolution authorizing us to expend monies in the first quarter of next year, pending the adoption of the 2011 Appropriation Bill; and we also had a very productive questions and answers session.

But before I proceed further, I wish to take this opportunity to express my appreciation to you, the Clerk and staff of the National Parliament for organizing the Induction Seminar for all Members of Parliament from the 12<sup>th</sup> to 16<sup>th</sup> September 2010. I am sure all of us, in particular the new Members of Parliament had found the induction seminar very useful, as it helped us to prepare for our first meeting of the Ninth Parliament which we are about to conclude. I myself found the induction program quite refreshing some 10 years after I left Parliament.

Sir, when we resumed on Thursday last week on the 23<sup>rd</sup> September 2010, I am glad that we began or resumed our meeting by expressing our appreciation of the services to the National Parliament of Solomon Islands of the former Speaker, the Rt. Honourable Sir Peter Kenilorea, and for his outstanding contribution to nation building and good governance in our country. I wish to express my sincere appreciation again to all MPS who have contributed to that debate in paying tribute to the dedicated work and service that Sir Peter has done, not only as a Speaker but also as one of the founding fathers of our nation. Sir Peter has left a legacy for us to fulfil. His humility and fine leadership are values that all of us should emulate and build on as we lead and govern our country. Mr. Speaker, I wish to thank you for presenting to your predecessor the contributions that all MPs made during the debate to express our appreciation to Sir Peter. I wish him and his family again every success for the future.

Reforms in the economic and financial sector will continue to be critical as we find ways and means to create a vibrant economy. In this regard, the Customs Valuation Amendment Bill we adopted early this week, though a minor piece of legislation will contribute to our efforts to reform the tax regime. I wish to thank my hardworking Minister of Finance and Treasury for tabling the Bill as well as to all MPs including those on the other side of the House for their support towards the adoption of the Bill.

The impacts of the recent global financial crisis has adversely affected our ability to generate and collect revenue. It has made it difficult for us or any government for that matter to have a balanced budget, hence, the need for a supplementary budget to cater for unexpected expenditures or shortfalls within the budget. The 2010 supplementary Appropriation Bill 2010, we adopted yesterday as we know legalizes what we or the last government already spent, and provides for additional funding to take us through to the end of this year. Again, I wish to thank the Minister for Finance and Treasury for tabling the 2010 Supplementary Appropriation Bill 2010.

I also would like to thank Members on the other side of the House for their support and cooperation throughout the various stages of our deliberations on the Bill. I trust that all Accounting Officers in all our Ministries will ensure that the additional funding given to them will be spent wisely. There must be quality and value for money spending to avoid wastage.

Mr. Speaker, few minutes ago, the House passed a resolution that will authorize the Minister of Finance to authorize expenditure for the first quarter of next year. As you know, this resolution is necessary because the new government is yet to produce its program of action and subsequently ministerial plans and programs which should shape the 2011 budget. It is envisaged that the program of action should be ready towards the end of this year, enabling ministries to prepare their 2011 budget submissions in time for the March –April 2011 Budget Meeting of Parliament.

Apart from the bills and motions or resolutions I have alluded to as the highlights of this first meeting, we also had a useful and interesting questions and answers session. Despite the fact that most of my Ministers are new, I think they have done well in responding to the questions that were asked of them and I congratulate each one of them for a job well done. No doubt, the induction seminar as well as the strong sense of solidarity we have has boosted their confidence. In this connection, I also wish to thank the Permanent Secretaries and other senior government officials for helping Ministers to settle in their offices.

Only two months ago, we have been fighting it tough out there in our various constituencies to win our elections. To some, it was an easy ride whilst to others it was like a nightmare and to some even deep anxiety while still to others a terrible disappointment. That nightmare will simmer on for some time. When the harsh reality

of losing elections will finally be accepted by the many losing candidates. But all 50 of us came out of it with great joy and jubilation. We were victors and champions, so we think. To some, celebrations are still continuing and the losers are still mourning. Some communities in our electorates will remain at enmity to each other for a very, very long time to come because in some areas people have been hurt physically, properties lost and equipments that have been previously given to the people legitimately as constituency help have been retrieved and taken away by unsuccessful members of parliament as retaliation for losing the elections. Sir, the degree of hatred and animosity that exist between both losing and winning candidates, as I observed is incredibly veracious, to say the least. As a result of that animosity, we have today a breaking record number of election petitions of about 18 all in the high court. But is that what elections are all about? To cause hatred, destruction of properties, personal hurt as well as long term anxiety and enmity? To divide families and communities and to perpetrate old wounds, which perhaps have nothing to do with the elections? If indeed, this is what elections bring to our people and rural communities, then we must think very, very seriously. Is this how this country will continue to choose its elected representatives? And when members are elected to parliament, they are accused of corruption, theft and mismanagement of public funds. They become the subjects of ridicule and public criticism. Is this politics? Is politics necessary after all, may I ask? If elections and politics is all about that, then it brings to mind the question as to why each one of us wishes to be in it when we already know the stakes are too high. That alone is a very serious shot.

Admittedly, I must confess that the electoral process will unfortunately remain to be the only democratic means of choosing leaders into this honourable house. In that sense, it is perhaps a necessary evil that we just have to live with. Each one of us has to answer the question why do we wish to be in parliament this time around? For me, it is a question I had thoroughly examined, discussed, and consulted many people and friends about. We all have our own reasons as to why we want to be members of parliament as such a time as this.

Throughout the long history of our country, from the day these islands were annexed under British rule as a protectorate in 1892. Many Solomon Islanders came into the citadels of power at different times for specific reasons, and as their aims were either short-lived or ill fated under the stern hands of colonialism. Whatever happened to these valiant heroes, they were all in for a reason; a dream to fulfil. They have in their inner most convictions that certain things must happen to their people and country. They were all courageous and visionary people with a purpose at heart and a mission to fulfil.

To begin with, there was the period of the Ma'asine ruru, a movement that was initiated by people with a vision and for a purpose. What was the purpose? Well,

undoubtedly it was the Ma'asina Ruru that kindled the first flame of nationalism in colonial Solomon Islands. So they had a purpose and that was to breed and harness nationalism as a tool to break free from the scourge of colonialism. That was how far the leaders of the Ma'asina Ruru were able to fulfil their mission. And to them, someone else would come at some later date to carry on from where they left the mission. Later, of course, our forefathers and the architects of our constitution found us the way forward in bringing this country to independence in 1978.

