



# FORTY-NINTH SESSION

## Hansard Report

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**MADAM SPEAKER took the Chair at 1.00 p.m.**

### **OPENING PRAYER**

**MADAM SPEAKER (N. RATTLE):** Honourable Members please be seated.

Greetings to all Honourable Members in this Honourable House this afternoon. Our Chaplin left us a message today which says we should enjoy ourselves in what we do in this House. I would like to convey our appreciation to our Chaplin for coming to us today to share with us the beautiful spiritual message.

To all our people in the public gallery, Kia Orana. I can see the Secretary of the Ministry of Health – greetings and welcome to Parliament this afternoon. To all our people in both the Northern and Southern Group islands, and also here on Rarotonga, Kia Orana to you all as you listen to your Members of Parliament on this beautiful wet day.

I have a couple of notices.

### **MADAM SPEAKER'S ANNOUNCEMENTS**

Those of you who still have the Hansard report, please check over your report and sign and return to the Hansard staff. I think you will agree with me that our Interpreters are getting really good and much better when you speak English and they only have to translate in Maori or vice-versa, instead of in and out of Papaa and Maori like I am doing now.

And I wish you all a very good deliberation of the business of the day.

Honourable Members, we will now go to Question Time for half an hour.

### **QUESTION TIME**

I see the Honourable Member, Vaitoti Tupa. You have the Floor.

**MR V. TUPA:** Thank you Madam Speaker.

Greetings to us all in the Name of our Lord this afternoon.

I have a question but I am unsure whether to ask this question because it is connected to a question I raised in this House yesterday.

I heard the Minister of Finance on radio this morning but I was not able to reach the end of his comments. There was mention about an organisation wanting to apply their project under the Chinese funding. We understand this as the Merchants of Paradise.

I also believe that this organisation will appeal to Government. Therefore, my question to the Minister of Finance is, whether Government will consider assisting this organisation? Thank you.

**MADAM SPEAKER:** Thank you. I see the Honourable Minister, Mark Brown.

**HON. M. BROWN:** Thank you Madam Speaker.

The short answer to the question is no, we have no involvement with the Merchants of Paradise and from what I understand the project proposals from the Merchants of Paradise requires a Government guarantee of funding which the Government is in no position to provide.

Thank you Madam Speaker.

**MADAM SPEAKER:** Thank you and I see the Honourable Selina Napa. You have the Floor.

**MRS S. NAPA:** My question is to the Minister of Finance.

Can the Minister of Finance explain about the amount of \$1.4 million allocated for the establishment of a Water Authority, a State-owned enterprise of the Water Board?

**HON. M. BROWN:** Point of Order Madam Speaker.

The Honourable Member is asking a question related to a Bill that is currently before the House.

**MADAM SPEAKER:** The Point of Order as you know that any matter that is in front of the House and as what you are asking about is in the Bill, you can't ask a question until we have gone to that.

**MRS S. NAPA:** Thank you Madam Speaker. My question then is still going to the Minister of Finance and this is in regards to Te Mato Vai project.

As we all know, the Te Mato Vai project is going into its fourth year which has previously been allocated an estimated \$60 million and now it looks like it's going to cost an extra \$30 million.

Can the Minister tell us whether the original \$60 million cost is inclusive of the water potable option because he is now saying that Te Mato Vai project is producing clean and potable water?

**MADAM SPEAKER:** Thank you. I see the Honourable Minister, Mark Brown.

**HON. M. BROWN:** Thank you Madam Speaker.

There are two questions in this one question she's asked, one about money and one about the quality of water.

The \$60 million referred to by the Honourable Member is what we would call in the project proposal a 5<sup>th</sup> order estimate of what the project would cost and 5<sup>th</sup> order estimates have a plus or minus of 50 per cent. So an additional \$20-\$30 million dollars above this 5<sup>th</sup> order estimate is within the project proposal design.

And as the Honourable Member correctly pointed out, this project has been now in its fourth year. However, the implementation has only started this year. So that three year time delay, Madam Speaker, has led to cost increases as we would expect in a project of this nature and I am confident, Madam Speaker that the additional cost increases can be absorbed by the Government in the construction of our water intake without any further loans being taken out.

In terms of water quality, Madam Speaker and the portability of water, the internationally accepted method of disinfecting water is through chlorination. However, there has been some resistance from members of our public in not wanting our water to be chlorinated. So until we come up with a solution for the disinfection of our water, we will still install within the water system the ability to chlorinate our water if our public agrees and accepts to the chlorination of water as a means to disinfecting our water.

