

Ministers 2018/19 Budget Speech

Madam Speaker, I am here today to talk about the Government's 2018/19 Budget, the key document that will guide the development of our nation for the next four years. Before commencing, I would like to say a special Kia Orana to our Cook Islands people listening in today from Rarotonga, our Pa Enua and further afield. As Deputy Prime Minister/Minister of Finance, I am delighted to announce to you all a budget that is dedicated to all of our people, our Nation as a whole.

Maine Va'a Tutua, te tu atu nei au I teia ra, ite tuatua no runga I te Akapapa'anga Moni o te mataiti 2018/2019.-Rua Mano Tai Ngauru ma Varu, Rua Mano Tai Ngauru ma Iva, **ko te vaerua kaveinga teia no te turanga akameitaki'anga I to tatou basileia no nga mataiti e 4 ta tatou e tomo nei.**

I mua ake ra ka akamata atu ei au, Kia Orana ki to tatou iti tangata Kuki Airani e akarongorongo mai nei I teia ra, mei Rarotonga atu nei, to tatou au pa-enua I Vao mai e to vao ake.

I toku turanga Tauturu Paraiminita pera te Minita o te Moni, te mataora nei au I te oronga atu kia kotou katoatoa I teia Akapapa'anga Moni, kia kotou tikai e te iti tangata o to tatou basileia.

Economic and Fiscal Setting

The Budget being tabled today reflects the progress that the nation has made since this Government has been in office. It highlights an economy that is experiencing strong growth, so much so that it is possible that we may soon be classified as a high income country, an economy that in turn is generating a consistent stream of revenue and a government that is handling this revenue responsibly by closely managing growth in government expenditure.

Ko te Akapapa'anga Moni ki runga I te kaingakai I teia ra, te akaari mai tei reira I te turanga matutu tei rauka i teia baselia mei te tuatau mai I riro mai e na teia Kavamani e akatere ia tatou . Te akaari mai nei teia I te turanga matutu e te tupunga ruperupe ta tatou e naroto nei, e, e mea tau rai e kia karanga ia tatou e, e turanga matutu to taou I roto I teia tu'anga moni e rauka mai nei, e te maitaki katoa nei te Kavamani o teia ra I akonokono marie I tei reira I roto tikai I te tu'anga o te akapou'anga moni.

As you may have seen recently, visitor numbers to the Cook Islands are continuing to break records – with more than 18,000 visitors in July this year. This is excellent news for all those Cook Islands businesses servicing the tourist market. It is also good news for the economy as a whole, with tourism businesses experiencing strong growth there is more money in the economy to boost other sectors that aren't directly linked to tourism, such as construction and local retail.

Mei ta tatou e kite nei I teia tuatau, e ko te numero o te au Turoto kit e Kuki Airani, te maranga ua atura tei reira – mei runga atu I te Tai Ngauru ma Varu Tauatini turoto tei turoto mai I roto ia Tiurai I teia mataiti. E turanga manea tikai teia no ratou te iti tangata pitiniti o te Kuki Airani, I roto tikai I te runanga o te Makete'anga e te arikiriki'anga'

As such, the Government believes that the time is now right to focus on infrastructure and government structures that are required to steer the nation towards achieving the National Sustainable Development Plan, raise the quality of life for Cook Islanders and prevent capacity constraints – such as housing and skilled labour shortages – from affecting the economy.

I teia nei, Te irinaki nei te Kavamani e, kua tae te tuatau no matou kia akatinamou I te manako ki runga I te Tu'anga Akameitaki'anga, pera te, au akateretere'anga ate Kavamani, te ka riro ei akatika I te au mataara tau no te meitaki o to tatou Basileia kite Parani Nui akateretere'anga o te Basileia, kia akameitaki katoa katoa I te oraanga o te iti tangata Kuki Airani e kia paruru ite au mea tai'i, I runga tikai I te tu'anga o te au ngutuare e te au tangata kite pakari rikiriki e ngere nei tatou – e auraka rava teia kia arapaki I te turanga o te Basileia.

Today Madam Speaker, I announce a budget that provides a strong fiscal position, while addressing key areas of need in the Cook Islands. This Budget intends to improve the livelihood of both current and future generations by making the Cook Islands more resilient to future economic shocks and natural disasters.

I teia ra e Maine Va'a Tuatua, te oronga atu nei I te Akapapa'anga Moni, e tona turanga matutu, e mate akakite atu I te au mea puapinga no te meitaki o te Kuki Airani. Ka riro teia Akapapa'anga Moni, I te akameitaki atu I to tatou ora'anga mei teia ra, e te au tuatau ki mua – no runga tikai I te au mea tumatetenga ta tatou ka na roto e pera to tatou turanga akapu'apinga.