What I am saying is that there were leaders who were called to bring and breed nationalism as well as those who were called to build on the nationalism to get us to political independence. Furthermore, there were still those who were brought in to prepare the country economically, to ensure the newly formed state is functional. This is, as we all know, was achieved in the first 20 years of our political independence. Our elected leaders soon after independence were required to work extra hard in building infrastructure projects such as the Noro township, the Henderson International Airport and tens of domestic airfields, the double highway lane through our city and the many more roads and bridges throughout the country. They also established financial institutions such as the Central Bank of Solomon Islands, the National Provident Fund, the National Bank of Solomon Islands, now Bank South Pacific and many more financial and insurance companies. They also established many parastatal companies and state owned enterprises such as the Solomon Islands Plantations Limited, the Solomon Taiyo fishing Venture Company, the now Soltai Fishing and Processing Company, Sasape Marina and Solomon Airlines. They built schools and health clinics in large numbers. They established what we have today as the Solomon Islands College of Higher Education and brought an auxiliary university campus to Honiara. Sir, there are too many more to mention, but these are the hallmarks of visionaries and leaders who came into political leadership of this country in the bygone days with a purpose and mission to be fulfilled.

They have to work hard to establish and built these things. There is that hidden message for all of us here today. What are we doing today to build on the things that those who went before us have so tirelessly brought into existence? Are we building onto their achievements or are we dismantling them to suit our own purposes today. What is happening today to all our state owned assets? Are we maintaining them and making them run properly and efficiently for the benefit of this country or are we privatizing them for the benefit of external interests? We all are here for a successful tomorrow of many others, the future generations.

I am posing these questions to help us understand the reason for us to be in politics as such a time as this. Seriously, do we realize that for one moment we think we own a country which was in fact never ours? We have been assuming the ownership of this country for much too long. Do you not think it is now time to take

possession of it again? I believe so. For me, this is the reason why I return to parliament; to cooperate with the like-minded at this Ninth Parliament to help all Solomon Islanders to regain the ownership of this country, not just assuming it but owning it in real terms. It is mind boggling to even think that as Solomon Islanders we are still yet to own our country. It is an awesome thought and it is for us here today, not tomorrow to come up with innovative and well-thought out schemes and ideas towards this end.

Let me throw a little more light into this postulation of the mere assumption of ownership of our country. I had repeatedly mentioned that I had previously served for 16 years in politics in our country. In 2001 I felt rather hopeless with the realization as if my own country was saying to me, "Thank you Mr Philip for being a very nice guy, you had truly been a good leader. All that you had said and achieved had truly benefited this country in the most effective and profitable way throughout your term of service as a token of our appreciation. We would like to present to you a reward, the ethnic tension".

Sir, if you are someone who had served your country in the best of your ability and thinking that you had actually achieved "mission possible" only to be rewarded with a situation of unprecedented social and economic bankruptcy. It is agonizing to say the least. To cut a long story short, I was the most disappointed ex politician. And so from day one after losing the 2001 election, I made it my commitment to search into underlying causes of the social and economic bankruptcy of my country.

My search for answers could only be on two hypotheses. First, that there can never be a functional state in Solomon Islands so long as there are traditional and customary values systems in a society that are hard to compromise. Secondly, that the current constitution had flaws and deficiency in it in addressing the real needs and aspirations of fellow Solomon Islanders. My repeated reading of our constitution, fortunately did not support any of my preconceived conclusions, at least for the moment. To the contrary, our Constitution is a perfect document, when it comes to addressing the state institution, wherein it stipulates efficiently the compatibility and complementarity of the three arms of the government, namely the executive, the judiciary and the legislature. Nevertheless, I still wasn't satisfied and refused to give up on my constitutional research, until one day I saw it staring straight into my face as though I had never read it before. It is the principle philosophy upon which the preamble of our constitution was constructed on and in as far as the question of ownership of resources in Solomon Islands is concerned. The opening statement in the preamble states as follows: "That all resources" not some, all, "in Solomon Islands shall be vested on the people and the state". If you are a real Solomon Islander and you just found out what that phrase really means, you will certainly refuse to believe what you are now reading, and the fact that we have not woken to the deep rooted implications of

this statement. What the preamble says is exactly what it says that all our resources whether customary or alienated are jointly owned or co-owned by us and the government of Solomon Islands. Do not be mistaken about that. That is the truth, no more no less. Did you know that your constitution was made in such a way that you must surrender your rights over resources to the state or the government to use and utilize them in the way it dictates? Did you know that you are only a less 50% of your country for the more than 30 years of political independence? Did you know that your customary ownership of land and resources are jointly owned by the government of Solomon Islands according to the preamble of our very own constitution? Did you know that when your resources are exported for monetary value that you have been given much less than what the government receives and that you are placed perpetually at a disadvantageous position of the benefit sharing spectrum? Did you know that in every resource utilization legislation in this country, there is embedded a legal gene that facilitates the transfer of rights over resource ownership from us to the government and that legal gene is called the acquisition process? That word to acquire, the verb to acquire simply means take away, detach, isolate, deprive.

I can go on and add to the above list of did you know questions but I believe we can now realize that there is a very pronounced deficiency in our current constitution. It is therefore imminent that something must be done about this particular anomaly? This being the position, I do not think that the provision was drafted in by the architects of our constitution by mistake. The provision, I believe, was deliberate.

In the western concept of building a functional nation state cannot be done in isolation or in any other way. The only way a state can be fully functional is for the state to own resources; that land, mineral resources, forests, quarries, estuaries, lakes and rivers must ultimately be owned by the state or the government. This is possible through the nationalization of resources by the state, hence in countries where resources were yet to be nationalized, the best that can be done is to ensure the state becomes a joint or co owner of resources and the means to do that is through the acquisition process.

The question, therefore, is that if this is not the way resources in Solomon Islands ought to be dealt with then what can we do about it 30 years on? Or are we satisfied to continue with the status quo or is there a necessity to change or reform the context of the preamble and constitution? How do we wish to reform the constitution to reflect our understanding of our ownership values? If the constitution is to be applicable and relevant to the people of Solomon Islands there is an urgent need to rectify this particular provision in our constitution.