Of course there are possibly other ways of disinfecting our water that comes out of our taps but we would have to explore those and find out what the costs will be in those ways of disinfecting our water.

Thank you Madam Speaker.

**MADAM SPEAKER:** Thank you and I see the Honourable Selina Napa.

**MRS S. NAPA:** Madam Speaker, I have a supplementary question.

This is a supplementary question to the Minister of Finance in regards to Te Mato Vai.

During the election campaign, there were mixed feelings coming across from the former Deputy Prime Minister about the public not being charged for water and him coming out and saying that the public will not be charged water.

My question to the Finance Minister is, can he tell this House whether the Government is going to be charging water.

**MADAM SPEAKER:** I see the Honourable Minister Mark Brown.

**HON. M. BROWN:** Thank you for this opportunity to campaign our people, Madam Speaker. I am always delighted to tell our people that the water that Te Mato Vai will provide for our domestic households will not be charged for them. However, those who make money of the water that we will provide will have to pay for their water.

We are talking here about the businesses, about the hotels any entity that uses our water to make money for themselves. They must be expected to pay the people of this country who provided this service for the water that they are going to use.

The Members of the Opposition will be aware that for nearly one year I have been involved in public consultation meetings with landowners of all of our intakes around Rarotonga. In fact I completed my last landowner consultation meeting for the landowners of the water intake Muriavai which is in Rutaki. And without exception, Madam Speaker all of the landowners are of the view to support the Government policy that water for households will be free, water for businesses that make money of our water must expect to pay for that water.

In addition, Madam Speaker the landowners were also of the view and in agreement that households that waste water and allowed water to run needlessly should also be penalised in order to get them to either fix leaking taps or to modify their behaviour. It will be the job of the authority that we will establish to maintain and look after our water network to be responsible for setting the appropriate rates for our water so that we can essentially recover the cost of maintaining our water supply system.

And indeed the Government is working with landowners on a Deed of Agreement which would outline the principles of our water system so that it is cost recovery and not profit driven.

Landowners have been invited to tour and inspect all of the intakes and we have taken landowners to Avana and Turangi and we expect the project to be completed by the end of next year. Thank you, Madam Speaker.

**MADAM SPEAKER:** Thank you and I see the Honourable William Heather you have the Floor.

**HON. W. HEATHER:** My question is for the Minister of Corrective Services. Can you tell this House if you have been able to discuss with the Minister or the Ministry of Agriculture regarding the tractor that you are using for the Prison Services.

**MADAM SPEAKER:** Thank you and I see the Minister of Corrective Services.

**HON. G. ANGENE:** Thank you Madam Speaker. Greetings to you and the staff of this House and all of us in this House. The question here is, have I been able to discuss the matter of the tractor for the Prison with the Minister of Agriculture. The answer to the Leader of the Opposition on this question is, we not only discuss we agreed to give this tractor to our Prison. Thank you.

**MADAM SPEAKER:** Thank you, I see the Honourable Member Vaitoti Tupa.

**MR V. TUPA:** Thank you Madam Speaker. My question is to the Minister of RAC or maybe the leader can answer this because this question is related to the question I asked on the first day of Sitting of Parliament.

I know that under the Constitution there is an Amendment and that is Constitution Amendment 20 this is under Heritage of Christian Principles. In the general assembly of the CICC last year this topic was discussed and that is our Christian values in the Cook Islands.

In recent years I have seen some denominations that are not connected with the Christian principle. This is my question are there ways to prevent these other denominations under the heritage principles because we see what is happening around the world and that is why I posed this question so we don't have the same problems that we can see all over the world.

**MADAM SPEAKER:** Thank you and I see the Honourable Prime Minister.

**HON. H. PUNA:** Madam Speaker greetings to you and all the staff of Parliament. Kia Orana to all Honourable Members and our people listening in to the radio. I have two answers for this question and the first one is this question is not right because the Government doesn't have a portfolio RAC. If we follow the standing orders this question cannot be answered. But because the question has been asked then I think it is only right that I give him an answer.

I think we in this House should be careful of what we bring to this House. We should not be one sided in case our people will believe that we only support one Church because this is not the spirit that should prevail in this House.