The Government has made, and will continue in this Budget to make positive efforts to get the economic settings right – the ones that we can influence in order to support economic growth. This includes investing in critical community infrastructure, ensuring a competitive business environment and, perhaps the most important, responsibly and sustainably managing our nation's finances.

Kua akatikatika te Kavamani, e ka rave maroiroi uatu rai, mei roto atu I teia Akapapa'anga Moni, I te tuku I tetai tika maroiroi kia tau marie te akateretere'anga – e mate akara matio atu I tetai au ravenga ei taturu mai I to tatou turanga.

Madam Speaker, the Government has committed to strengthening the strategic focus of its expenditure and tax decisions by incorporating a more robust medium-term perspective that takes into account interactions with the economy. To this end, a Medium-term Fiscal Framework (MTFF) will be developed as part of the 2019/20 budget cycle. Once developed, the framework will include three key pieces of information; macroeconomic indicators for the medium-term, including forecasts for expenditure and revenue, fiscal targets and an analysis of fiscal risks.

Maine Va’a Tuatua, kua aka’atinga te Kavamani ite akamatutu I runga tikai I turanga o te akapou’anga Moni e pera te Tero.

I teiane, e Medium-term Fiscal Framework tetai ka ‘anga’ia, te ka akapiri’ia atu ki roto ite Akapapa’anga Moni o te Mataiti 2019/2020. Me oti teia, ka akari mai tei reira, e toru tu’anga akamarama’anga; macroeconomics indicators for the medium term, pera te au akakitekie’anga o te au Akapou’anga Moni e moni ka rauka mai, te au takete e pera te au akatanotano’anga o te au mea rikarika te ka tupu.

A key aim of the MTFF will be to smooth government expenditure over the course of the economic cycle so that in the case of an economic downturn, the Government will be able to maintain its current level of expenditure over the short-term, despite lower revenue collections. This approach will help deliver macroeconomic stability, encourage private investment and entrench low public debt.

Ko te akakoro'anga nui o te teia MTFF, koia oki, ka riro tei reira I akamaru'anga mai te turanga o te Akapou'anga Moni ate Kavamani I runga ake I te tu'anga o te economic cycle, pera katoa te I te tuatau e turanga manamanata tetai, Ka rauka I reira I te Kavamani I te akamou I tona turanga no te akapou'anga moni I tetai tuatau poto, noatu te turanga iti o te au moni aere mai ki roto. E ko teia mataara, ka riro tei reira no te tauturu mai I to tatou turanga ka aere ki mua, e mate akamaroiroi I to tatou au tu'ranga kia akaputuputu e mate akaiti mai I te turanga kaiou.

In the interim, for the 2018/19 Budget, the Government has developed a mildly expansionary budget that balances the economic context (and subsequent capacity constraints) with the need for improvements in core government operations and the state of some of the nation's key infrastructure.

I roto I te Akapapa'anga Moni o te o nga mataiti 2018/2019, kua rauka I te Kavamani I te 'akama'ata atu I te reira, e ka riro teia ei akameitaki atu I te au anoano akameitaki'anga ta te Kavamani e umuumu nei e pera te turanga akameitaki o te Basileia.

Minor growth in operating expenditure has been more than offset by estimated increases in operating revenue, resulting in expected strong operating balances for the foreseeable future.

Kua riro te turanga tupuanga o te akateretere'anga o te Akapou'anga moni ei akameitaki mai I te turanga o te au moni e rauka mai nei, e kua akaari mai tei reira I te turanga matutu no au tuatau ki mua.

These healthy operating balances will be utilised by the Government to continue its ambitious capital program, without requiring new external financing. In the next four years the Government plans to complete Te Mato Vai, commence and complete the Manatua Cable project, finish the Southern Group Renewable Energy

Project, commence the Mei Te Vai Ke Te Vai sanitation project and start the construction of cyclone shelters in many of the Northern Pa Enea. Despite this ambitious capital program, the Government is expecting a return to fiscal surplus in 2019/20, one year earlier than committed to in the 2017/18 Half-year Economic and Fiscal Update.

Ko teia au turanga meitaki nei, ka ta 'anga'anga'ia tei reira e Kavamani ei akameitaki atu I te Parani e manakonako ia nei ma te kore e irinaki I te au moni mei vao mai. I roto I nga mataiti e 4 e tu mai nei, te parani nei te Kavamani I te akaoti I te "Te Mato Vai, akamata e te akaoti I te "Manatu Cable Project", akaoti I te Uira Natura Project o te Pa Enea Tonga, akamata I te " Mei Te Vai kite Vai Sanitation Project, e pera I te akamata'anga atu I te akatu'anga o te au ngutuare paruru uri'ia no te au Pa Enea Tokerau.