We all know that customary ownership in this country can never be nationalized, far from it but what I believe that it is possible for the people to assume ownership of the state institution. This will mean that the resource owners or the people will practice

that duly diligence and responsibility to the state in supporting it through their resources. It is the people who will prescribe what is needed or given to the state to fulfil the state's functions. But there is a very important corollary in this arrangement. It will become mandatory on the state to be accountable to the people. As it is Sir, there is no obligation for the state to be accountable to the resource owners of this country. This is a very fundamental reform process. If this is what is expected of us, this is a very fundamental reform process if this is what is expected of us. Personally for me, I must admit that this is the purpose for which I decide to return to the Ninth Parliament. If the government that I lead is to be able to fulfil this task during my tenure in office, I will be the most happiest Prime Minister, and I hope you will all be too.

Let me now turn to our policy framework. By the way, the launching of our framework will not be on Monday 4<sup>th</sup>, but it will be on Tuesday. There are some difficulties with the printing of the document. But the end product now is that with a little snippet here and there, over the past two weeks, I know the anxiety to know what is in the Document continues to build up. On the floor of Parliament this week, for example, the interest shown by Members of Parliament has been very pleasing. It is only right they do. Because it is an important document, a document my Government will use as its roadmap for the development of our nation's abundant natural resources over the next four year. It is a document intended to change policy directions, approaches and focus. It is a document that signals a new dawn, the end of business as usual and the beginning of a new one. It signals the intent of the Government to be different. And we are determined to be different. When it is released, the Policy Statements will silence the critics who doubt our ability to deliver.

Our critics say they doubt our ability to deliver because of the composition of the government. They doubt our ability to deliver because they say we have a past. Let me assure you that as a Government, we are serious. We are, to use an Australian slang, fair dinkum about what we want to do because we know what we can do and cannot do.

For those who want to dwell on the past, let me say this. The past is truly imperfect. The future is uncertain. It is full of uncertainties. But thank God, we have the present. Let us deal with what we have, rather than dwell on what we do not have. For the past has gone, it will never return, and let us deal with the present because the future is uncertain.

My Government is determined to deliver on our Policy. But as I have said in the past, the task ahead is enormous and daunting. It needs the support of all stakeholders.

There is no doubt that the support of our development partners including both bilateral and multilateral donors will continue to be crucial in addressing our development challenges and aspirations. The Government in this regard is committed to engaging proactively with our development partners to ensure that the development

needs and desires of our people are met. This means that we must be in the driver's seat, taking the lead in shaping our destiny. I know that our partners need a clear sense of direction from us as to what our priorities are and so forth. This should be clear soon when the Government's Policy Statement is launched and later translated into programs of action, and subsequently a strategic development framework.

Above all, my Government will work closely with our traditional friends as well as explore new opportunities with new partners. At this juncture, I wish to thank our traditional partners such as Australia, New Zealand, Japan, the European Union, Papua New Guinea, the USA, and the Republic of China for the support they have rendered towards the development of this country over the years. I also wish to acknowledge the presence and contribution of various regional and international agencies that are based here in Honiara.

As you know, funding support from the Government of the Republic of China to the Solomon Islands Government or how it has been utilized has been a subject of criticism in the media and in certain quarters. My Government, as I have alluded, to when responding to a question on this matter is working on a mechanism that will deal with the administration and utilization of ROC funding support to Solomon Islands. Most of the ROC funds intended for rural and constituency development will be channelled through the Ministry of Rural Development who will administer and allocate the funds to Members of Parliament based on project submissions endorsed by the MPs. Members of Parliament will be required to provide acquittal reports at the end of each quarter indicating how the funds allocated to their constituencies were expended. The ROC funds intended for specific programs such as education or renewable energy will be transferred to the relevant Ministry. I trust that this process or mechanism will ensure more transparency, accountability, and effective use of ROC funding support to Solomon Islands.

My Government values its relations with Taiwan. It is a relationship that is based on mutual trust and on the fundamental principles of democracy and human rights. I will reiterate this important relationship when I visit Taiwan next week for its Double Ten Celebrations.

On RAMSI, there is no doubt that RAMSI has given us another chance to rebuild our country. It has provided an enabling environment for nation rebuilding and reconstruction. But we cannot expect RAMSI to be here forever. The onus is on us to build on the gains made so far. The onus is also on RAMSI to ensure that its various programs and initiatives under the SIG-RAMSI Partnership Framework does bear results that are sustainable and produce real and tangible capacity building results, in terms of skilled and trained power, institutional strengthening, and service delivery. We, Solomon Islanders, must be able to look after ourselves after RAMSI departs. A recent event involving RAMSI personnel and which resulted in the death of a local has

raised concerns. These are concerns that SIG and RAMSI need to seriously look at after the investigations into the incident are completed. My Government is also keen to review the SIG-RAMSI Partnership Framework to ensure it is aligned to our priorities.

Let me further delve a little more on a couple aspects of our policy framework. There have been a number of questions raised during the meeting from the Opposition which pre-empted what we tried to achieve as a government by way of our policy emphasis, most prominent, in my view, is the policy relating to customary land reform and that of the rural growth centre concept. To visualise what the whole reform process is all about, it is simply to see the process as two reform programs running parallel to each other. These are the fundamental reforms and the sectoral reforms which we believe will complement each other in the implementation. The fundamental reforms are those that deal with our constitution, our value system, in far as ownership of resources is concerned. It is about us, it is about the way we believe will sustain us and our country for the future. It is the way we believe diversity needs to be harnessed to create a more inclusive and cohesive society. The second process is the sectoral reforms. These are the ongoing as well as the new reforms that will be inserted into the various ministries. They are more of the short to medium term interests of the government. Sectoral reforms make the country tick and operable. They enhance the fundamental reforms in the way policies have never been formulated before. As I have alluded to in some of my answers to recently asked questions, the policy intentions are there to guide us forward. In this post conflict situation Solomon Islanders must think very carefully as to how we should find the way forward so that this country must never again meet another ethnic uprising in the years to come.

My fellow countrymen if we are going to be serious and if we are going to be concerned about our country and people in it, there is no more time to wait, no time to be complacent about the way we are. This parliament is the only House that I think and I believe is well placed, timely and appropriate to address this post conflict situation in our country. Why, you might ask? Because we have already achieved a certain degree of peace. We have amply reduced the task of the Regional Assistance Mission from that of a peace keeper to a lateral post conflict institutional strengthening training of our police and security personnel, over sighting of the economic and other peace time activities. But all these may only become window-dressing if we neglect the most important aspects about ourselves. It is not a matter that must be taken lightly, my fellow colleagues. It is an awesome duty and a higher calling that must be attended to. No 'ifs' and 'buts'. At our exit from this House, we must leave a legacy work noting and to be remembered.