It is right that the Constitution states that we are a Christian nation but the Constitution also states that we should treat everyone equally regardless of their religious beliefs. What are we going to do with Cook Islanders who do not have the same belief as us? Our Constitution does not separate them from us.

That is why I ask earlier that we need to be very careful in this House. We might try to fix one problem but we make another mistake. This is hard a topic that needs careful consideration. Thank you.

**MADAM SPEAKER:** Thank you, may I confirm now please, Prime Minister so the Religious Advisory Council is not a portfolio of the Ministers?

**HON. H. PUNA:** Not that I am aware of, Madam Speaker.

**MADAM SPEAKER:** Thank you for the confirmation so therefore for questions like that as I said to you yesterday if you look at our Standing Orders on the kind of questions you can ask it is only according to the portfolio of each of our Members that they responsible so if the Religious Advisory Council is not in their portfolios then we cannot ask those questions. I see the Honourable Selina Napa.

**MRS S. NAPA:** My question is to the Minister of Marine. Can the Minister tell this House whether the former Secretary of Marine Resource is still being paid?

**MADAM SPEAKER:** Thank you and I see the Honourable Prime Minister.

**HON. H. PUNA:** Thank you Madam Speaker and thank you Honourable Member for the very good question.

Members will be aware that the Head of Ministry positions have been advertised although not all Heads of Ministry's Head of positions have been advertised but one of those advertised is the Ministry of Marine Resources. Appointments are expected to be made in the next couple of days.

In terms of the status of the former head of the Ministry, in particular whether he is still being paid, Honourable Member, I would have to refer that back to the Public Service Commissioner and will come back with a response tomorrow because the Public Service Commissioner is responsible for those matters. Thank you.

**MADAM SPEAKER:** Thank you. If there are no further questions, we will move on. I recognise the Honourable Terepai Maoate, you have the Floor.

**MR T. MAOATE:** Thank you Madam Speaker. Kia Orana to all Honourable Members this afternoon.

My question is to the Honourable Minister George Angene who is the Minister for the Ministry of Culture. During the campaign period, there's a section in your Manifesto to reduce Government vehicles or to get rid of them. My question is, what are we doing with those visions.

**MADAM SPEAKER:** Thank you. I see the Honourable George Angene, you have the Floor.

**HON. G. ANGENE:** Thank you Madam Speaker. Thank you also to the Honourable Member for Amuri for your question.

I think your question is testing me but I would like to tell you that your question is weak. During our campaign, I agreed that when I become Coalition Government with your Democratic Party, I will get rid of Government vehicles. I also believe that you supported those plans during the campaign period. However, you know that I am now coalition with the Cook Islands Party and we are surrounded with peace. Kia Orana.

**MADAM SPEAKER:** Thank you. I see the Honourable Terepai Maoate Jnr.

**MR T. MAOATE:** Thank you Madam Speaker. I have a supplementary question Madam Speaker.

Your answer to my question Mr Minister doesn't sound right. The Manifesto for One Cook Islands identifies their position regarding the issue of Government vehicles. I also believe that your photo is in this Manifesto and our people know about that. The Manifesto did not state that you will change your position depending on which party you will join, whether the Cook Islands Party or the Democratic Party.

My question then is, with your photo in the Manifesto for One Cook Islands, are the statements made in this Manifesto false.

**MADAM SPEAKER:** Thank you, I see the Minister George Angene.

**HON. G. ANGENE:** Thank you Madam Speaker and thank you again Honourable Member for the question.

You mentioned about my photo in the Manifesto for One Cook Islands Party. Tomorrow I will bring my Policy Book which was written for the people in my constituency only. In my Manifesto, it has my photo and there is no statement in there about Government vehicles but there are statements on the first page of my Policy Book that talks about the Policy for One Cook Islands and that includes Government vehicles. We agreed that when I become Coalition Government with the Democratic Party, we will enforce the rules for Government vehicles. With regards to my photo in the Manifesto, I want to assure you Honourable Member that, I have pledged in my Policy to employ some workers to help to clean the homes of our old people. I believe you have witnessed that today.

This is my answer to your question Honourable Member.

**MADAM SPEAKER:** Thank you. I see the Honourable Terepai Maoate Jnr.

**MR T. MAOATE:** Thank you Madam Speaker. Thank you Honourable Minister for your good response.

I would like to ask my question to the Minister of BTIB. Some people came to see me regarding an issue I believe that we are all familiar with which happened in the past. The people who came to Rarotonga from Aituaki were aware of this issue when they came to Rarotonga. This issue is about foreign investment. These are foreigners who come to our country and establish their businesses which affect our people.

