



FORTY-NINTH SESSION

Hansard Report

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Third Meeting

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PARLIAMENT COMMENCED AT 1.00 p.m

OPENING PRAYER

CLERK AT THE TABLE: Please be seated Honourable Members.

Greetings and thank you everyone. Greetings to us all this afternoon.

To our Honourable Prime Minister, our Honourable Deputy Prime Minister, Cabinet Ministers, the Leader of the House, all our Members of Parliament, – greetings to you all.

To the Leader of the Opposition, your Deputy and including your Members – greetings in the name of our Lord Jesus Christ.

I extend special greetings to the new Members elected. The Honourable Mmber from Ivirua - Mrs Agnes Armstrong, from Rakahanga – Mrs Tina Browne and from RAPPa – Mr Albert Nicholas.

Greetings also to our visitors in the public gallery this afternoon. I can see our Solicitor-General, Mr Stuart Baker – greetings to you. I can also see amongst us, Her Excellency, Mrs Tessa Temata, the New Zealand High Commissioner – welcome to Parliament today. It is very nice to see you amongst us today.

Greetings also to family members and supporters of the Members of Parliament who will be sworn in today seated in the public gallery and also who are outside at the back of Parliament listening in – greetings to you all.

To our radio listeners listening in, Kia Orana in the name of our Lord Jesus Christ. I would like to take this opportunity on behalf of Parliament in thanking our Papa Orometua, Reverend Oirua Rasmussen for your message to Parliament this afternoon.

There may be a slight change of running Parliament for the time being as this is the first time something like this has happened. I ask all Members of Parliament to come together as one so we can successfully overcome it.

Honourable Members, according to Standing Orders 18 (5), I would like to announce the absence of both the Speaker of Parliament, the Honourable Niki Rattle and also the absence of the Deputy Speaker by resignation and pursuant to Article 34(1) of the Constitution, the Members present shall choose one of their Member, not being a

Minister, to preside over this Sitting. Therefore, in the absence of both the Speaker and the Deputy Speaker, I call on a nomination for the role of Acting Speaker for this afternoon.

I recognise the Honourable Prime Minister.

HON. H. PUNA: Thank you Mr Clerk. Greetings to you.

Before I make a Motion Mr Clerk, can I add my acknowledgement and welcome to those that you extended before, particularly to the families and members and supporters of the new MPs that will be sworn in very shortly.

I also wish to acknowledge the presence of Her Excellency, the New Zealand High Commissioner to the Cook Islands, our very own Tessa and I also see next to her, the new Solicitor-General, Stuart Baker and the family members of the Members that will be sworn in shortly.

Perhaps, Mr Clerk, if I can just elaborate shortly for the benefit of our people listening in and for the benefit of Members as to why the Speaker is not with us this afternoon. Madam Speaker is in Auckland with her husband for medical reasons right now. In fact I believe that Colin had the operation yesterday and is recovering today. Madam Speaker contacted me to ask if it was alright for her to get back for today's Sitting and this week's Sitting and then leave again to be with Colin for the remainder of his treatment. But I am sure all of us would agree that her place right now is with her husband and I assured her that if we all worked together, that we can manage successfully the Sitting of this Honourable House.

So to all the Honourable Members there will be a request at the appropriate time after the swearing in for us as Members of this Honourable House to grant leave pursuant to Standing Orders 37 for Madam Speaker to be absent as long as necessary for her to be with her husband.

Mr Clerk, I now move:

That the Honourable Tai Tura, Member of Parliament for Mauke be appointed by this House as the Acting Speaker

CLERK AT THE TABLE: Thank you Honourable Prime Minister.

The Honourable Tai Tura has been nominated as Acting Speaker. Do we have a Secunder?

Seconded by the Honourable Member, Tingika Elikana Member of Parliament for Pukapuka

Are there any further nominations?

I recognise Mrs Browne, Leader of the Opposition. You have the Floor.

MRS T. PUPUKE BROWNE: Mr Clerk, I rise to move:

**That the Honourable Selina Napa, Member of Parliament for Titikaveka
be nominated as Acting Speaker**

CLERK AT THE TABLE: Thank you Honourable Leader of the Opposition.

HON. G. ANGENE: Point of Order.

As we are aware that this Member has not been sworn into this House yet, I believe it is only right for a sworn Member to make that nomination.

CLERK AT THE TABLE: Thank you Honourable Member and I agree with the Point of Order. So, can another Member in the Opposition move the nomination?

MR V. TUPA: Thank you Mr Clerk. Greetings to us all in this Honourable House.

I rise to give my support and my nomination for the Member of Parliament of Titikaveka, Selina Napa to be the Acting Speaker.

CLERK AT THE TABLE: Thank you very much Honourable Member of Matavera, Vaitoti Tupa.

The Honourable Member, Selina Napa of Titikaveka has been nominated for the position of Acting Speaker. Do we have a Seconder please?

Seconded by the Honourable Tamaiva Tuavera

Thank you. As we are now aware, there are two Members nominated to be the Acting Speaker and previous to this Sitting there was an agreement between the two parties and they have agreed for an election by Division.

I recognise the Member for Titikaveka.

MRS S. NAPA: Thank you Clerk. We would like to make a request to this House for the voting to be done in secret ballot.

CLERK AT THE TABLE: Thank you Honourable Member. We will then follow the procedures in our Standing Orders in order to abide with the process of a secret ballot. The staff will hand out our papers.

MR T. ELIKANA: I wish to move a motion before this Parliament:

**For the suspension of Standing Order 17 in terms of voting to
be done by division**

CLERK AT THE TABLE: Thank you. A Motion has been moved, is there a Seconder?

Seconded by the Honourable George Angene

Thank you to the Honourable Member for Tupapa Maraerenga. I recognise the Honourable Member for Titikaveka.

MRS S. NAPA: Thank you Clerk. I don't see why we have to suspend the Standing Orders for the election of the Acting Speaker. I ask that we vote by secret ballot.

CLERK AT THE TABLE: There is a Motion on the Floor that the Standing Order be suspended and this Motion has been seconded by the Honourable Member for Tupapa so we will follow the Motion. Now we will vote by division, does everyone agree.

(Yes)

There are two Members who have been nominated to stand for this position and the first Member is the Honourable Member for Mauke Honourable Tai Tura. We also have a nomination on the Floor the Member of Parliament for Titikaveka Selina Napa. Therefore those of you who support the nomination of Tai Tura as the Acting Speaker I will ask you to please to be upstanding.

For the Motion of Mr Tai Tura:

1. Hon. Henry Puna
2. Hon. Mark Brown
3. Hon. Vainetutai Rose Toki Brown
4. Hon. Robert Tapaitau
5. Hon. Vaine Mokoroa
6. Hon. George Angene
7. Mr Tai Tura
8. Mr Tingika Elikana
9. Mr Patrick Arioka
10. Mr Tuakeu Tangatapoto
11. Mr Tereapii Kavana
12. Mr Albert Nicholas.