Another issue that brings much interest from the Opposition and perhaps the public at large is the number of political appointments that have become somewhat a permanent feature of recent governments. The question many people are asking is

whether political appointments are necessary when we already have a public service to do the work of the government. As I had mentioned in one of my answers in parliament in relation to political appointments, I said that there are in fact two governments in Solomon Islands. The first one is the static one which comprised the public service, the government ministries, departments and the national authorising officers or the permanent secretaries. This is what I refer to as the institutional government that looks after how the government machinery operates and ensures it is maintained in good form and order. It does not have a framework or tenure in office. Its work force is governed by the General Orders. The public service is sometimes referred to as the public service of Her Majesty. The other government is the political government and its tenure in office is four years. It does not have a work force of its own, but has the public service at its will to use.

The terms of reference of the political government are multiple, but evidently it brings its own work program by way of its policies and programs of actions, at the same time and quite often these are not in line with what the established public service necessary wants to carry out. As a result of this, the political government is often handicapped to fulfil its obligations to the people who mandated it to Parliament. To break this impasse, the political government necessitates the appointment of political appointees to help it achieve its work program and in fact evaluate the performance of the political government. But political appointees are a sensitive issue and this government is very mindful of this consciousness. The two previous governments led by the MP for East Choiseul and the MP North East Guadalcanal have employed 20 and 18 political appointees respectively at the cost of more than \$4million. This government employs 13 political appointees at a much reduced cost of \$2million.

The point I am making is not so much about how expensive political appointments are but how necessary and how effective should they be. All of us want to see an effective and productive political government. We all want political governments that deliver the goods and not just mere words and promises. It is therefore important that the complimentary and effective workforce is established alongside our public service machinery. In previous governments so many allegations have been levelled at political appointments as being costly and ineffective. This may be true. There is nothing worse than appointing people and having them sign contracts without providing proper job descriptions and terms of reference. Of course, you cannot evaluate work performances without their terms of reference. We found that there were people employed or appointed previously with no terms of reference or job descriptions. Yes, every political appointee will be given a specific TOR and job descriptions so that we know what to expect from them.

Let me know turn to the policy of the national coalition a little bit more. This is the policy mechanism which aims at engaging the rural communities with regards to

the growth centers, which a policy mechanism which aims at engaging the rural communities in growth based livelihood areas. Each growth centre will be established with the basic of infrastructures such as wharfs jetties, roads to connect the communities, perhaps a warehouse to stock produce and goods. The principle objective of the centres is to facilitate the production of what the communities are able to produce and the provision of efficient transporting and marketing of these produces to major market centres such as Honiara, Auki, Gizo and other substations throughout the province. In time, it is hoped that these centres will grow into bigger centres and certain amount of manufacturing may be established such as simple food processing technologies using appropriate technologies. Around each growth centre it is envisaged that communities are organized into developing units called associations. Each association is organized into particular livelihood activities, for example, the cocoa association, the fisheries association, the copra association, livestock and grazing association, field crops and horticulture association etc. The government is hopeful that land can be liberalized for use by the people around the centre through the facilitation of the customary land reform process. We are currently conducting consultative meetings with various donor partners about the project in trying to encourage them to shoulder the infrastructure cost of the centres. These meetings will culminate into the main donor summit meeting to be held before the end of the year. Strategically also, it is important for the government to pull resources together to get the best result for its reform program in the most cost effective and efficient way. This, we hope, to achieve through the establishment of the natural bureau for social and economic reform mechanism (NABSA). The purpose of the bureau is to pull all major reform programs under one roof and under the supervision of the Permanent Secretary assigned with special duties. Major reform projects such as customary land reform growth centres, constitutional reform, agriculture and food security and others will be coordinated at the bureau for implementation and evaluation. It is hoped that a major part of the funding of the bureau will be carried by donor finance.

The future of this country is in our hands, in the hands of every citizen, men, women, and children. It is our collective duty to work towards a progressive, peaceful and prosperous Solomon Islands. The contribution of the private sector, our churches, and other civil society organizations is key to our success. My government stands ready to work closely with all of you.

Finally but not the least, this country cannot move forward until we achieve genuine reconciliation and peace. It is the duty of every citizen to contribute to the search for lasting peace and reconciliation. It is also our duty to cultivate a culture of peace and tolerance, promoting respect and appreciation for our diverse cultures and traditions. We must demonstrate a strong resolve to build this country together and ensure that it is a country that can live in peaceful co-existence and harmony. We have

a beautiful country blessed with abundant resources, but we have to change the mindset of our people so that they can begin to appreciate the beauty of what is around us and the need for us to take care of our environment.

In conclusion, let me take this opportunity to thank you, Mr Speaker, the Clerk and staff for all the hard work you have rendered in ensuring the smooth conduct of our deliberations during the last two weeks. You have done well in presiding over the first meeting of the Ninth Parliament and I look forward to working closely with you in future sessions and meetings. To all colleague Members of Parliament, I also wish to thank you again for your support and cooperation during our meeting and I hope that you will find time to visit your constituencies between now and the March meeting. With these remarks, I beg to move.

**Mr Speaker:** Honorable Members, it has been proposed that at the adjournment of Parliament on Friday 1 October 2010 the present meeting shall be concluded and Parliament shall then stand adjourned sine die.

As Members are aware, by tradition of this House, a *sine die* motion allows a broad ranging debate. The rules relating to relevance will thus be considerably relaxed for this debate and Members may touch any subject matter that they wish to talk on. Members, however, are reminded to adhere to other rules of debate and to be mindful that most, if not all, Members may wish to speak to this motion and we only have today and tomorrow to do so. The floor is now open for debate.

**Hon. FUGUI:** Thank you for allowing me to take this opportunity as I will be flying abroad tomorrow. I too would like to contribute to the Sine Die motion staked in this honorable House today.