I roto I reira I teia au akano'ono'o'anga, te irinaki nei te Kavamani e ka te meitaki te turanga moni tere no nga mataiti 2019/2020, e tai mataiti I mua, tei akapapu'ia I nga apa mataiti 2017/2018.

Madam Speaker, the strong fiscal position has allowed the Government to pursue responsible debt levels, with no new loans committed to in the 2018/19 Budget. I am proud to say that the Cook Islands is a leading example in the Pacific in terms

of managing its debt finances. Our current debt commitment remains well below the 35 per cent threshold agreed to through our fiscal responsibility ratios.

Maine Va’aa Tuatua, kua riro teia turanga matutu ei kaveinga manea no te Kavamani I te akameangiti mai I te turanga “ Kaiou”, ma te kore e “Tarau’anga Moni” I roto ite Akapapa’anga Moni o nga Mataiti 2018/2019.

Te rekareka nei au I te akakite atu e, Te riro nei te Kuki Airani ei akara’anga tau I roto I pa enua pacifica, no runga tikai I te taporoporo’anga I te turanga o te moni kaiou.

Due to some project delays, drawdowns of some existing commitments have been deferred, resulting in a shift in the debt profile over the forward estimates. Net debt is now expected to peak at about 26 per cent of Gross Domestic Product in 2018/19, before decreasing to 19 per cent in 2021/22.

No runga I tetai au angaanga tei tapu marie ia atu, kua va’o iatu I reira tetai au angaanga puapinga tei parani’ia, e kau riro tei reira I te akaneke atu I te turanga kaiou tei tamanako’ia. Ko te turanga o te Kaiou, te irinaki’ia nei e ka taeria tei reira mei te 26 patene o te Gross Domestic Product o nga mataiti 2018/ 2019, e ka topa mai teira I te 19 patene I nga mataiti 2021/2022.

Finally, I will discuss the Government's cash reserves as outlined in the 2018/19 Budget. The Government now estimates significant cash reserves in 2018/19 and the forward estimates, well above our required fiscal responsibility ratios. While some of this cash will be utilised to complete capital works, capacity constraints prevent us from undertaking all of the required capital works at one time. Instead, as a part of the Medium-term Fiscal Framework, the Government will establish a 'buffer fund', to set aside money to allow us to continue to fund operations and capital projects during periods of economic downturn, when revenues may decrease.

Ei ta'openga, te rauka nei iaku I te atuitui atu I te turanga no runga I te Moni reserve a te Kavamani tei aka'ari'ia ki roto ite Akapapa'anga Moni 2018/19. Kua Irinaki te Kavamani I teia ra e ko te au Moni reserve o nga mataiti 2018/19, tere atu ki mua, tei runga tei reira I tei inangaro'ia. Ka riro tetai o teia au moni I te akameitaki atu I tetai au tu'anga anga'anga e ka akapae katoa te Kavamani I tetai o teia tu'anga moni ei tiaki I te basileia.

Expenditure

Madam Speaker if I can please move on and inform our people of the Government's appropriations for the 2018/19 year. As I stated at the beginning of my speech, this is a budget for all of our people, our Nation as a whole.

I will begin with our Children, as they are our leaders of tomorrow.

Maine Va'a Tuatua, me ka tika, inangaro au I te akakite I to tatou iti tangata no runga I te turanga o te "Akatu'anga Moni" o nga mataiti 2018/2019. Mei taku I akakite I te akamata'anga o taku karere, ko te akapapa'anga Moni teia no to tatou Iti Tangata e te Basileia.

Ka akamata au ki runga I ta tatou au Tamariki, I te mea e ko ratou to tatou au Akaaere no te uki ki mua.

Child Benefit Extension

Madam Speaker, this Government recognises the impact of the high costs of participating in secondary education on Cook Islands families. To address this, this Government will increase the age of the child benefit from the current 0-12 to 0-16 years old over a period of two years. As of 1 October 2018, the child benefit age will be extended to under 14 years. As of July 2019, the Government will provide additional funds to accommodate the age extension to under 16 year olds. This will provide additional funding to families to enable them to attend to their children's basic necessities.

Moni Tamariki Akamauruuru:

Maine Va'a Tuatua, Kua kite te Kavamani I te turanga o te akapou'anga moni a to tatou au Kopu Tangata Kuki Airani no runga I te tu'anga Apii Tua Rua.