There, we have the election for the Member Tai Tura and now we move to those who support the nomination of the Member Selina Napa to be the Acting Speaker.

For the Motion of Mrs Selina Napa:

1. Hon. Tina Pupuke Browne
2. Mr Terepai Maoate
3. Mr William Heather Jnr
4. Mr Tamaiva Tuavera
5. Mrs Selina Napa
6. Mrs Tetangi Matapo
7. Mr Wesley Kareroa
8. Mr Vaitoti Tupa
9. Mr Manuela Kitai
10. Mrs Agnes Armstrong.

Thank you very much Members of Parliament, here is our result. Those who support the Member Tai Tura as Acting Speaker have 12 votes. Those who support Selina Napa have 10 votes.

Now I have the privilege to announce the Member Tai Tura has been elected as the Acting Speaker of this Honourable House.

(Applause)

I now ask the Member Tai Tura to assume the seat of the Speaker.

MR ACTING SPEAKER: Greetings to us all this afternoon. Honourable Members the first on our business paper today after the election of the Acting Speaker is the swearing in of the three Members, the Honourable Agnes Armstrong, the Honourable Tina Browne and the Honourable Albert Nicholas.

1. Agnes Armstrong – Sworn in
2. Tina Pupuke Browne – Sworn in
3. Albert Taaviri Kaitara Nicholas – Sworn in

Honourable Members that completes the swearing in of our three Members this afternoon. Congratulations to all of you.

Honourable Members according to Standing Order 13 our next business this afternoon is the election of the Deputy Speaker and I recognise the Honourable Prime Minister.

You have the Floor.

HON. H. PUNA: Thank you Acting Speaker. Acting Speaker before I move a motion on the subject matter before this Honourable House. May I take this privilege to say to the new Members that were just sworn-in, congratulations and welcome to the House, particularly in respect of the new Member for Ivirua. I am privileged that she is here in this House to replace her husband who passed away since the last Sitting of this House. At the same time Acting Speaker I want to acknowledge the previous Member for Rakahanga and also the newly elected previous member for Tengatangi, Areora, and Ngatiarua. I was actually looking forward to welcoming the new young Member for Tengatangi, Areora, and Ngatiarua this afternoon. But never mind because of our respect for the rule of law, we are where we are today.

Acting Speaker when I look at you up there, you are perfect for where you are sitting today. So, I wish to move:

That the Honourable Member for Mauke, Tai Tura be appointed as Deputy Speaker of this Honourable House

Thank you.

MR ACTING SPEAKER: Thank you Honourable Prime Minister. Do we have a Secunder?

Second by the Honourable Tingika Elikana Member for Pukapuka

Any other nominations, please.

HON. T. PUPUKE BROWNE: Kia Orana Acting Speaker, I stand to move:

**That the Honourable Vaitoti Tupa be elected as a Deputy Speaker
of this Honourable House**

MR ACTING SPEAKER: Thank you Honourable Leader of the Opposition and do we have a Seconder?

**Seconded by the Honourable George Angene, Member for
Tupapa and Maraerenga**

Can I call a Motion for division or secret ballot? And there are so many Members standing up. I will call on the Member for Pukapuka to take the Floor.

MR T. ELIKANA: Acting Speaker, I rise to put a Motion before this House. I move:

That Standing Order 17 be suspended and the voting be by division

MR ACTING SPEAKER: Do we have a Seconder?

Seconded by the Honourable Minister Vaine Mokoroa

I see the Honourable Vaitoti Tupa, you have the Floor.

MR V.TUPA: Thank you very much Acting Speaker. I am seriously considering our meetings in Parliament. Even though there is a provision in the Standing Order for election by division or raising of hands, under Standing Order 17, in this provision it states that when an election is made for the Speaker, Deputy Speaker and so forth, the election shall be conducted by secret ballot.

I pondered on this because I know I have many friends on the Government side. I do realise the Government side has the numbers to win this election. However Acting Speaker I would recommend that we follow the Standing Orders and those are my thoughts for now. Thank you.

MR ACTING SPEAKER: Thank you Honourable Member. Honourable Members I refer you to Standing Order 4 which refers to suspension of Standing Orders, Section 1, any Standing Order or any other rule of Parliament maybe suspended wholly or in part on motion with or without notice.

Now, we go back to the Motion and the Motion is:

That Standing Order 17 be suspended

Motion agreed to

We will proceed with the election.

The Member of Mauke, Honourable Tai Tura was nominated as Deputy Speaker of Parliament and also the Member of Matavera, Honourable Vaitoti Tupa. Now we are going to vote by division.

Those who are in favour of the Honourable Tai Tura, please stand up.

For the motion of Mr Tai Tura:

1. Mr Tai Tura
2. Hon. Henry Puna
3. Hon. Mark Brown
4. Hon. Robert Tapaitau
5. Hon. Makiroa Mokoroa
6. Hon. Vainetutai Toki Brown
7. Hon. George Angene
8. Mr Tingika Elikana
9. Mr Patrick Arioka
10. Mr Tuakeu Tangatapoto
11. Mr Tereapii Kavana
12. Mr Albert Nicholas

I now call on those in favour of the Honourable Vaitoti Tupa, please stand up.

For the Motion of Mr Vaitoti Tupa

1. Hon. Tina Browne
2. Mr Terepai Maoate
3. Mr William Heather Junior
4. Mr Tamaiva Tuavera
5. Mrs Selina Napa
6. Mrs Tetangi Matapo
7. Mr Wesley Kareroa
8. Mr Vaitoti Tupa
9. Mr Manuela Kitai
10. Mrs Agnes Armstrong

MR ACTING SPEAKER: The result for the Deputy Speaker is, Honourable Tai Tura, 12 and Honourable Vaitoti Tupa, 10.

Honourable Members I now declare the Honourable Tai Tura as the Deputy Speaker of Parliament.

(Applause)

MR DEPUTY SPEAKER: I recognise the Honourable Prime Minister, you have the Floor.

HON. H. PUNA: Thank you Deputy Speaker and congratulations on your new election. Deputy Speaker I rise to move a Motion, which I referred to earlier pursuant to Standing Order 37. I briefly set out before the circumstances facing the Speaker of Parliament, Niki Rattle and the fact that she will not be able to be with us during this sitting.

In order to formalise her absence and to grant her leave of absence Deputy Speaker I wish to move:

That this Honourable House grants indefinite leave to Madam Speaker until she is ready to come back home with her husband

I anticipate that a similar Motion maybe forthcoming from the Leader of the Opposition in respect of one of their Members and I will leave that to her.

Perhaps we can deal with them together or we can deal with the leave for the Speaker separately.