First allow me to convey my vote of thanks to a number of people who have helped to vote us into Parliament. In the recent election of the 50 constituencies in the country, the Central Honiara Constituency witnessed some of the toughest electoral battles we have ever had. The constituency had the biggest number of contestants; 23 of us. But as overwhelming as the number game was, Central Honiara voters had made a fine decision. Therefore, I would like to take this opportunity to thank the Central Honiara constituents of their decision.

I would therefore like to thank in particular, the student voters at the USP Center, the Tuvaruhu Community, the Marble Street/Gegema communities; the Matariu Community; the Fulisango youths; Aekafo leadership - they know who they are, the Anthony Saru Beach Community; the Kwara'ae people of Central Honiara Constituency, the Lau and the Are Are people, the Isa Community that is almost submerged amongst the sea of Malaitans in the Feraladoa/Fulisango region, all our leaders in the constituency; the Honiara Hotel franchise; the Pacific Casino fraternity for

their support; our diligent public officers who believe in us; and the ordinary Central Honiara dwellers who acted rightly at that time when they said: “it would not hurt if we vote Fugui this time round.” I thank them all. Our hope is that now we are in power, we will do all that we can to make a difference so that when we leave politics we should have given birth to a rank of new leaders who would naturally take our place. It is important that when we enter politics, we must also know when we should leave politics! To all of our voters in Central Honiara, I say, ‘diana tasa’ in Lau, wonderful - its transliteration in English for the purpose of Standing Orders.

Allow me to dwell briefly on this thing we called the government. One counts it a privilege to join a government, and it is a rare privilege, indeed, to join the new government of the National Coalition for Reform and Advancement (NCRA). In the person of the Prime Minister, one finds once more, a father figure whose warmth and gentleness reminds us of one of those wonderful people who have preceded us, in yesteryears! Although the government is hardly a month old, the style of leadership has enabled our new MPs to be, first, confident and second to feel important already! We need such leaders for such a time like this!

At this point, I wish to turn a corner to speak about what we generally called the government. Unlike what comes naturally to us from the creator, the government, at its best, is a mere western invention. It is a western invention because there is nothing natural about it. It does not have eyes and it does not have ears. It does not have hands or even limbs for that matter. It does not have a Kwara’ae name or a Langa Langa designation; it does not have a Birao or a Gari denomination. Rather the government is but a mere imitation of humans. But, for all of its shortcomings and for what it is worth, it is the best approximation we have so far in terms of governance and what governments could do and would do!

I am saying this to draw our attention to the important principle that whatever government we find ourselves in – we must do our best to ensure that the government works – and works well too so that it provides the leadership and delivers the services the country needs. I am saying this also to impute or to put in place that when we are in leadership positions, we should remind ourselves as often as possible that “We (as MPs) are first amongst equals”. This is important so we can treat our people as best as we can!

At this juncture I would like to talk as the new Minister for Environment, Conservation and Climate Change. As the new Minister of Environment, Climate Change, Disaster Management and Meteorology (MECDM), a new name we have been reincarnated into. This is one of the ministries that intrigues me. There are so many acronyms that it flattens you. One can easily foresee a sea change in the trajectory of governance in the very near future, and this is interesting and this is encouraging.

Talking about governance and having just passed the Supplementary Appropriation Bill yesterday, the closest and most natural form of governance and budgeting for that matter we have is our environment. When you want to see order and discipline (two important ingredients in governance), one merely needs to look at how nature is patterned. The waves, if you have not forgotten already, the expanse of the sea so wonderful and so natural too, should I say; the sky, the clouds and the people that have taken custody of them all, when you look for a budget, you only need to get the fruits of a coconut tree to drink and eat or crack a ngali nut tree and we are fed. That is nothing but a wonderful, an original form of budgeting our people have long known. Just to remind us if we think that governance is a new thing, we have to remind ourselves of the old things.

In terms of the functions of the present Ministry under my jurisdiction, what the Ministry does is to explore the links (this is important) between environmental quality and economical growth. Economical growth is a western obsession that when you talk about economics without the growth part of it, we are in limbo. So it is economical growth and environmental quality within a naturally accepted strategy. These are strategies that incorporate pollution augmenting technological change! It maybe a bit sophisticated but not farfetched.

The Ministry attempts to ensure that government intervenes in order to ensure sustainable environmental management in the country. That is so important. Once we have all the money in the world but we are dead, it does not matter much. It is not worth it in terms of governance. Now invert the equation and you will see for yourselves, very clear that all the money in the world, in other words, would not buy us life, and so the environment is very important.

The Ministry attempts to ensure that the government intervenes in order to ensure sustainable environmental management in the country, and this is consistent with Goal 7 of the Millennium Development Goals (MDGs). In terms of the proposed Growth Centers the present government wishes to embark on, environment governance will ensure that:

- (1) Pollution is minimized and easy to manage in a sustainable manner;
- (2) The benefits of development will be equitably distributed to our people. If you have the sea in the west, you also have the sea around Malaita and that is the common sea we share. That is equal distribution of what comes naturally to us, and that is the environment.
- (3) Environmental sustainability is enhanced and Solomon Islands will achieve the Millennium Development Goal 7 by 2015; and
- (4) The livelihoods of our people improved and poverty reduced (Millennium Development Goal 1) by 2015.

If these are not parts of governance and if they do not have a marked impact on any budget of any government, I am not too sure what they are. But I am dead sure that environmental governance has always been an inherent part of our traditional governance. The sooner we realize this and turn away from this arthritic form of conventional governance that has been killing us, and has always been killing us since 1568 even before that, who knows, the better we will save our livelihoods and government from what is outdated and outmoded. This is one of the cardinal aims of my Ministry.

Finally, as we confidently walk into the future and with the Ministry of Environment taking a leading role, not a steering role but a leading role and that is the preemption of the futures that will come, I am certain we can manage. We can also show we are not only a responsible government but we, as a nation, are already a leader in our own right.

Finally, Mr Speaker, allow me to congratulate you again, if this is not a haveable, for your victory in the recent election to this esteemed post. With your unique style of leadership, Sir, I am amazed how you serve so nicely through the Standing Orders (SO), even when you come to a hiatus, the way you have handled it amazes most of us. You have read the standing Orders so many times. With your recent election and with this unique style of leadership, as we have slowly witnessed, I am sure this Parliament will not be the same again. With these few remarks, I thank you and I resume my seat.