Te rauka nei iaku I te akakite atu e, ka akakake te Kavamani I te mataiti o te Moni Tamariki mei ta tatou I aere mai ana – 0 – 12 ki te 16 mataiti kotinga e rua mataiti. I roto I te marama Okotopa, ra tai, ka akatere iatu te mataiti o te Moni tamariki kit e au tamariki raro ake to mataiti I te 14. E I rot I te Marama July 2019, ka oronga te Kavamani I tetai moni tapiri ei tauturu I te au tamariki raro ake te mataiti I te 16. ,

Ka riro katoa teia I te tauturu atu I te au kopu tangata I te akonokono'anga I te au tamariki.

Coordinator for Children's National Policy

To further support children and their development, funding has been provided to the Social Policy and Services Division of the Ministry of Internal Affairs for personnel to provide effective coordination of national activities and action plans under the National Children's Policy.

Aka'aere Maata no te au Ture o te Pae Anga'anga o te Tamariki:

Ei akamatutu atu I te turanga anga'anga a te akaaere maata o te tu'anga o te tamariki, kua oronga'ia tetai tu'anga moni kite Social Policy e te Services Division o te Minitiri o te "Tango Akarangatira'anga Ora'anga" ei tauturu I te au akateretere'anga o te au angaanga Basileia e te Parani no te au Ture Tamariki Basileia.

Family Protection and Support Manager

Following the successful passing of the *Family Law Act 2017* by this Government, funding has been provided for a Family Protection and Support Manager at the Ministry of Internal Affairs. This person will carry out the new responsibilities that are required under the Family Law Act relating to Care and Protection. This will

enable our children and families to seek assistance and support from Internal Affairs.

Manitia no te Paruru Kopu Tangata:

I te tuatau I akamana ia ai e te Kavamani te Ture Nui Kopu Tangata 2017, kua oronga'ia tetai tu'anga moni no teia tu'anga nei kote Manitia o te Paruru Kopu Tangata I roto I te Minitiri o te "Tango Akarangatira'anga Ora'anga.

Ka rave teia tangata I te au anga'anga ou tei akamana'ia I raro ake I te "Ture Nui Kopu Tangata" no te akono e te paruru I te tamariki.

Ka rauka I reira I te au tamariki e te au Kopu tangata I te aravei atu no tetai au tauturu mei roto mai I te Minitiri o te "Tango Akarangatira'anga Ora'anga.

Remedial Programs

Our children continue to be the main focus for this Government. In the 2018/19 Budget the Government is providing support for a remedial education program to support those children facing difficulties at school. It is expected that the program will help to keep these children engaged in the education system. The funding will cover remedial tutors that will each service a number of schools.

Te au Porokaramu Akatanotano:

Ko ta tatou au tamariki, ko te meka nui teia a teia Kavamani, I roto I te Akapapa'anga Moni 2018/2019, ka oronga te Kavamani I te tauturu no teia tu'anga Maraurau Apii o te Tamariki ei tauturu I te akaiti mai mai I au manamanata I roto I te Apii. Kua irinaki ia e, ka riro teia Porokaramu I te akameitaki atu I te turanga o te au tamariki ki roto I te porokaramu ate Maraurau Apii.

Ka riro katoa teia tu'anga moni ei tutaki atu I te au Puapii no te au Apii ta ratou tuku'ia ki roto.

Centre of Excellence in Information Technology

To secure our country's successful participation in an increasingly competitive world, we must invest in our educational system and provide opportunities for our youth to excel. This Government will contribute \$300,000 over 2 years, before decreasing its contributions to \$60,000 thereafter, towards the development of a Centre of Excellence in Information Technology. An MOU has been signed between the Cook Islands Government and the Government of India and space has been made available at USP Cook Islands to accommodate the Centre. To ensure the sustainability of this Centre of Excellence, a local has been identified to work

alongside the Centre's establishers, with a view to taking over Directorship of the Centre in the medium-term.

Runanga o te Roro Uira:

No to tatou turanga matutu I roto I teiane ai, e mea tau kia akapae tatou I tetai tu'anga moni no te Maraurau Apii ei akameitaki atu I te turanga o ta tatou au mapu kia tere ki mua. Ka oronga teia Kavamani e, \$300.000 no tetai rua mataiti I mua ake ka akatopa mai ei I tana tauturu kite \$60,000 e ka aere tei reira kit e Runanga o te Roro Uira. Kua taina ia tetai Koremotu Akamarama'anga (MOU) I rotopu I te Kavamani Kuki Airani e te Kavamani o Initia e, e tu'anga tetai tei akapae ia ki roto USP no teia Runanga. Kua akara matatio katoa ia mai tetai Taunga Apii ei akateretere teia tu'anga.