What are we doing Mr Minister to protect our people?

**MADAM SPEAKER:** Thank you. I see the Honourable Minister, you have the Floor.

**HON. G. ANGENE:** Thank you Honourable Member Amuri for your question. This is my response. This is the reason I appointed some board members and one of their responsibility is to look at issues of this nature. We are putting in place conditions and I will leave this in the hands of my advisor and when he completes this document, I will give it to the Board Members to discuss about it. If you want to investigate further into this issue, you can meet with the Director for BTIB, Teariki and they can help you with your queries.

If you want my reply, I will tell you that it is difficult for any foreigner to come to our country and establish a business because I will not allow that to happen. Kia Orana.

**MADAM SPEAKER:** I will not accept further question Honourable Members because our time has expired.

I see the Honourable Selina Napa. No further questions please.

**MRS S. NAPA:** Madam Speaker, I don't have a question but is it possible to make a short comment on an incident that has just taken place.

**MADAM SPEAKER:** I'm sorry. Our Standing Orders are very strict and these are the procedures of Parliament and we must follow them. As there is no time now, you can come and see me and we'll see when we can do that. Once we finish Question Time, Order of the Day is the Appropriation Bill and that's where we are now and we must do our Appropriation Bill please.

Honourable Members, thank you for the Question Time. We will now go on to the Orders of the Day.

### **ORDERS OF THE DAY**

Orders of the Day is on the Appropriation Bill on the second day of the Committee of Supply.

We will now begin with the agency budget appropriation of Schedule 1 that we began last night. We begin with Business Trade and Investment Board.

The Question is:

**That \$679, 859 for Business Trade and Investment Board stands part of the Schedule?**

I see the Honourable Minister.

**HON. M. BROWN:** Madam Speaker I believe we have to revert to the Committee of Supply.

**MADAM SPEAKER:** I beg your pardon, I just got lost in the middle of all that. Thank you very much.

As per Standing Order 306, I now resolve Parliament into the Committee of Supply.

### **COMMITTEE OF SUPPLY – DAY TWO**

**MADAM CHAIRMAN:** We will begin again.

**BUSINESS TRADE & INVESTMENT BOARD:**

The Question is:

**That the sum of \$679,859 for Business Trade & Investment Board stands part of the Schedule?**

I see the Honourable Member, Terepai Maoate.

**MR T. MAOATE:** Thank you Madam Speaker.

Greetings to all the Members in the House and everyone else – Kia Orana – greetings.

To Madam Chair and all your staff and everyone else in the House – greetings. To all our people out there listening in to the radio – greetings to you all.

On the topic of what we are discussing on the Business Trade & Investment Board, I won't take too long. I see in this Department the ways of taking money and helping our people to make money. That is why I mentioned earlier whether we are working on this accordingly and whether we are taking care of our people in this area.

I applaud the Minister because I understand that he has sacked the old Board members and created a new team of members. I am sorry, may I just correct that – just putting them nicely out.

**HON. G. ANGENE:** Point of Order Madam Chair.

**MADAM CHAIRMAN:** What is your Point of Order Minister George Angene?

**HON. G. ANGENE:** The Point of Order Madam Chair is the term “sack”. I didn't sack anybody. Their contract has expired.

**MADAM CHAIRMAN:** Thank you and May I ask the Honourable Member Terepai Maoate to remove that statement.

**MR T. MAOATE:** Madam Chair, I think I have corrected it earlier to send them home. This is a problem. If we speak Maori sometimes we forget the correct interpretation and the other reason is I have been away for a while and I have just come back again. It is taking time to get back into the formalities.

Never mind, I don't mind if I get the Point of Order but I will still continue correcting myself later if required.

My idea on the Business Trade & Investment Board, I want to encourage our Minister and your workers in your Department, once you have completed putting things together I'm inviting you to come with me to Aitutaki. I can see there are issues here that's quite confusing and I know it's not easy to work on these. As I see there is not enough money and we need to put more money in your bag. But this money does not mean it's put together for Tupapa. We need this money to be allocated for our people so that we can get the work done. Our bag of money allocated as far as I can see is not big enough.

Now I encourage you Minister to encourage and get this amount increased so that one day you might become the Prime Minister of this country. Our belief here is to our people. Just so you will become loyal and for your people.