MR DEPUTY SPEAKER: Can I ask you to be seated please? Thank you Honourable Prime Minister. Can I have a Secunder?

Secundered by the Honourable Member Tingika Elikana

MR T. ELIKANA: Just to expand Mr Deputy Speaker, I think it's more appropriate and to expedite matters in this Honourable House that we deal with both matters when it comes to the voting side of it. I don't think there will be any objections by anybody to this.

MR DEPUTY SPEAKER: Thank you Honourable Member. I see the Honourable Leader of the Opposition. You have the Floor.

HON. T. PUPUKE BROWNE: Deputy Speaker, I rise to move a Motion before the House. I move:

That Leave of absence be granted to the Member of Parliament for Akaoa, Nooroa Baker because similar to the absence of the Speaker, they are taking care of their spouse in their time of sickness

MR DEPUTY SPEAKER: Thank you Honourable Leader of the Opposition. Can I have a Secunder please?

MR T. ELIKANA: Deputy Speaker, I rise to support the Motion that leave be granted to our Member of Parliament, the Honourable Nooroa Baker indefinitely as requested and also maybe we can conduct the election at once so as to expedite our work in this House.

Secundered by the Honourable Member Tingika Elikana

MR DEPUTY SPEAKER: Thank you Honourable Member.

I will put the Question. The Question is:

That the Motion be agreed to?

Motion agreed to

I call upon the Honourable Prime Minister. You have the Floor.

HON. H. PUNA: Thank you Deputy Speaker. Deputy Speaker, Honourable Members, I stand to move:

That Standing Orders be suspended to the extent necessary to allow us to amend our procedure this afternoon because I want to move that we adjourn now out of respect for our family members and their supporters

They are here in this House to witness the swearing in and everything is ready for the celebration to follow and I move:

That we adjourn now until 3.00 p.m, come back at 3.00 p.m to resume the Sitting this afternoon so that the newly sworn Members can spend time with their family, their supporters to celebrate, to conduct interviews and to take photographs of this very special occasion

That is the Motion Deputy Speaker that this House rises now until 3.00 p.m when we will come back for the remainder of today's business. Thank you.

MR DEPUTY SPEAKER: Thank you very much. Do we have a Seconder?

Seconded by the Honourable Member Tingika Elikana

I see the Honourable Leader of the Opposition. You have the Floor.

HON. T. PUPUKE BROWNE: Deputy Speaker, I rise to point out that I believe we have two Motions on the Floor for Leave of absence and we have not taken the vote jointly. I believe we should take that vote now.

MR DEPUTY SPEAKER: Honourable Member, I've already put the Motion and he's seconded it.

HON. T. PUPUKE BROWNE: I believe that we have voted on the Motion by the Honourable Member Tingika Elikana for a joint voting.

MR DEPUTY SPEAKER: That's exactly what we did.

HON. T. PUPUKE BROWNE: However, I believe we have not voted to accept the Motion of absence.

MR DEPUTY SPEAKER: Okay. Then I'll put this to a vote.

The Question is:

That both Motions be accepted to please every Member in the House?

Motion agreed to

Then we will go back to the suspension Motion made by the Honourable Prime Minister for suspension until 3.00 p.m.

I will put the Question. The Question is:

That the Motion be agreed to?

Motion agreed to

Parliament is suspended until 3.00 p.m.

Sitting suspended at 1.55 p.m.

Sitting resumed at 3.00 p.m

MR DEPUTY SPEAKER: Greetings again ladies and gentlemen, Members of Parliament, to the Prime Minister of the Cook Islands, Cabinet Ministers and everyone, Kia Orana. Kia Orana to the Leader of the Opposition, to your Deputy and your Members. Special Kia Orana also to our friends and families in the public gallery.

My acknowledgement goes to the people of the Cook Islands, our sister islands, the Government, the Ui Ariki and also our Religious Advisory Council.

Also I would like to take this opportunity to congratulate the new Clerk of Parliament Tangata Vainerere appointed on 7 January 2019 who also brings a wealth of experience to Parliament and is no stranger in this House who is the best interpreter of Parliament of the Cook Islands ever had. He is also familiar with the role of Parliament in the region and in the Commonwealth, with Select Committee work, Public Accounts Committee, just to name a few. Congratulations Papa Ta.

Also Parliament website, again I would like to congratulate the new Clerk of Parliament Tangata Vainerere for this milestone achievement. We finally now have an updated and new website for Members and everyone to browse. Much has been updated so please feel free to browse.

I would also like to acknowledge the new Leader of the House, the Honourable Member Tingika Elikana.

I would now like to bring to the attention of this House, the retirement of the former Editor of Debates, Mr Isaac Solomona. May I on behalf of Parliament extend our best wishes to the former Editor of Debates, Mr Isaac Solomona on his retirement from Parliamentary Services in December 2018. Kia Manuia Isaac and without a doubt we will continue to see your presence in Parliament considering your wealth of experiences with Parliamentary work.

May I also congratulate Parliament's new Editor of Debates Tai Manavaroa who has been working for the Parliamentary Services for over 20 years. Congratulations Tai I know you can do well because we both come from the same island of Akatokamanava.

Lastly, may I also congratulate the new appointed Ombudsman of the Cook Islands Mr Nono Tearea who was sworn in here in Parliament last month on 29 March, congratulations Papa Nono.

Honourable Members, last month on the 15 March, the New Zealand Prime Minister in her speech during a special session of Parliament declared this day as New Zealand's darkest day in commemoration and honour of the Christchurch shooting of fifty people.

Even closer to home Honourable Members our dear friend and former Member of Parliament for Arutanga Reureu Nikaupara, Mr Pumati Iseraela. Mr Pumati Iseraela passed away in New Zealand last month and has been flown back to his homeland Aitutaki for burial. On behalf of the Speaker of this Honourable House and all the Members of Parliament may I extend our warmest condolences to the families of the late Papa Pumati in Aitutaki, Rarotonga, Australia and New Zealand. God is our refuge in times of sorrow. May God bless us all at this time.

Also at this moment, I would like to acknowledge everyone, Members of Parliament, the people of Mauke Enuu, the people of Aitutaki, Nga Pu Toru, Australia and New Zealand and the people of the Cook Islands for their support, gifts, food, and flowers during the tragic death of my grandson Gordon. Thank you all for the many words of condolences to my family which is very comforting, meitaki maata.

Also I would like for us to remember the passing away of the former Honourable Member of Ivirua the Honourable Tony Armstrong who passed away last year. To his wife the Honourable Member in the House today and both families here in Rarotonga, Mangaia, New Zealand, Australia and elsewhere in the world, may God bless you all.

At the moment I would like to ask the Honourable Members to observe a minute silence and I would like to ask the Leader of the House to say a prayer of comfort to those affected after the minute silence. Can we all stand please?