In addition to expenditure focused on upholding the lives of our children, the Government has increased its focus on our people living in the Pa Enea.

Te akatinamou katoa nei te Kavamani I tana akapou'anga ki runga I te ora'anga o ta tatou au tamariki e te akamaata atu nei rai te Kavamani I tana akatinamou'anga ki runga I to au Pa Enea.

Minimum wage

On 1st July 2017, this Government increased the minimum wage from \$6.25 per hour to \$7. This year, the same Government increased the minimum wage again from \$7 to \$7.25 per hour to further address the cost of living pressures faced in the Cook Islands. Today, we will appropriate funding to allow the Government to meet its obligations to public servants earning the minimum wage. This significantly benefits Government workers in the Pa Enua.

Moni Tutaki'anga: Minimun Wage:

I teira tai o Tiurai 2017, kua akakake teia Kavamani I te minimum wage \$6.25 I te ora kite \$7.00 I te ora. I teia mataiti, kua akakake akaou te Te kavamani teia mei te \$7.00 ki te \$7.25 I te ora ei tauturu I te turanga o te oraanga ta tatou e kit e nei ki roto I te Kuki Airani. I teia ra, ka akatu'anga'ia tetai moni kia riro ei mataara no te Kavamani I te akameitaki'anga I te turanga tutaki'anga kit e au tangata anga'anga I roto I teia tu'anga nei.

Te Maeva Nui 2018

In August of this year, we celebrated the 53rd Te Maeva Nui festival. All of the people of the Cook Islands celebrated together, including our Northern and Southern Pa Enua. Our families from New Zealand, Australia and around the

world returned home to participate. Together we portrayed our passion for our culture and acknowledged the milestone of self-governance.

These celebrations are important, they allow us to strengthen our kinship, our culture and our unique identity as Cook Islanders. I am delighted that this Government stood firm on its vision of this 53rd Te Maeva Nui Celebration. We value the importance of getting together as a nation, to unite on special occasions such as this.

Te Maeva Nui:

I roto ia Aukute I teia mataiti, kua akararangi atu tatou I te rima ngauru ma toru anga mataiti o te Tamataora'anga Maeva Nui. Kua tamataora kapipiti ua to tatou iti tangata Kuki Airani, to te Pae Tokerau mai, to te Pae Tonga. Kua piri katoae tae mai to tatou iti tangata Kuki Airani mei Autireria, Niu tireni e pera teiane ai. Kua parau tatou e mate akaari'anga mei I to tatou inangaro I tatou Peu Maori e to tatou turanga matutu Kuki Airani.

Te mataora nei au I te oora atu kia tatou e kua tu Rangatira e te matutu te Kavamani I tana au Orama no teia Rima Ngauru ma Toru'anga mataiti Te Maeva Nui.

E parau'anga Basileia manea teia no tatou I te rotai'anga mai I te ngai okotai.

Pa Enua Capacity Development Program

Under the leadership of this Government, an additional \$84,000 will be put towards the Ministry of Agriculture to strengthen collaboration and partnerships between the Ministry and the Pa Enua Island Governments. This program intends to build capacity in the Southern Pa Enua by providing training to local planters in order to empower them to meet the demand for agricultural products from the Pa Enua. We have seen agriculture expanding in the Pa Enua thanks to the fertile soils and greater availability of land. This funding will help to ensure that this expansion continues.

Porokaramu Akameitaki'anga no te Pa Enua.

I raro ake I te akateretere'anga a teia Kavamani, e \$84.000 moni akamauruuru te ka oronga ia atu kite Minitiri o te Pae Tanutanu ei akamatutu I te piri'anga o te Minitiri e te au Opati o te Kavamani I te au Pa Enua. Ka riro teia porokaramu ei akatupu I te turanga I te au Pa Enua Tonga e, mate tereni atu I to tatou aronga tanutanu I te Pa Enua I runga tikai I te tu'anga o te akameitaki mai I te au mea tanutanu. Kua kite matou I te turanga meitaki o te

Tanutanu I te Pa Enua, e kia akameitaki'ia te one meitaki o te Enua e pera te enua.

E rito teia moni ei akameitaki atu no te tuatau ki mua.

Increase in the Pa Enua Funding formula

The Pa Enua Funding Model aims to determine the appropriate level of cash funding to each of the Outer Islands Governments. The system was first introduced in the 2012/13 budget to ensure a fairer level of basic service delivery. In the 2017/18 financial year, a review of the funding formula was undertaken, particularly focusing on the funding provided for each parameter, as inflation had not previously been considered. While the full review is not yet complete, this Government has decided to increase the total funding formula cap by 4 per cent to go some way towards considering inflation in the Pa Enua since 2012/13. It is anticipated that further changes will be made going forward once the review of the funding model is complete.