I want to pose another application mentioned in the Budget. It's not quite clear to our people out there. It's not reaching out - it's not exposed enough to our people. If you

can have a look at it again. There are people out there that still want to seek assistance for themselves and there is assistance out there that this office can help out. Don't look at Tupapa only but for the rest of the people.

In this area I was in 2004 and 2010 the Assistant Minister of BTIB.

In those days the CEO appointed was Terry Rangi. In those days he was also running the office. I gave full support of the work he was doing. In those days it didn't take long and it reached to today. This is to encourage Terry Rangi. I just want to warn you Minister regarding this matter.

Thank you.

**MADAM CHAIRMAN:** Thank you and I see the Honourable Selina Napa.

**MRS S. NAPA:** Thank you Madam Speaker.

I will now ask a question regarding the Business Trade & Investment Board – Output 1: Business Development. I see that there is a slight increase in the 2018-19 Budget and I hope that this increase of the business support output that there are new initiatives being put out by BTIB to maximise the Business Development area to assist our young people, to assist the women of the Cook Islands and to assist anyone who has a new initiative in creating a new business for them.

Now, I will come back to the issue of the small loans that have been given to people. I note that there are 17 being given out to a total of \$152,000 and in here there are nine people that have been given within the 17 people. A huge amount has been given to assist them.

As far as I can see, there is \$700,000 in arrears that's not been paid back. I understand during the Democratic Party's time in power, this money was supposed to be loaned and then repaid again. It was actually a revolving fund. The question here is how will the BTIB find ways of getting this money back? Probably these small business people have got into some problems. What ways and means can the BTIB help them out so they can come out of these problems? And if there are no other solutions, what other ways that we can find to bring this money back into BTIB, if this can be explained in the next few days.

The reason why I ask this, Madam Speaker sometimes it is difficult for our people to get help from the banks because the bank will ask if you have any security for the loan. So this help from BTIB this is a great help for our people to help them build their dream. This will not work if this amount of money is not returned into this pool.

I also want to refer back in the same amount of money because I know this money should also be targeted to the other growers in the Cook Islands. Because it is being allocated only for the vanilla growers and yet people these days eat vegetables every day and why has there not been any allocation for the vegetable growers.

**MADAM CHAIRMAN:** Order please Members.

**MRS S. NAPA:** Vanilla is a long term crop and vanilla will not give food for the people. So this increase in the business support for 2018 I ask the Minister of BTIB like he said ask and it shall be given, he has the last say so please find some help for other growers and not just vanilla growers to help provide food for the table and also the market.

I am happy to see that the Ministry of Agriculture and BTIB are working together and maybe there is a part in the FAO that will assist this area. That is all I have to say on this. Thank you.

**MADAM CHAIRMAN:** Thank you, I see the Honourable Tamaiva Tuavera.

**MR T. TUAVERA:** Thank you Madam Chairman. Madam Chairman, I am looking at Output 3 and this is foreign investment. In this output it is required that the foreign investor have a Cook Islands partner. I have heard in the past, I don't know whether this is still happening if a foreigner want to start a business in the Cook Islands the Cook Island partner will have a percentage in that business.

In the past it has been found that their name is on the paper but they have no right into the business. I can see in here that this will go to Crown Law and they will check that the partnership is in order.

In Output 4 it is their responsibility to see that the requirements are met. I am a business owner and I can see that there are many businesses on Rarotonga that are made up of foreign investors and they have forgotten that they started off with a Cook Islands partner.

I want the Minister of BTIB, Mr 500 to look and make sure if this is correct. Another thing that I am not happy about, Madam Chairman and that is people buying land through the banks or hotels that have to be sold by the bank. We see that these foreigners are buying these hotels and when they become the owners they will partition the land and they sell the land separately and the money they get is more than the money they purchased the land. That is why I return to Output 4 whether there is any monitoring with these foreign investors. I am now sure that we have heard where this is happening.

Madam Speaker, if this is happening it has always happened in the past. One person has started a business with a local partner and it was found that he did not put any money in this business, just his name and this business was closed down and I was happy with that because I know that BTIB is doing their job. But that was only a small business compared to big businesses that is doing this today. That is why I mentioned Output 4 Deputy Prime Minister and the Minister of BTIB so therefore you will be able to identify the people that are doing this work. Thank you, Madam Chairman.