(One minute silence observed followed by a prayer)

MR DEPUTY SPEAKER: Please be seated. Thank you Honourable Member for the prayer.

Honourable Members we will now go to the message from the Queen's Representative. I will read the message.

Message to Parliament: Royal Recommendation.

Signed by Sir Tom Marsters, KBE; the Queen's Representative.

Message No. 2

The Queen's Representative in pursuance of Article 3 of the Constitution, on behalf of Her Majesty and in pursuance of Article 43 of the Constitution, recommends

Parliament to proceed upon the Bill, the Short Title whereof is the Appropriation Amendment Act 2019.

DATED at RAROTONGA this 5th Day of APRIL 2019.

And I lay this on the Table.

Honourable Members, we will now go to Question Time. Our Question Time for today is for 30 minutes. May I remind Honourable Members of this House to please keep your questions clear, simple and easy for the Ministers to reply. Thank you.

QUESTION TIME

I can see the Member for Matavera the Honourable Vaitoti Tupa and you have the Floor.

MR V. TUPA: Kia Orana to all Honourable Members in the House today. My question is directed to the Prime Minister, the Honourable Henry Puna. But before I raise my question I wish to make a statement first. There are many among our people who are not clear about the situation with our present Government. It is therefore appropriate that I direct my question to the head of our current Government.

Deputy Speaker this is my first question as I have other question to follow. The question to the Prime Minister is this, will there be a snap election sometime this year. This is not a trivial question. I am asking this on behalf of the people because there are many who are unsure of the standing of Government.

That is my question for now Deputy Speaker as I have others to follow.

MR DEPUTY SPEAKER: Honourable Prime Minister you have the Floor.

HON. N. PUNA: This is a good question from the Member of Matavera. Before I answer the Members question, I would like to convey the Members of Parliament condolences to you Deputy Speaker on the death in your family last week. A waste of young life.

MR DEPUTY SPEAKER: What is your objection, Honourable Member?

MRS S. NAPA: This is a time for questions, Deputy Speaker. If the Prime Minister wants to deliver other messages it should be done at another time. The request here is for the Prime Minister to answer the question on the Floor and so we will have the time to pose more questions because we only have 30 minutes to ask our many questions.

MR DEPUTY SPEAKER: Honourable Prime Minister can continue.

HON. H. PUNA: There are some matters that are allowed for Honourable Members to speak about when it is our first opportunity to speak. We must not follow the Western ways strictly as our people are listening to us.

Deputy Speaker please accept the well wishes of the Honourable Members for your loss and a tragic sudden passing away of a youthful life. I wish to add our condolences to what you conveyed earlier to Mrs Armstrong for the loss of her husband, may the family be comforted during this time. If I may I would like to convey condolences to the wife and family of Mr Aukino Tairea a good public servant to our country. We cannot avoid this path, all of us must face death eventually.

Deputy Speaker I come back to the question posed to me. I am not sure as to what the point of this question is about. If Matavera wants us to go to the polls, please let us know. Manihiki is ready and so is Rakahanga that includes Pukapuka. We do not want to disturb our people quickly.

We all know that it is the numbers that decides who will be in Government. Today the numbers of the present Government is still strong. Maybe there will be some changes in the future for us to go that way but for now there is no planning for a Snap Election.

That is my short answer Deputy Speaker to the question from the Honourable Member. Thank you.

MR DEPUTY SPEAKER: I can see the Honourable Vaitoti Tupa, you have the Floor.

MR V. TUPA: I thank the Honourable Prime Minister for your answer to my question. Even though it did not really answer the question but I accept your response.

Deputy Speaker this is my second question and it is directed to the Deputy Prime Minister. There are 3 parts to this one question that I am going to ask and it is in regard to the Te Mato Vai project. We heard the Deputy Prime Minister explained the progress of this project. We have an Appropriation referred as the “surplus” and this fund was reported on the 31st of December last year. This are the funds that was not spend in the previous appropriation and the amount totals \$23,630,000.00

My first question to the Deputy Prime Minister, is the Government planning to take some of this funds to put it towards the Te Mato Vai project. My second question, can the Minister please tell this House as to how much money has been spent on this project since the beginning. My third question to the Minister, how much more funds is needed to complete this project. I have read that about 60 million dollars is required and also 30 million to...

MR DEPUTY SPEAKER: Honourable Member can I interrupt you. With such question it is best you write it down on paper so the Minister will have ample time to seek clarifications on such figures as you are asking.

Furthermore, I would like to remind the Honourable Members you have to ask simple questions or else you will consume the time required for Question Time.

I can see the Honourable Minister of Finance, the Honourable Mark Brown.

HON. M. BROWN: Thank you Mr Deputy Speaker. I rise up to answer all these three questions to the Member of Matavera.

Firstly, the estimated surplus produced from the half-year fiscal and economic update of the Ministry of Finance is just that. It's an estimate. We expect that figure to be finalised at the end of the financial year and I don't expect that figure to change much and this is due to the very good economic policies of this Government that has led to the surplus situation.

Secondly, the Government has no intention of using this surplus to fund activities for Te Mato Vai. The appropriation for Te Mato Vai has already been done and the work is on its way to completion this year and in fact for those who were awake at 3 o'clock this morning you may have seen some of the large filtration pieces of the Te Mato Vai project being transported up to the intakes and we expect all of the water intakes – the first ones will be handed over to the To Tatou Vai Company in the next couple of months but the whole of our water intake – Te Mato Vai – will be completed by the end of this year.

The purpose of any surplus that we raise at the end of this financial year, Mr Deputy Speaker, will be put aside to help build our fiscal resilient strategy and also utilise in next year's Budget that will come before this House in June.

And the last question – how much left on Te Mato Vai? As I said, Te Mato Vai's appropriation has been completed. There are no additional funds other than what we would expect to pay. Once the final Bill for Te Mato Vai comes in when commissioning of all our intakes and the pipelines are completed we will know what the final figure is.

And I look forward to the end of this year Mr Deputy Speaker when dirty water coming out of our taps will be a thing of the past.

MR DEPUTY SPEAKER: Thank you Honourable Minister. Any other questions please? I see the Honourable Member of Teimurimotia.

MRS S. NAPA: Deputy Speaker, my question is going out to the Minister for Telecommunications.

Can the Minister for Telecommunications tell us whether ATH have settled the purchase of the TCI/Bluesky?

MR DEPUTY SPEAKER: Thank you Honourable Member. I see the Minister. You have the Floor.

HON. M. BROWN: Thank you Mr Deputy Speaker. As far as I am aware, the purchase of the Bluesky shares by ATH has been completed.

MR DEPUTY SPEAKER: Thank you Deputy Prime Minister. I see the Honourable Selina Napa.

MRS S. NAPA: I have a supplementary question to the question.