Madam Speaker it is important to note that this government is also making an effort to improve our international presence.

Moni Aka'kake a te Pa Enua:

Ko teia tu'anga moni no te Pa Enua, kua akano'o'ia tei reira na te au Opati o te Kavamani o te Pa Enua. Kua akamata'ia tei reira i roto i te "Akapapa'anga Moni o nga Mataiti 2012/2013 kia tano te au akateretere'anga. I roto i te Akapapa'anga Moni o nga mataiti 2017/2018, kua akara akaou'ia tei reira mate akara matio atu i

te au tu'anga moni tei akataka'ia no te au tu'anga. I te mea e, kare I oti ake te katoa'anga akarakara akou'anga, kua akatinamou teia Kavamani I te akatere atu I te tu'anga moni ki 4 patene no te akatanotano'anga tukuke o te Pa Enea mei te mataiti 2013/2014. Kua tamanako'ia e, e au tieni'anga tetai me oti teia I akarakara akou'ia.

Maine Va'a Tuatua, e mea tau kia marama tatou, e te tauta uatu nei rai te Kavamani I te kimi ravenga I te piri'anga mai o teiane ai

Establishment of a Cook Islands High Commission in Fiji

The Cook Islands has economic ties to Fiji through the import and export of goods, communications and transport links. By establishing a Cook Islands mission in Fiji, this will increase the Cook Islands' influence within the region and expand trade and economic opportunities both in, and with, the main regional hub.

Akatupu'anga I tetai Opati Kumiti Ona no te Kuki Airani I Viti.

E piri'anga ketaketa to te Kuki Airani kia Viti no te au apinga e apai ia mai nei ki roto e te au apinga e tuku ia nei ki vao, pera katoa te au akakitekite'anga e au apinga akaoro. I te akatupu'anga I teia ki Viti, ka riro tei reira ei akatupu uatu rai I to tatou

piri'anga e te akamaata atu I te turanga okooko e te moni aere mai ki roto I te
Basileia.

New Senior Immigration Officers

In order to address the pressures on immigration to deliver fast and efficient services, funding has been provided for the Ministry of Foreign Affairs and Immigration to fund two Senior Immigration Officers to undertake the regulatory functions of Immigration and Border Security.

Te au Akatere Nui Ou o te Tere'anga o te Iti tangata.

Ei tamaru mai ite au teima'a I roto te tu'anga o te teretere-anga o te iti-tangata e note akameitaki atu I ta ratou tu'anga tauturu, e tu'anga moni tetai kua akatu'anga'ia ei tutaki e tangata no te Pae Anga'anga Teretere'anga o te Iti Tangata.

I turn to Health, Madam Speaker.

As a Government, we have been committed to improving the health of our people and promoting healthy lifestyles in order for the people of the Cook Islands to achieve their aspirations. To this end, Government has increased the baseline funding for the Ministry of Health by \$1.5 million to allow them to achieve this commitment.

Ka uri au ki Marae Ora:

Kua aka'atinga te Kavamani note akameitaki'anga atu I te turanga oraanga o to tatou iti tanga e mate akakitekite'anga I te au mea meitaki no te ora'anga, e kia rauka I to tatou iti tangata Kuki Airani I te akameitaki atu I to ratou turanga ora'anga. I teia nei, kua akakake te Kavamani I te tua'anga moni a te Marae Ora kit e tai-topata rima mirioni, kia rauka ia ratou I te ta angaanga I roto I te au akaue'anga.

In addition to the above Madam Speaker, we are also taking steps to improve the capacity within government.

I runga ao e Maine Va'a Tuatua, e au takainga ta matou e rave nei ei akameitaki atu I te turanga matutu o te Kavamani.

Establishment of the Ministry of Corrective Services

This Budget will establish a new Ministry of Corrective Services. The new Ministry, will take on the Probation and Prison services output from the Ministry of Justice. This arrangement will allow more efficient and effective service delivery of our probation and prison services, and also free up the Ministry of Justice to focus on its core roles. To ensure continuity, the new Ministry will utilise the Ministry of Justice's 2018/19 business plan.

Akatupu'anga o te Pae Akatanotano:

Ko teia au akapapa'anga moni, kua riro I te akatupu'ang I teia Minitiri ou. Ko teia Minitiri, ka rave aia I te au tu'anga Probation e pera to Are Tapeka'anga I raro ake I te au akapou'anga mei roto mai I te Pae o te Akatanotano.