**Hon TOVOSIA:** Mr Speaker, I rise to make contribution to the Sine Die Motion moved by the Honourable Prime Minister. In doing so, my speech will consist of two parts. Firstly, I will be contributing to the Sine Die motion, and secondly, I will treat the second part of my speech as a maiden speech, since this is my first official speech on the floor of this Honourable Parliament since my election to this Honourable House in the recent National Parliament elections.

Speaking to the Sine Die Motion, I will be briefly touching on personal observations on what Parliament covered in the two weeks that Parliament has been in session. Although this meeting has been brief, we have covered what was to be covered. The government has been able to bring two short bills to Parliament. The government also introduced the Motion of Appreciation to one of our retired statesman, Sir Peter Kenilorea to which Members of Parliament have been able to express their thanks to Sir Peter Kenilorea.

About half of the Members of Parliament are new comers to this Honourable House and like anything else we have to familiarize ourselves with parliamentary terms and slogans. We have been able to have the chance to be briefed on parliamentary processes and procedures.

This our first meeting and I have observed that we treat each other with respect in the way we approach each other and the way we go about Parliament on the floor of this Honourable House. In particular noting, I must say that I am very impressed with the contributions made by the Opposition side of the House, especially the quality of questions they brought before the House. I wish to congratulate them for that. Not only that but they acted with respect in the way they ask questions and supplementary questions. The contributions to the debate of a few motions moved in this House were also very outstanding.

I would like to turn to the second part of my speech which I treat as my maiden speech since this is my first official speech on the floor of this Honourable House. Mr Speaker, I would like to beg you that you allow me to do so. This is important to me because I will have the chance to put on record what I feel we should pay our attention to as a government as well as Members of Parliament who carry the interests of our people to the highest authority of our nation, and that is the National Parliament of Solomon Islands. This is where we exercise our primary role in making laws and policies to guide and direct the directions of how we should like to see our nation develop.

It is a great honour and a privilege for me to be given this opportunity to introduce my maiden speech to this Honourable House. I take this as quite a big event as far as Members of Parliament protocol is concerned. It is also a great honour for me to take my place in this honourable house. It is parliamentary tradition that a maiden speech should be as short and brief as possible.

I wish to beg leave to be able to take a little longer than it is expected to express my personal gratitude to my good people of East Guadalcanal Constituency. I would also wish to express my observations on issues that are of interest to my constituency. I would also wish to make comments of interest to my constituency, national issues, provincial issues and regional issues, international issues.

Mr Speaker, first of all I would like to congratulate you for your successful election to hold the position of the Speaker of National Parliament of Solomon Islands. Speakership has its own challenges and I am confident that a person of your experience and with cooperation from the MPs, I am sure you would be able to perform to the expectation of the post and, of course, the Members of this Honourable House and the public at large. There are guiding rules and parliamentary practices and principles which I believe you are quite familiar with. They will be your guiding tools and I am confident that you would be able to guide and direct the conduct of this Honourable House in a confident manner. I wish you all the best.

In my maiden speech, I want to first and foremost pay tribute to my good people of East Guadalcanal constituency. I would like to thank you all for seeing it fit to put me in this Honorable House as your representative for the next four years. I take this

trust very seriously and I will try my utmost best to represent you in this Honourable House in an honorable fashion.

I would also like to wholeheartedly acknowledge my working team that had tirelessly helped me prior and during the campaigning time, which saw my successful election to this great calling of representing you in this Honourable House. As a matter of principle, I stand here not only speaking for those who voted me, but I also stand here on behalf of those who did not vote for me. The fact is that whoever is elected to this Honourable House by the East Guadalcanal Constituency represents the constituents of the constituency and so my first and foremost duty is to represent you all in this Honourable Parliament, regardless of whether you voted for me or not. I understand this is obligation of all elected MPs and I promise to abide by the parliamentary protocols.

Once again I would like to thank and acknowledge the trust and confidence my people of East Guadalcanal Constituency placed on me by electing me to this honorable House as their representative. With the help of Almighty God, I am confident that together we can make things work for the best interest of the people of East Guadalcanal Constituency and to stand to make a difference for the required challenges that we all believe should happen to promote the required development for the welfare of our rural people, and more so my people of East Guadalcanal constituency.

Mr Speaker, I most grateful for this opportunity and the fact you have allowed me to introduce this maiden speech in this Honourable House is most appreciated. On the same note, I would also like to congratulate the other elected MPs to this Honourable House from all over our beloved nation, Solomon Islands. I am sure we are here because we wanted to see change in Solomon Islands for the good of our people and nation. I therefore call on all elected MPs to act in a way that is accommodating when considering regional and national issues affecting Solomon Islands as a nation. We need to address those issues head-on because it is in the best interest of the nation of Solomon Islands that we do so. Dodging issues of regionalization is not a healthy attitude because it could lead to nasty situations. Trust and respect for each other are virtues that are worth promoting to ensure Solomon Islands as a nation stays together.

I must say here that I am indeed happy to be part of the coalition led government of the Honorable MP for Rendova/Tetepare. I believe wholeheartedly that with his past wisdom and experience in Solomon Islands' politics, he should be able to provide a stable and secure government for the next four years. This is very important because whatever we do here, we are accountable to our voters. Transparency in our action and in our leadership is vital to winning national support. We will be judged by our action after four years. Let us put aside personal interests and let us work together to make a difference for our people and nation.

Being new to Parliament does not mean that we are naïve in our knowledge of what is needed to move this country forward. The past weeks of lobbying by different camps have been a daunting experience for me. But I took it as part of a healthy democratic process. I decide to be part of the group that has won the majority to form the government and now I have no regrets because I have the confidence in the leadership that made up the Government.

I believe the policies we will put together will provide the change that our people have been calling for in the past decades. I am a great believer in practical actions to make a change. I do not believe in fancy and colloquial languages that add to nothing. I believe in practical applications of ideas to make a change, and that is what this government is aiming to achieve; to make a change that would impact the livelihood of our rural people. I will touch on that later in my speech.

I have said in my opening remarks that I am here as the representative of my people of East Guadalcanal and thus stand here to voice my constituency concerns and desires to see that the government of the day can do something about their concerns. Better still, I am here to see that the government of the day helps my people of East Guadalcanal Constituency to be able to help themselves. My people are very hard working people and all they need is some kind of assistance that will enable them to help themselves. I do not believe in spoon feeding the people but the people need to be assisted to help themselves. That is the philosophy I am here to promote. My motto, therefore, is “help people to help themselves”.