**MADAM CHAIRMAN:** I see the Honourable Tetangi Matapo.

**MRS T. MATAPO:** Madam Chairman, I stand to give two points concerning this. Firstly regarding the appropriation for BTIB on the problems that my people are

experiencing today and we have seen in the past and that will happen in the future if it is not addressed.

The first point is access to information. I would like to see a worker employed by the BTIB on the island and his job is to help the people when required. We know that there is not many business on Mangaia and I think this is one avenue that I can see to help.

The second thought is access to services. We in Mangaia in the past have to fly to Rarotonga to inquire with Government offices as to what is available to us or make an application so we can receive the assistance funds.

These are my two thoughts Madam Speaker and I feel that they are very important for my people of Mangaia Honourable Minister of BTIB. And I submit these to you. Thank you.

**MADAM CHAIRMAN:** Thank you as there are no further speakers I will then put the Question. I see the Honourable Minister George Angene.

**HON. G. ANGENE:** Thank you Madam Speaker. Kia Orana to all of us Honourable Members in this House and to all our people listening in to Parliament.

I am happy with all these thoughts that are presented to us today as I am not aware of these things since becoming a Minister of the Crown. As spoken by the Honourable Member of Tamarua what they are experiencing in Mangaia. I am surprised that all this time we have been sitting in this House and she knows that I am the Minister responsible and she never came to see me in my office. This will make them look unreliable and weak when she could have come to me in my office and ask for assistance on these matters.

**MRS T. MATAPO:** Point of Order Madam Speaker.

**MADAM CHAIRMAN:** What is your Point of Order, Honourable Member?

**MRS T. MATAPO:** The Minister is saying that it is our weakness that we did not do our work. Madam Chair, I did some work with BTIB last year and I have experienced what the people is asking of this Board.

He is the Minister of BTIB today hence I am putting forth the people's request.

**MADAM CHAIRMAN:** The weakness and failure are not the Members of Parliament but they are sourcing help for the people. You are just putting to the Minister the request for BTIB's assistance for the people of Mangaia. Is this correct Honourable Minister?

**HON. G. ANGENE:** Yes, I oblige but not wholeheartedly. So to the Honourable Member from Mangaia, I now open the doors of my office to you. Sometimes today or in the near future come to my office and we will discuss matters you are requesting for your island.

I now come to the views expressed by the Honourable Member for Ngatangia, Tama Tuavera especially the issues he is experiencing in his constituency. Likewise to you, I am opening the door of my office to you. If you can come there and we will sit and discuss your special request for your people.

My last thought for this time Madam Chair, I thank the Government for allocating a good amount of money for this agency. I believe the only time we will complain in this House is when no money is allocated for Government departments. I do support the views of those that are saying, maybe more could be allocated for the Government agencies. But personally I see a good allocations in this Budget.

Maybe in the near future we can look again at this Budget and place our requests to the Deputy Prime Minister who is our Minister of Finance, Mark Brown. Maybe to increase the allocations of Government. I would like now to round off the debate on this allocation and thank the Government for giving me the responsibility of the BITB. I thank the head of this agency, Teariki who is in the public gallery showing his support for the passage of this allocation.

Thank you all.

**MADAM CHAIRMAN:** Thank you Honourable Members, I will put the Question and the Question is:

**That the amount of \$679,858 stands part of the Schedule?**

**Motion agreed to**

We will now go to Education.

EDUCATION:

Remember there is time allocation for this appropriation.

The Question is:

**That the sum of \$20,130,302 for Education stands part of the Schedule?**

I see the Honourable Vaitoti Tupa.

**MR V. TUPA:** Thank you very much Madam Chair and greetings to us all in the name of our Lord. Kia Orana to the Minister of Education and all the staff of the Ministry of Education present with us in the chamber. Kia Orana to the Secretary of Education in the public gallery.

I would like to speak on this appropriation for the Ministry of Education. Firstly I would like to make a comparison with this year's allocation and the one for last year, especially the allocation for personnel. I say thank you to the Minister of Education as there is an increase in this year's allocation. I will now look at the operational allocation especially the Output 1 where it say's "*taku ipukarea kia rangatira ia*" – my homeland to victory.

Madam Chair, I notice a decrease in this allocation when compared to last year's budget. For Output 2, on learning and teaching, I also notice a decrease in the allocation. Come to Output 3, on learning and the community, I also see a decrease in this area.