Ka riro teia au akanoonooanga ei akameitaki atu I te au raverave'anga I te au anganga o te Probation e te Pae o te Are Tapeka'anga e ka riro katoa teia ei akatika I te mataara I roto I ta ratou au tu'anga anga'anga.

Economic Utilities Regulator

Madam Speaker, in order for our country to benefit from the substantial investments this Government is making in improving the Cook Islands essential services infrastructure – clean, reliable water from Te Mato Vai, increased and more affordable access to internet broadband from the Manatua Cable, and sustainable electricity supply from our renewable energy projects – this Government will be looking to establish a Public Utilities Regulator. The Regulator will ensure efficient, fair and transparent pricing of utility services in the telecommunications, electricity and water and sanitation sectors, in the long-term interests of Cook Island consumers.

Akatere'anga Tauturu i te Kimi'anga Puapinga.

Maine Va’a Tuatua, no runga I te au mea kia rauka ia tatou I te akameitaki atu I to tatou turanga moni akaputu, te rauka nei I te Kavamani I te akameitaki atu I tei reira I te au tu’anga tuketuke, te ma o te Enea, Vai meitaki mei Mato Vai, te turanga o te Internet mei te Manatua Cable mai e per ate tu’anga Uira Natura. Te akara atu nei te Kavamani I te Akatupu ‘anga o teia Akatere’anga Tauturu i te Kimi’anga Puapinga.

Ka riro katoa teia ei akapapu’anga I te au tuku’anga moni kit e au tu’anga tuketuke mei te Kiva Rangi, te Uira, te Vai, te au ngai vairanga’anga repo, kia riro ei oraanga roa no te iti tangata Kuki Airani.

Revenue

Madam Speaker, today I announce no changes to the Government’s revenue policy in the 2018/19 Budget. Strong revenues are estimated now and in the future, particularly in the form of taxation. These revenues are largely derived from tourists during their time in the Cook Islands in the form of VAT. I say, let it continue, but let’s ensure that we are spending the revenue collected on projects that will add to the capacity of the Cook Islands economy to better serve our vital tourist industry.

Maine Va’a Tuatua, I teia ra te akakite atu nei au e, e kare e tieni’anga no runga I teia akapapa’anga moni 2018/2019. E turanga ketaketa tetai e akanoonoo’ia nei no te tuatau ki mua, I te tuanga tikai o te Tero. Ko teia au moni e rauka mai nei, mei roto mai tei reira I reira I te au turoto e turoto mai nei mei roto mai I te VAT. Te karanga nei au e, kia aere uatu rai teia ki mua e kia mate akapapu e kia taangaanga meitaki ia teia ki runga I te au akameitaki’anga e manganui o te Kuki Airani roto tikai I tu’anga o te Pae Turoto.

Capital

Madam Speaker, this Budget continues this Government’s ambitious capital plan by providing a Capital budget of \$44.5 million for 2018/19 and \$42 million for 2019/20. The priority investment areas reflected in the 2018/19 Budget remain largely unchanged since the previous Budget, with a focus on:

Maine Va’a Tuatua, ko teia Akapapa’anga moni, ka akamaroiroi uatu rai teia Kavamani I te parani’anga e mate oronga’anga atu I teia akapapa’anga moni \$44.5 mirioni no nga mataiti 2018/2019 e pera e, \$42 mirioni no nga mataiti 2019/2020. E kote akapapa’anga 2018/2019, kare ona tieni anga maata mei te Akapapa’anga I mua ake.

- climate change resilience by building cyclone centres in the Pa Enuā; Kia
Kia akatu'ia tetai au Ngutuare Paruru Uriia no te Pa Enuā no teia tuatau
Tauī'anga Reva
- completing our renewable energy projects in the Southern Pa Enuā;
- Kia akaoti'ia te ngutuare o te Uira Natura o te Pa Enuā Tonga
- improving roads in Rarotonga and the Pa Enuā;
- Akameitaki'anga I te au Matara I Rarotonga nei e te Pa Enuā
- strengthening the bridges around Rarotonga; and
- Akamatutu I te au Ana takapini ake ia Rarotonga
- improving the Rarotonga water system by completing Te Mato Vai;
- e mate akameitaki uatu rai I te turanga o te vai e mate akaoti atu I te mato
vai.
- commencing the sanitation project Mei Te Vai Ke Te Vai;
- Akamata I te akatu'anga o te ngai vairanga'anga repo.

The Manatua Submarine Cable remains a high priority for this Government, although delays in the project have shifted out the expenditure profile. This project will be implemented alongside other significant projects such as Mei Te Vai Ki Te

Vai and the Vaikapuangi Building. These major projects have been spread out over the forward period to ensure we have the capacity to fully implement and complete them.