This is consistent with the Chinese saying that says “Give a man a fish and you will feed him for a day. Teach a man how to fish and you will feed him for a life time”. We need to teach and assist our people to help themselves. What we really need to do to promote real development is that this nation needs practical action rather than empty words and promises. We must be practical in our approach. As the saying goes, “Actions speaks louder than words”, we need real serious commitment and actions, not empty words. This is what we as policy makers and legislators should be taking up seriously because bad policies, poor legislators lead to poor performance in government.

Speaking of development policy legislations, our people in the provinces must be part of the process. It has been a common practice in the past government that a lot of development policies have been designed with very little input or none at all from provincial authorities and tribal chiefs. Whether we like it or not, provincial authorities are the legal authorities at that level and they need to play a very active role in the development needs and desires of the provinces, which comprises constituencies represented here in this Honorable House.

I wish to suggest seriously here that we must do away with the practice of top-down planning and impose them in the provinces and constituencies. We must

seriously consider the bottom-up planning approach, which involves the provinces and chiefs who are resources owners and custodians of our natural resources out in the various provinces. The provincial authorities, chiefs and constituencies should begin in planning the process with, of course, the assistance of the Government through the Ministry of Planning and Aid Coordination. The people know their priorities and this must be recognized and promoted if we are to see any real development at the provincial and constituency level. This philosophy leads me to join the Coalition as I believe it will bring about the required change that Solomon Islands has been lacking in the last 32 years of independence.

Whatever developments we want to do in Solomon Islands, we cannot dismiss the fact that we need assistance from our donor friends. I, therefore, wish to make this earnest call on our donor communities to review the donor criteria, which led to donors leading and dominating the development of Solomon Islands, thus sidelining the government in the process. I wish to call on donor communities to review their aid policies to that which promote real partnership allowing the government to take the lead in the process. In doing so, we will see real development taking place in Solomon Islands, which will result in a win-win situation in the interest of the parties involved.

Political rhetoric does not produce results. We should now be thinking of proper plans for rural developments and make commitment to make them happen. This takes political will to make them happen. We cannot depend too much on the administrative process, as they have their roles to play but it boils down to the fact that administrative machineries of the Government must be assisted with the political will on the part of us, the elected representatives to make things happen.

I have many reasons for coming to Parliament. The perception from outside is that politicians are not doing enough to progress the general development of Solomon Islands. Only time will tell being in Parliament, but for things to happen in this country appear to be politically driven.

The issue of development is multi-faced. When we talk about development what really do we mean? People have different perspectives about what is meant by development. It can mean political, financial, social infrastructure, legal and so on. I believe that the political set up of Solomon Islands does not help in the desire of our people to see development done in their respective locations to alleviate poverty which is an everyday experience in the rural areas.

We have two a tier government system where we have the central government and we have the provinces. The system is so centralized that the provinces have no political powers to see development taking place in their respective provinces according to their priorities. Developments are planned from top and possibly implemented in the provinces, without having regard to political leaders of the provinces. They are only consulted but are never been part of the decisions made to carry out developments

in their provinces and in turn their respective constituencies. The provincial authorities have no choice but to play along because of lack of financial power.

In terms of financial arrangement, the provinces were meant to be authorities with financial support a challenge for various development activities in the provinces. The Central Government has the legal obligations to provide provinces unretired monthly grants, which in their view is never enough. This is compounded by the fact that the provinces have no power at all to raise their own revenues. Their only source of revenue comes from business licenses and dog fees. Just imagine that. No wonder why there is no development in the provinces. This is not right and something has to be done about it if we want to see tangible development happening in the provinces. Tranches of finance that the provinces receive from the Central Government must be sorted out. We need well trained people to be located in the provinces to make things happen down there.

The education sector is vital for the development of Solomon Islands. Our education approach needs to be redirected. We need to introduce technical skills here in the country to train our young people to be practical, to get their hands dirty to be able to produce results. Of course, we also need to train our people in other areas but there must be a balanced approach to educating our people.

We need to establish a university of our own here as soon as possible to train our required man power locally. To continue to send our children to overseas universities is a very expensive undertaking. Establishing our own university here will utilize the money we spend to send them overseas to create opportunities locally. For example, the money our students spend on rentals could be utilized by University Students to rent houses here in Honiara. The property owners will invest that money to create jobs for our unemployed people, especially our young people. Some of these moneys can find their way to the rural areas to create development, thus widening our economic base and assist to diversify our economic activities.

Our population needs to be a healthy population if we expect things to be done. Our health system needs to be addressed properly. Our hospital needs to be upgraded to be able to adequately address the health of our growing population. Currently, there is only one Referral Hospital, which is situated in Honiara. I would like to urge here that our provincial headquarters, clinics and hospitals must be upgraded to be Referral Hospitals for the respective provinces and Honiara to be upgraded to a specialized hospital that can only deal with complicated cases. This is going to be cheap and affordable for our people because having to come to Honiara all the time for medical treatment is not that cheap at all. We need a healthy population just as much as we need infrastructure development to create economic development opportunities.

For such economic activities to happen in the rural areas, infrastructure development must happen at the provincial level. The absence of necessary

infrastructure in the rural areas is a disincentive to development. We need connectivity to the main economic potential areas in the rural areas. We need a good road system opened up for the new provincial areas for development. We need airports to stimulate our tourism industry. We need wharves to transport our products to the economic centres. We need reliable shipping services throughout the nation to transport goods to the centres for export purposes to bring foreign reserves to help our economy growth. We need affordable communication systems to be able to communicate with economic centres, thus activities will create finance for rural dwellers to improve their livelihoods.

Financial availability in Solomon Islands to stimulate economic development is almost nil, especially in the rural areas. We need to liberalize our financial system to allow for easy access to finance for creation of development opportunities in the rural areas. Our banking system needs to be liberalized; the government needs to provide incentives for the rural person to be able to have access to finance to develop their potentials. For example, the government needs to provide security for people to be able to loan money to invest in business activities in the rural areas. This approach will open up more opportunities for our people than currently is. This will lead to creating development opportunity in the rural areas. All they need to do is the chance to open their lands for serious economic development which can only be possible if money is made available to them. However we need to look after our environment to be able to continue to provide sustainable development.