MR DEPUTY SPEAKER: You may do so.

MRS S. NAPA: Can the Minister for Telecommunications tell us whether Government has sold the peoples' 40 per cent share in Bluesky to ATH please?

MR DEPUTY SPEAKER: Thank you Honourable Minister. You have the Floor.

HON. M. BROWN: Thank you Mr Deputy Speaker. The Crown still holds the 40 per cent shareholding in the company vested in the Cook Islands Telecommunications Company which is the CIIC. Thank you Mr Deputy Speaker.

MR DEPUTY SPEAKER: I see the Honourable Member for Tamarua. You have the Floor.

MRS T. MATAPO: Greetings to you Mr Deputy Speaker. My question is – if you're tired of hearing it, just bear with me. In this House last year it was said Mangaia will be receiving a school bus. I have an easier question today. Where is the bus? When is the bus coming? Is Mangaia going to get it?

MR DEPUTY SPEAKER: Thank you Honourable Member. I see the Deputy Prime Minister.

HON. M. BROWN: Thank you very much Deputy Speaker. I forgot about this thing, but we are going to send this bus down to Mangaia or to Atiu.

To the Honourable Member from Tamarua, for the bus, you will still get your bus in Mangaia. It's not yet the end of the year but your bus will be there by the end of the years.

MR DEPUTY SPEAKER: Thank you Honourable Deputy Prime Minister. I see the Member from Aitutaki, the Honourable Terepai Maoate Jnr.

MR T. MAOATE: Thank you Mr Deputy Speaker and greetings to all us Members in the House.

There are a lot of people who have been calling me to pose a question on Permanent Residency to you Prime Minister. Most of the concerns are regarding those people who have resided and married to locals here in the country for five, ten or fifteen years. That's where the concern is. Having resided in the Cook Islands they are still waiting for their application and I must note most of them seem to support the Cook Islands Party.

MR DEPUTY SPEAKER: I see the Prime Minister of the Cook Islands. You have the Floor.

HON. H. PUNA: If it is true what the Member is saying these are Cook Islands Party supporters, well it shouldn't take long certainly, before the Snap Election as mentioned by the Member of Matavera. Thank you for this good question Member of Parliament.

Because this idea of the PR – Permanent Residency – it is not an easy issue to address. Over the years it seems that it's been very easy just to share these privileges with our friends and yet we have not considered enough that this is the right of our indigenous people of the Cook Islands. It seems it's been very easy for us to gift this privilege to a visitor.

Therefore, before this Portfolio for Immigration came under my Ministerial responsibilities there were many consultations, and the overriding sentiment is that we should not easily hand this out. Therefore, this is now our new position. We shall be very mean about it, not to just gift it away easily because to me this is a very sacred right.

Within this, the Ministry of Foreign Affairs and Immigration were tasked to review the Immigration law. We know this idea has been consulted for a long time with our people. I remember during the time of the late Dorice Reid she chaired a Committee that reviewed this issue but no follow up work was carried out. As well, the Minister of Foreign Affairs and Immigration then, the Honourable Wilkie Rasmussen looked into this but again nothing came of it.

So far the Cabinet has endorsed the new policy for Immigration. Right now the Act is being amended to follow the spirit of the policy and they are conducting consultations with our people to gather their thoughts. Let it be said that we don't want foreigners outside of this country to think that they can just go to the Cook Islands and expect to obtain PR in the Cook Islands.

When you consider other countries in the Pacific like Fiji and Vanuatu, it is very difficult to obtain PR status in those countries, and so it should. It is not that we are being mean with these rights but we need to be cautious and to be aware for what may transpire after granting these rights. Even today I see some recipients of PR status now residing in New Zealand as if they consider the Cook Islands just a holiday place for them. So these are some of the things being considered under this review so these things do not happen.

I want to make mention that there are two categories of permanent residency. First, are foreigners from outside, second are foreigners from outside married to Cook Islanders. How we address these two categories are different. The door is still open for those of our foreign friends married to Cook Islanders. So it is only right that we welcome them because they are married to Cook Islanders. However, for the first category we have to be cautious. For me the important thing is what benefits they can bring to our country. Let us not only consider the period of time they have lived in this country because many of them come here and work for others and they have no investment into this country. To me we need to be careful and let us not rush into this or it may cause problems for our future generation.

Sorry Honourable Member for the long answer but I think there are some important issues we need to keep in mind. That is my reply, thank you.

MR DEPUTY SPEAKER: Thank you Prime Minister. I recognise the Honourable Tamaiva Tuavera you have the Floor.

MR T. TUAVERA: Thank you Deputy Speaker. I have a supplementary question to the one posed by the Member from Tamarua. To me, I think you are making her question as a joke. She asked a genuine question when the budget was passed last year and your reply to her was this, don't worry you will get your bus.

I want to answer the question from the Minister George Angene.

HON. G. ANGENE: Point of Order.

MR DEPUTY SPEAKER: What is your Point of Order Honourable Member?

HON. G. ANGENE: 197. I don't know why he is talking about me and yet I have not spoken yet. What right does he have to mention me I have not spoken yet in this House?

MR DEPUTY SPEAKER: Thank you Honourable Member you may continue.

MR T. TUAVERA: I will continue Deputy Speaker and if you can tell him not to interfere when I am asking my question.

MR DEPUTY SPEAKER: You may continue Honourable Member.

MR T. TUAVERA: I will come back to my supplementary question to the question raised by the Honourable Member of Tamarua.

As I said before, they are using her as something they can just kick around because the Prime Minister last year promised her that she will get her bus and then the Minister of Finance said the same thing, you will get your bus but we are now in the Third Session of Parliament and they are still kicking the ball around, so which one is it Prime Minister, yes or no.

MR DEPUTY SPEAKER: Honourable Members we have come to the end of Question Time, can you please sit down Prime Minister.

HON. H. PUNA: The answer will be short, Deputy Speaker.

MR DEPUTY SPEAKER: You may have the Floor only one minute.

HON. H. PUNA: Deputy Speaker, I want to advise the Honourable when this question was posed we approved it in Cabinet and it was then passed into the hands of officials and there are procedures they have to follow. I don't know why you got your goat up on this matter but I just want to tell us all Members on this side of the House, please do not treat this as a political issue. We are open to receive your requests, come to the office and follow up if you are serious. Don't wait until we come to Parliament and then you complain about it so that our people can hear you. Please stop doing that. I invite you to come to the offices of the Ministers to follow up instead of bringing it in to this House.

MR DEPUTY SPEAKER: Thank you Prime Minister. I think we will leave that to the officials to get that bus to Mangaia very soon. That completes our Question Time.

We will now move on to the Presentation of Bills. I call on the Leader of the House.