Except for infrastructure and support, I would like to thank the Minister of Education because there is an increase of over \$2 million dollars. Last year's allocation was about \$13 million plus dollars but for this year it is about \$13,848,434.00 – appreciation to the Minister for this increase. There is also an increase for the area of Corporate Services of the Ministry. Again appreciation to the Minister of Education for this positive consideration.

I would like to go back to Output 1, especially the target on our *Reo Maori*. Madam Speaker I fully support this initiative for the teaching of our language to be implemented and strengthened in our schools today. This language we are using today is the Maori language of Rarotonga and I am supporting this programme in our schools.

Our other island languages, those of our Outer Islands I would like to encourage the Ministry of Education to consider this seriously in the curriculum. The Pukapuka language for example is a hard language to understand. Maybe this language can become part of the school's curriculum. Not just the Rarotonga language as the national language, maybe we should involve the teachers in teaching the island dialects on their island schools.

**MADAM CHAIRMAN:** Honourable Member, I have to interrupt your debate as we are due to have a break. Parliament will now suspend until 3.00 p.m.

**Sitting suspended at 2.30 p.m.**

**Sitting resumed at 3.00 p.m.**

**MADAM CHAIRMAN:** Honourable Members, please be seated.

Welcome back. I hope you had a wonderful lunch, energised for the afternoon.

The Committee of Supply is resumed.

When we suspended, we had the Honourable Vaitoti Tupa on the Floor on the debate of the Appropriation Bill on the item of Education. You may continue.

**MR V. TUPA:** Thank you Madam Chair.

Before we went for our break I was talking on our language. As I was mentioning, this is one of the areas that we really need to work on. For example, when we go up to Penrhyn they will be speaking their language in Penrhyn. This is one of the things that I wanted to discuss under the Appropriation, under the Ipukarea but the good thing I could see under this is that the Outer Islands people are speaking their own language but when they come to Rarotonga they get confused because they are

speaking the Rarotongan and their own island dialect. That's why I really want the Minister of Education to look into this.

Even under Output 1 to work with the universities because we know the University of the South Pacific has an Extension Centre here. I can see that the Ministry of Education is working together with USP offering a diploma in our Maori language and I really support that. This is one of the things that we see nowadays that it is hard for our children to speak our own language and I am really glad that the Ministry of Education is working together with the USP.

We come back to the appropriation of Output 2. The section that we really need to look at is ICT and I really support this. I believe this is one of the programs that will strengthen our children and support under this program is to help the Northern Group Islands on technology education and advisory.

I will now touch on Output 3. It is on Curriculum. We need to strengthen the Curriculum in the Cook Islands. This is one of the areas that needs to be strengthened and I truly believe if we look into that it will be good for our students.

I come back to Output 3. It is education and our community and I support this education programme that is going into the community, not only for Rarotonga but also for the Outer Islands. When we look under this programme we need an increase in this allocation.

I believe the Honourable Member are aware of this Kaikaia programme. This is one area in our education program that will strengthen our students, not only our students – even our parents. So this is what I want to share with us under Output 3.

I come to Output 4 on Infrastructure and Support. This is one thing that we really need to look at by supporting our scholar shippers. This is one of the problems that we parents are facing when we send our children overseas to universities. I can see the hardship on finding and paying for our children's accommodations because I am one of those going through that at this time.

This is one of the parts that we need to strengthen and how are we going to make it better. Even some of us in the House of Parliament, this is one of the areas we have problems with. I believe this is one of the things that the Minister of Education is looking at as to how we are to improve it. I believe and support this Appropriation.

Even all the personnel working in the Ministry of Education they should be happy now in services for the Ministry because they have increased the allocation for the salaries of all the staff.

So this is all I have to say Madam Chair. I want to give time for other Members of Parliament to speak on the Appropriation.

**MADAM CHAIRMAN:** Thank you very much Honourable Member.

I see the Honourable Tetangi Matapo. You have the Floor.

**MRS T. MATAPO:** Kia Orana to you Madam Chair. Just a thought on the Appropriation for the Ministry of Education.

Firstly, on Output 1 – Taku Ipukarea kia Rangatira. On the proposal for the production of more resources for Cook Islands Maori.

I would like to thank our parents for preparing some books for our children to read in our language. I know that our children will be able to write stories to add to our resources in our schools. This is one way we can produce resources or books for our children. I remember in my days at school and the senior students were able to write good stories. Maybe on this issue we will improve on our language.