The question of environment problem is paramount in the world today. The world has come to realize how we manage to destroy our environment over the years. This is not only confined to Solomon Islands but is a global problem that needs global incentive to tackle.

What can we do to play our part? First we need to look at our local practices in terms of traditional agricultural practices, slash and burn practices, for example. Our logging practices need to be looked at very carefully. Whatever we need to do as a nation needs to be done in collaboration with other countries. For example, we need to work with Australia which is the most polluted in our region to scale down our facial pollution pumping smoke into our atmosphere which causes green house effect.

**Mr Speaker:** It is now 4:30pm, and I will ask the Prime Minister to suspend the relevant Standing Orders to allow the Minister complete his speech.

**Mr Philip:** It is now 4:30 pm and I seek your consent to suspend Standing 10 in accordance with Standing Order 81 so that the current speaker can conclude his speech.

**Mr Speaker:** Leave is granted.

**Mr Philip:** I move that Standing Order 10 be suspended in accordance with Standing Order 81, so that the current speaker can conclude his speech until the House's business is adjourned by yourself sir, in accordance with Standing 10(5).

*Standing Order 10 suspended to enable proceedings continue after 4.30pm*

**Hon. Tovosia:** Our foreign relations with Australia and our neighboring countries need to be strengthened to work together in whatever we do and aspire to do as a nation. As the saying goes "no man is an island", we cannot tackle our economic issues, social issues and political issues on our own. We need to work with our foreign friends to develop ourselves, thus our relationship needs to be strengthened. We need the political will to be able to do that. Most importantly, we need to respect each other and be cautious of our uniqueness as a nation in our own rights. We need to work together taking into account our unique characteristics. The context of our differences as an independent nation must be respected in all our considerations and developmental aspirations. We must work within our national context.

As a new comer to Parliament, I may be new to parliamentary practices, process and procedures, but the problems we faced as a nation are not new to me. Some of those problems have been inherited from our former colonizers. Take for example, the Westminster government system which we have adopted from our former colonial master, England, has not been working well in the context of Solomon Islands.

The political party system is part and parcel and in fact an essential part of that political system applied in the context of the United Kingdom, works well for them. When it is applied in the Solomon Islands' context it creates problem for us. Sir Peter in some of his writings refers to it as "a necessary evil". This is because our desire to adopt the political party system does not work well for us because the so called political parties in our situation was created for the national elections and when the elections are over the political parties also disappear. The battle to keep the fluid interest groups becomes a nightmare and a political suicide.

Firstly in the development in the western world, political parties are created and evolved over a long period of time to what they are today. In some countries, the evolutionary process had taken 200 years, whilst some took 100 years. In the context of Solomon Islands, we talked about political parties that we really meant is a group of interested people who would like to contest in the election, come together for a purpose. When the elections are over, the so called political parties disappear too.

This has been a cause of political instability in Solomon Islands. It creates corruption and instability. Our political system is such that Parliament has to elect our Prime Minister. This process has to be done by elected politicians because of our weak political party system. This creates a situation where it can be manipulated and

corrupted. Something has to be done about it and we need political stability in our nation. We need normal national interest first and foremost rather than promoting self interest.

Solomon Islands by nature is already a divided country. Diversity is very prominent and real in our nation. Questions of regionalism will always come into play, and this is natural when your expectations are not addressed properly. Fairness and equitability will always be questioned in our actions and in our governance system. Such issues must be treated with cautiousness to avoid confrontational debates. What is important as far as regional issues are concerned is to be able to assist in ensuring that our provinces are assisted to create development opportunities and services to our people are delivered.

The provinces are always there to provide services but they lack the capacity to do so. This has led to the introduction of the Provincial Government Strengthening program (PGSP) to provide capacity to the provinces to be able to provide services to our people in the rural areas. The PGSP is a multi donor program which includes RAMSI, the European Union, UNICEF, UNDP and the Solomon Islands Government. This is a five-year program which started in 2008 and is extendable for another five years. It is estimated to be the largest program in the country or even in the Pacific. The donors respective contributions for the five year programs are as follows; European Union - USD\$0.2million; the Solomon Islands Government - USD\$3.5million; UNCDF - USD\$1million; and UNDP – USD \$1million. The above amounts are spread over a five-year period. It is possible that the program could be extended for another five years. This will be known when the program will be reviewed in mid year on February 2011. The program areas the PGSP will be dealing with are as follows: the responsibility of the provincial government, the resources available to provincial governments, the capacity of provincial governments and the Ministry of Provincial Government and Institutional Strengthening (MPGIS).

The project has been proven to be very popular with the provincial authorities, especially in assistance to provide training, capacity development and small business undertaking in the rural areas. The PGSP has provided the much needed funds to provide capacity in the provinces in terms of training, infrastructure, small business creation for the rural people to send their livelihoods.

The PGSP is a five-year plan and it is extendable for another five years. Within this period of time much can be done in the provinces through the program. I am sure the government can match such activities to make a difference in our rural areas.

At this juncture, I wish to call on our good donor partners to rethink and redirect their development funds to stimulate our traditional exports such as copra, cocoa, fisheries, logs to down streaming stage for export. This is very important for our foreign reserves and it creates jobs and development opportunities in the rural areas.

In cash crops, we need to invest in our agriculture potentials such as potatoes, taro, banana, ngali nuts, cassava etc. The market for these crops is the island population in Australia, New Zealand, America and so on. However, having said all that, land is a real issue that we need to sort out. Our traditional land tenure system needs to be revived to allow for economic development to happen in the rural areas. The issue of land as we all know is the main obstacle to creating development opportunities in Solomon Islands. We must do something about it if we are to progress into the future.

In conclusion, it is my desire that we work together to see that what we as national leaders promote here in this honorable House are done in the best interest of our nation, Solomon Islands. We cannot do it on our own. We need the collaboration of our donor friends. We are all aware that we are not alone in the world. The world has become a global village and thus our actions affect all of us and we need to take stock of our actions to ensure our world continues to sustain future generations. As a nation we need our joint efforts to promote sustainable development in Solomon Islands for the good and the interest of all, and more so those individuals in the constituencies that we represent in this Honorable House. With these words, I support the motion.

**Mr Speaker:** Honorable Members, that concludes our business for today. In accordance with the earlier resolution of this House, and pursuant to Standing Order 10 (5), the House is now adjourned until 9:30am tomorrow morning.

*The House adjourned at 4.38 pm*