MR T. ELIKANA: Mr Deputy Speaker, I rise to move:

**That Standing Orders 224 and 226 be suspended to allow the Bills
on notice to be presented**

MR DEPUTY SPEAKER: Is there a Secunder?

Seconded by the Honourable Mark Brown

I will put the Question. The Question is:

That the Motion be agreed to?

Motion agreed to

We will now go to the presentation of Bills. Infrastructure Bill 2019 I now call on the Minister of Infrastructure Cook Islands the Honourable Robert Tapaitau.

DEPUTY CLERK AT THE TABLE: Short Title reads: Infrastructure Act 2019.

MR DEPUTY SPEAKER: Can the Minister please name the date and time of the Second reading of the Bill?

HON. R. TAPAITAU: Mr Deputy Speaker, immediately after the Law Practitioners Bill.

MR DEPUTY SPEAKER: Thank you Honourable Minister of Infrastructure. The Infrastructure Bill is ordered for the Second reading immediately after the Law Practitioners Bill.

Presentation of the Appropriation Amendment Bill 2019, I call on the Minister of Finance.

DEPUTY CLERK AT THE TABLE: Short Title reads: Appropriation Amendment Act 2019.

MR DEPUTY SPEAKER: Can the Minister of Finance please name the date and time for the Second reading of the Bill?

HON. M. BROWN: Forthwith, Deputy Speaker.

MR DEPUTY SPEAKER: Thank you Honourable Minister of Finance. The Appropriation Amendment Bill is ordered for the Second reading forthwith.

I recognise on the Floor the Leader of the Opposition the Honourable Tina Browne.

HON. T. PUPUKE BROWNE: I stand to seek an explanation because Standing Orders 224 says one day's notice. I want to ask the Deputy Speaker to explain this because it is being asked that we go into the Second reading in a matter of ten

minutes. The Appropriation Bill we did not have notice of this until today at the beginning of this Session.

MR DEPUTY SPEAKER: Thank you, Honourable Leader of the Opposition. I see the Honourable Deputy Prime Minister.

HON. M. BROWN: Thank you Deputy Speaker. For the information of this House this Bill was brought before this House last week in order to fulfil the requirement of 24 hour notice before tabling in this House.

MR DEPUTY SPEAKER: Thank you, Honourable Deputy Prime Minister. We have to move on.

HON. T. PUPUKE BROWNE: Am I permitted to speak.

MR DEPUTY SPEAKER: You may do so Honourable Member.

HON. T. PUPUKE BROWNE: The point we are trying to make is that we were not given any copies of the Bill and according to our rules give us reasonable notice for these Bills to have a look at them. The fact that it was given to Parliament that's one thing, sharing it to the Members that are coming into this House to discuss it, it's another thing. So I can't speak for the Parliamentary Services but I can confirm to you that we just received it this afternoon.

MRS. S. NAPA: Deputy Speaker, in support of our Leader's comments, we had a workshop on Thursday last week for all Parliamentarians in this Chamber to discuss the Bills. This Appropriation Bill was not tabled at the workshop that was held last week. So it's unfair that we be given the Bill today for us to debate straight away when we have not even given ample time to go through it.

MR DEPUTY SPEAKER: I recognise the Honourable Deputy Prime Minister, you have the Floor.

HON. M. BROWN: It has been the practise in my eight years of Minister of Finance in tabling budgets that the budget is presented before the Members of the Opposition during the time of the Second reading. Thank you.

MR DEPUTY SPEAKER: May I also remind Honourable Members to look at Standing Order 222, the explanation is there so can we move on. It is also on the Notice of Introduction of Public Bills on the Order Paper.

I recognise the Honourable Member Tamaiva Tuavera, you have the Floor.

MR T. TUAVERA: Deputy Speaker, I am looking at Schedule 3 where it says, Cook Islands Government Capital Programmes, and it says see Schedule 6 for details, I don't have Schedule 6 with me to check the details of that. So, is this complete or not?

MR DEPUTY SPEAKER: I recognise the Honourable Prime Minister, you have the Floor.

HON. H. PUNA: I stand to make some clarifications as we seem to be having some difficulties.

The Leader of Opposition was quite right earlier on however I would like to point out that it is not Government's responsibility to distribute a copy of the Bill to all individual Members. This House is the most important place of Parliament. Our responsibility is to bring the Bills to this House to be passed by Parliament.

Regarding an Appropriation Amendment or any finance Bill, it is essential that it gets to Parliament earlier at least one day before for Members. But so long as we have the Bill with Parliament and we did last Friday that satisfied that requirement.

I hope my explanation on this issue will satisfy the Honourable Members and we can move forward.

MR DEPUTY SPEAKER: Thank you Prime Minister for your explanation on this matter. And now we move forward.

PRESENTATION OF PAPERS

I call upon the Minister Responsible for Parliamentary Services, the Honourable Vainetutai Rose Brown to present Paper No. 8, the Annual Report by Parliamentary Services for period 2017/18.

HON. R. TOKI-BROWN: It is with honour to present:

Parliament Paper No. 8, the Annual Report by the Parliamentary Services for period 2017/18

Mr Deputy Speaker, if I may allowed to speak on this report. To extend my congratulations to the Speaker and Clerk of Parliament because this is the first time a report from Parliament has been tabled to Parliament.

I would like to encourage to the new Clerk of Parliament and all his staff to continue the good work they are doing.

I now lay it on the Table.

MR DEPUTY SPEAKER: Thank you Honourable Minister Rose Brown. I call on the Honourable Prime Minister to present Paper No. 10, the Annual Report by the Public Service Commissioner for the year ended 30th June 2018.

HON. H. PUNA: Thank you Deputy Speaker. I am pleased to present:

Parliament Paper No. 10, the Annual Report by the Public Service Commissioner for the year ended 30th June 2018.

I now lay it on the Table.

MR DEPUTY SPEAKER: Thank you Honourable Prime Minister. I call upon the Honourable Deputy Prime Minister to present Paper No. 11, the Annual Report by the Financial Supervisory Commission of the Cook Islands for the period 2017/18.

HON. M. BROWN: Mr Deputy Speaker, I am pleased to present:

Parliament Paper No. 11, the Annual Report of the Financial Supervisory Commission of the Cook Islands for the period 2017/18

I lay it on the Table.

MR DEPUTY SPEAKER: Thank you Honourable Deputy Prime Minister.

ORDERS OF THE DAY

Second reading of the Appropriation Amendment Bill.

I call on the Honourable Minister of Finance to move the Motion on the Second reading of the Bill.

HON. M. BROWN: Thank you Mr Deputy Speaker. I move:

**That the Appropriation Amendment Bill 2018/19
be read a Second time**

And I wish to take this time to speak to the principles and merits of the Bill, Mr Deputy Speaker.