Ko te Manatu Submarine Cable, ka vai rai tei reira ei manakonako'anga puapinga nate Kavamani, noatu e, e au ta marie'anga anga tetai no runga I te akapou'anga moni. Ka akapiri ia atu teia kit e pae I au angaanga o te "Mei Te Vai Ki te Vai e pera kite Turanga Are Vaikapuangi.

Madam Speaker, all of the capital projects selected by this Government are expected to improve the quality of life of Cook Islanders, while at the same time increasing our economic development.

Maine Va'a Tuatua, ko te au angaanga nui ta teia Kavamani I iki, e irinaki'anga maata to matou e, ka riro tei reira ei akameitaki atu I te oraanga o to tatou iti tangata Kuki Airani.

Finally Madam Speaker I would like to acknowledge the assistance from our foreign partners that provide financial support in the form of Official Development Assistance. Some of our key projects are able to be completed with the help of our partners, New Zealand, China, the European Union, Japan and the various United Nations organisations. This year it is estimated that we will receive \$60 million in

official development assistance, the majority of which will fund our ambitious capital projects such as Te Mato Vai and the Manatua Cable.

Ei ta'openga e Maine Va'a Tuatua, te rauka nei iaku I te akameitaki atu I to tatou au patina porenā, tei oronga ua mai I te tauturu I te tupu'anga o te au angaanga akameitaki'anga Basileia. Ko tetai au anganga tei oti, kua tauturu katoa ia mai tei reira e to tatou au taeake patina mei a Niu Tirenī, Tinito, te taokotai'anga Urupa, Tiapani e te au taokotai'anga Basileia I vao mai.

In the coming year we will learn the outcome of the OECD's determination on whether the Cook Islands will graduate from Official Development Assistance. The Government is currently developing a fiscal plan, and should graduation occur this will be incorporated into the Government's Medium Term Fiscal Framework.

I te mataiti e tu mai nei, ka kite tatou I au tamanako'anga a te OECD e, me ka o atu tatou I roto I te au tauturu anga'anga akameitaki'anga. Te akanoo'noo nei te kavamani I tetai au parani akapu'apinga, e me ka tika mai teia au tamanako'anga, ka topiri'ia atu tei reira ki roto I te au parani ate Kavamani, te karanga'ia e ko te Government's Medium Term Fiscal Framework.

Summary

Madam Speaker, I would like to declare that this Budget re-enforces this Government's desire to establish a strong and developed country for our children and our children's children.

Ei akakou'anga e Maine Va'a Tuatua, te rauka nei iaku I te akatuera atu e, ko teia Akapapa'anga Moni, kua riro tei reira I te akamatutu atu I te turanga matutu I te au angaanga no totatou basileia, pera no ta tatou au tamariki e no te tamariki a ta ratou au tamariki.

Today, just as in recent budgets, this Government announces strong economic growth, strong revenues and proactive spending for our people. We are living well within our means, with this Government delivering positive operating balances and expenditure initiatives for every member of our society year after year.

I teia ra, mei te au akapapa'anga moni I tipa, te rauka nei I teia Kavamani I te akapapu atu I te turanga matutu e te ketaketa o te turanga moni akapuapinga'anga, te matutu o te au moni e rauka mai nei, e te mako o te akateretere'anga akapou'anga moni no to tatou iti tangata. Te meitaki nei te tatou I to tatou au tika'anga I te na roto'anga i te au akateretere'anga tau o te akapou'anga moni no to tatou iti tangata tataki tai, tera mataiti, e tera mataiti.

This reflect our dedication to strong fiscal management, this Government is delivering fiscal surpluses earlier than previously committed, providing us with financial stability and security for the future.

Te akaari mai nei tei reira I te tu maroiroi I te akatere'anga e te meitaki katoa te turanga o te oronga'anga moni tere mei tei rave'ia ana I te tuatau ki muri e te rauka nei tei reira I te paruru I to tatou turanga akateretere'anga moni no te tuatau ki mua.

This Government has managed again, as it has in the last few years, to provide the House with:

Kua rauka katoa ana I teia Kavamani, mei au mataiti I topa, I te oronga atu ki roto I teia Are:

- prudent levels of Crown debt;
- Turanga moni a te Korona
- well-maintained crown net worth; and
- Te akanoo'noo' anga tau o te tu'anga Moni Korona
- responsible management of fiscals risks against the Crown.

- Te turanga akonokono meitaki'anga I te au Tai'l'anga te ka riro e kino no te Korona.

This Madam Speaker is a budget for all of our people, our Nation as a whole.

Maine Va'a Tuatua, ko teia I reira te Akapapa'anga Moni no to tatou ititangata e no te Basileia katoa.