Mr Deputy Speaker today, I want to highlight the continuing and significant progress this Government has made towards growth and prosperity. A lot of hard work putting in place sound economic and financial management has enabled us to achieve sustainable levels of fiscal stability. And why does this matter you may ask?

It matters because it allows us to improve the lives of our people and sets up the economy for our future generations. Obtaining and sustaining fiscal stability, economic growth and prosperity must become the common goal and responsibility of all.

Mr Deputy Speaker as the Minister of Finance I am tabling the Appropriation Amendment Bill for 2019, otherwise known as the Supplementary Budget. And I present this Appropriation Amendment Bill with full confidence as it expands our financial support to key areas of importance to our people.

On the economic front I can report that in the year to June 2018 the most recent full year for which data is available. The Cook Islands economy grew by 9% in real terms. To put this performance in context it is more than double the international monetary funds, global economic estimate of about 4% for 2018. It is also higher than the IMF's estimate of the Chinese economic growth for that year, about 7%.

This robust economic result is not an anomaly, but a demonstration of very good economic policies of this Government and continues an uninterrupted run of positive

growth from 2014. This has put the Cook Islands on track to be classified as a high income country by the OECD most likely by January 2020.

As evident today, tourism remains the key driver of our economy. Since July of 2018 to January of 2019 visitor arrivals in the Cook Islands reached 169,000, five per cent more than the 161,000 visitors recorded in the previous year. On the back of strong tourism growth, our other industry sectors such as retail and construction have been performing well. Construction activity has had an additional boost from the wide range of Government infrastructure projects across the Cook Islands.

The strong economy is generating a consistent stream of revenue which the Government is handling responsibly by closely managing the growth in Government expenditure. This is reflected in the Medium-term Fiscal Framework launched by the Government in December 2018 and currently being implemented in this next Budget cycle.

Mr Deputy Speaker, for the first time ever, the Ministry of Finance has strategically included Estimates of Expenditure for the coming financial year and the following three fiscal years: 19, 20, 21 and 22 to 23. These forward estimates are aligned to the medium term expenditure ceilings as reflected in the Fiscal Framework. Although these forward estimates are only indicative and not voted by Parliament yet, they represent a critical step forward in our ability to help business and Government agencies with their long-term planning and to signal our continued fiscal discipline to our people, our communities and development partners.

In addition, towards the second half of this calendar year, the Ministry of Finance and Economic Management will work together with the community and our key stakeholders on the finalisation of an economic development strategy. This work, together with our Medium-term Fiscal Framework will ensure that our good fortune is invested wisely and distributed fairly and not squandered.

Mr Deputy Speaker, there is no need to rely on my assessment of the Cook Islands economic and fiscal position.

The Asian Development Bank's December 2018 Pacific Economic Monitor had forecast real economic growth of six per cent for the Cook Islands in 2019. Thus making the Cook Islands the highest of all the Pacific nations by some margin. In February of this year Standard and Poor's, the premier global credit ratings agency, affirmed the Cook Islands current B+B credit rating, which indicates that we have the capacity to meet our financial obligations. The Standard and Poor's Report also commented positively on our solid fiscal performance and very low debt levels.

As a further measure of international scrutiny, we have invited a team of economists from the International Monetary Fund who are in country this week to undertake an Article IV type assessment. This is an economic and financial health check to determine whether our economic and financial policies are conducive to orderly economic growth and price stability and I look forward to reporting back on the IMF's findings Mr Deputy Speaker.

Mr Deputy Speaker, this Government welcomes these independent reviews to provide additional reassurances to our people that this Government is making the right decisions and the right investments for the benefit of all Cook Islanders.

Expenditure

Mr Deputy Speaker and as we continue to grow and sustain our economy, we must not forget the little things that we must continue to support. As you may be aware Mr Deputy Speaker, Article 70(3)(b) of the Constitution allows additional funding to be allocated but not to exceed 1.5 per cent of the total amount of all sums appropriated by the Appropriation Act.

As of the end of March this year Mr Deputy Speaker, a total of \$3.2 million of Executive Order approvals were granted under this Article and since we are such a transparent Government, this is included in the supplementary book are details of expenditure that this Government has approved. To mention a few.

The Sheraton Foreshore Protection to the tune of \$239,100.

In this time of climate change and sea level rise, coastal erosion is a major issue. In May last year a study was commissioned to review the erosion of foreshore in Vaimaanga near the old Sheraton Hotel site and develop a remediation project. This was not funded in the current Budget. However, with the increasing and more intense rainfall and high seas and subsequent damage to the existing rock wall protection, this was immediately identified as a high risk project that required urgent mitigation. And today Mr Deputy Speaker, this remedial work that costed \$239,000 has strengthened the main road in Vaimaanga and we have prevented this particular stretch from collapsing.

The Atiu Road Improvement to the tune of \$704,597.

Mr Deputy Speaker, continuing the efforts in developing our infrastructure which is crucial for our growth agenda, we also recognise the need in the Pa Enua. Following the well-received work done on the Aitutaki roads, \$704,000 was attributed to commence the sealing of the roads in Atiu and these expenditures, Mr Deputy Speaker, reflect the significant and substantive focus of this Government to ensure that better roads are built and maintained for all of our people, not just on Rarotonga but all of our islands. Even though the funding has been appropriated for this work, Mr Deputy Speaker, this Government has put a hold on finishing off the roads in Atiu until the electoral petition and bi-election process has been completed.

The Atiu Power Upgrade of \$220,000.

Mr Deputy Speaker, as this Government recognises the importance of improving roads in the Pa Enua, it is critical to do this right. \$220,000 was approved to fully complete the Atiu Power Upgrade prior to the sealing of the roads and this is to facilitate the contractors to install the cables and have the street lights operating Mr Deputy Speaker. And I would encourage everyone in the House today and those overseas to visit the island of Atiu. Today we are satisfied that with their coloured street lights operating, the people of Atiu can enjoy a stroll at night on their sealed

roads, thus meeting the Government's commitment to improving the standard of living of our people.

Capital Distribution Fund of \$657,000.

Whilst we continue to recognise the importance of infrastructure in the Pa Enea, this Government also recognises the need to provide the essential equipment in our Pa Enea. Pukapuka-Nassau has been approved for multi-purpose tractors to help the Island Government in a multitude of tasks to load, unload and carry cargo and to support other critical work undertaken by the Island Government to maintain roads, public areas and serviceability of the airport and runway and these multi-purpose tractors can also be used for other community work and this has been supported through the increase in the Capital Distribution Fund.

Included in this increase, Mr Deputy Speaker is the purchase of electric vehicles. You will recall that this Government has committed to becoming 100 percent renewable. Results today show that we have achieved the implementation of renewable energy in the Pa Enea with Aitutaki a work in progress.

The Government will now expand from delivering not only renewable power supply but also move towards electrification of our vehicle fleet.

Cabinet Ministers are leading by example Mr Speaker by converting to electric vehicles. In addition to introducing vehicles the Government acknowledges the aging vehicle fleet of Government agencies. Many Government vehicles are over and beyond their useful life. As we move towards replacing this fleet this Government is very conscious of the rapid improvement of electric vehicles and the likelihood that the Government vehicle fleet in the not too distant future will be fully electric. Government will ensure vehicle replacement is managed to ensure that we are not left with a large inventory of redundant fossil fuel vehicles.

Not forgetting the Ministry of Agriculture Mr Deputy Speaker who have shifted on to the whole of Government network the purchase of IT equipment was approved for the Ministry to be able to deliver their agency work.

The purchasing of these vehicles and laptops are done through our centralized procurement team who was able to bulk purchase these capital expenditures and generate savings.

If I can emphasize, Mr Deputy Speaker we also work with the existing retailers here on Rarotonga to ensure we do not undermine them.

Ministry of Health – total \$718,016

The Ministry of Health, Mr Deputy Speaker has an additional \$718,000. With the recent dengue cases identified on our island recently it is only right that we support this great initiative proposed by the Ministry of Health to undergo the clean-up day for our country.

Government approved \$88,000 to support the Operation Namu. In addition to this a half million dollars was approved to support the purchase of additional

pharmaceuticals and increase funding for patient referrals to ensure we have sufficient funds in place to support these critical services, so important to our people.

The Ministry of Health also recently indicated a shortage of critical surgical equipment required at our hospital. The Government is pleased to provide for our people by approving a \$100,000 to purchase a skin graft machine amongst other technical equipment. By doing so we are able to improve the medical services we provide to our Cook Islands people and effectively reduce the intensity of care and number of medical referrals. And in order to ensure we continue to improve medical services a replacement water tank for the Aitutaki hospital was urgently required to the tune of \$30,000 to replace the tank that was ruptured unexpectedly.

A further \$180,000 for the Members of Parliament and their travel requirements.

Mr Deputy Speaker as you know Members of Parliament are invited by honorary partners to attend and represent our country at international conventions. This Government has supported the increase of \$180,000 to allow all Members of Parliament including the Opposition Members to meet travel responsibilities for the benefit of our country.

One major success, Mr Deputy Speaker that resulted from support of this funding was the Green Climate Fund Accreditation for the Cook Islands. This will be beneficial for our country as we now qualify to directly access funding to assist our country with climate resilient projects for Rarotonga and the Pa Enuu.

Something to bring gladness to the heart of our Member from Tamarua and settle down the Member from Matavera.

Mangaia School Bus – \$87,307.

Today this Government is happy to announce that funding to purchase the school bus for our school children in Mangaia has been available and this will resolve the transport issues that our parents are facing in Mangaia.

Mr Deputy Speaker, these Government priorities are listed in the Supplementary Book and they all provide support for various agencies that positively impacts the lives of our people including additional funding for the Opposition Office.

Mr Deputy Speaker, I would like to raise that over and above these decisions that were made through the Executive approvals, additional priorities were identified to be supported through this Supplementary Bill and I will highlight a few of those.

Pacific Games – \$200,000

As I mentioned before the health of our people is important and we accept the efforts and participation our people are promoting to combat non-communicable disease. This Government will provide additional support to all the athletes who will represent our Nation at the Pacific Games to be hosted in Samoa in July.

An additional \$200,000 will ensure that our athletes will not be over-burdened by fund raising and will allow them to train to peak fitness and to give their best efforts

at the Pacific Games. This is in addition to the appropriated amount of close to \$300,000 Mr Deputy Speaker that was in the Budget already.

Airline Underwrite – \$523,000

Mr Deputy Speaker, the airline subsidy we currently have in place will continue to provide a prop for our tourism industry. Due to the unscheduled maintenance on the Air New Zealand Dreamliner aircraft this has impacted on the financial performance of the airline underwrite.

This served among other things to increase the cost of the subsidy by \$523,000 and it is necessary for Government to provision for this additional cost. With the recent renewal of the Heads of Ministries announced to the public, the budget must reflect or must increase to reflect the Government need to remunerate more to attract more and better candidates. Mr Deputy Speaker 70 percent of these new Heads of Ministries are women and this Government is proud to support these women in their role.

I turn Mr Deputy Speaker to revenue.

Revenue

Today I announce no further changes to the Government's revenue policy in the 2018/19 year. Strong revenues through taxation are estimated now and in the future. These revenues are largely derived from tourists spending during their time in the Cook Islands in the form of VAT. This is good news for our country but let us ensure that we are spending the revenue collected on projects and services that will add to the capacity of the Cook Islands economy to better serve our people, our communities and our key industry.

Total Appropriation

Finally Mr Deputy Speaker, considering all these new expenditures since the time of the passing of the Budget, the Total Appropriation has increased from \$268 million to \$274 million. A total of \$5.3 million increase in Appropriation. This is a result of an increase, consisting of:

- \$2.7 million to support various agencies to improve the service we deliver for our people and;
- \$2.5 million to support our infrastructure both here in Rarotonga and the Pa Enea.

And the great news Mr Deputy Speaker, despite these changes and amendments, this Government still manages to put forward an operating surplus budget of \$19.2 million and a fiscal deficit of \$13 million, resulting in a -2.6% of our GDP. We are still living well within our means with this Government delivering positive operating balances and expenditures that benefit every member of our society.

Summary

Mr Deputy Speaker, this Government is one of action, performance and results. But we are also a Government of heart and compassion that listens to the needs of our

people. We have made several commitments to the people of the Cook Islands, and we have done our best to honour those commitments.

We have increase the minimum wage and will continue to do so next year to \$8.00 an hour. We have increased the child benefit and now will increase the age of collection of the child benefit until the age of 16 years by the 1st of July this year. We have increased the payment of caregivers and will continue to address the needs of our most vulnerable. We have been able to do this because we have maintained fiscal discipline and have been effective in meeting the growth our country aspires to have.

We are proud of these achievements and intend to continue on this path of fiscal stability, economic growth and social strengthening. Our Government is fully committed and determined to continue the hard work and efforts necessary to ensure that we build on our success to date as we seek to create a stronger and more prosperous society in our country.

Mr Deputy Speaker, I commend this Appropriation Amendment Bill to the House.

Kia Orana and Kia Manuia.

MR DEPUTY SPEAKER: Thank you Honourable Minister. Do we have a Seconder?

Seconded by the Honourable Prime Minister

We have come to the end of our meeting today. We will come back to Parliament tomorrow. Let us all stand and I would like to ask the last Member that spoke on the Floor, the Honourable Prime Minister to close us with prayer.

CLOSING PRAYER

Parliament is now adjourned until 1.00 p.m Tuesday 9 April 2019.

Parliament adjourned at 4.56 p.m