Secondly, here in Rarotonga, every time I go around the island I see some signboard and writings on them. The question here is who are we promoting and what are we promoting? My view is for the English and the Maori to go together. These signboards are only written in the English language. In Tupapa you see a signboard that is written both in the Maori and English language. This is really good if we have both languages.

For us in the Outer Islands for all this signage to be made, in the Maori and English languages. This will also impact in our school especially literacy and numeracy. Nowadays we can see the importance of these two things.

As I mentioned earlier, this is one of the ways for us to improve our students to learn the English and the Maori languages. Two schools from Rarotonga visited our island in the past. They were Nikao and Rutaki Primary Schools. I believe their trip to Mangaia was of great interest because they witnessed school students talking in both languages, Cook Islands Maori and English. I also believe the people in Mangaia will agree with me in extending you an invitation to come to Mangaia and have discussions with us. These initiatives are relevant under the Output for Learning and the Community in the Vote Item.

One important area in our school is for parents to help their children in the homes to learn their language. I would like to encourage our parents to be role models for our children.

Output 2 – Learning and Teaching is about strengthening our children in education. I believe we should inspire our children to be proud of their language and identity.

I also notice in our Budget an allocation to purchase resources such as computers to replace the old ones in the school. I made a previous comment as to what assistance Government can provide to improve telecommunication on our island because this impacts the ability of our school students to access internet.

My children when they return home they want to use the internet and when you ask what has happened to the school one, they will say there is no internet. So as mentioned by a Member last night, spend the money the right way at the right place.

Lastly, I would like to talk about the assistance we can provide for our scholarship students going to New Zealand. I want us to come back to our country and talk about

the children coming from the outer islands to Rarotonga on scholarship. This is a cry from the people for a place for their children to stay when they come to Rarotonga to school. So if we can help the students going for schooling outside our country, then why can't we help the students from the Outer Islands coming to school on Rarotonga?

Those are my views Madam Chair. I would like to thank the people responsible for putting the appropriation together for the Education Ministry. Thank you.

**MADAM CHAIRMAN:** I see the Honourable Tai Tura you have the Floor.

**MR T. TURA:** Thank you Madam Chairman. I will be brief with my views.

I would like to talk about Tertiary Education. I want to bring this issue to us because I can see the benefits that are coming through the University of the South Pacific. Next month we will witness the graduation ceremony of student who has passed their degree. I notice that the majority of these graduates are teachers.

I am happy to see that the knowledge of these teachers is increasing but this is what I can say which is of concern on my island. Their knowledge is increasing but the students are not and yet it should be the same level. I want the Secretary of Education to hear this. The knowledge of the teachers are excelling but the children are still at the same level. My observation is that these teachers are not spending quality time to teach our children. They spend more time on themselves to achieve their individual qualifications.

I will talk about the subject Maths. This subject is very weak in the school on my island. Maths is my best subject and this is a requirement topic in the field of engineering. I can play around with numbers and change the formula. This is true. Therefore I would like the teachers on my island to work hard and to spend quality time teaching our students so they will reach the same level as them instead of just focussing on their own studies to achieve good qualifications.

These are my thoughts for the Ministry of Education, Kia Orana.

**MADAM CHAIRMAN:** If you can be very brief Honourable Member because your time has expired, two minutes.

**MR T. TUAVERA:** Thank you, Madam Chairman I will not be long.

My thoughts are on Output 1 – Taku Ipukarea kia Rangatira. I look at the first bullet point. I have two boys living Mitiaro. They came here from New Zealand and got transferred to Mitiaro. After 12 months on Mitiaro they returned and it felt like they have been in Mitiaro all these years because their spoken language sounds exactly like a traditional Mitiaro language. They say uncle we only speak in Mitiaro. I am very proud of these two. That is why I mentioned Output 1 under language.

In our country there are various dialects and each island have their own dialect and it will be a problem in the future. However, if we are able to correct this now it will not become a problem.

In Singapore in the early seventies and eighties they speak Malay and Tamil which Lee Kwon Yu allowed. When it comes to Chinese he made it law that they will only speak Cantonese because there are other Chinese dialects but he made sure Cantonese was the Chinese spoken in Singapore. There were over 3 million people in that country in those days.

Therefore we must seriously consider what we have to do to strengthen the dialects on all our Pa Enea islands. However, when we come to Rarotonga, there is a saying when in Rome you speak Roman. But I don't see there is a real issue when our children come to Rarotonga.

When I look Minister of Education there is \$270 thousand appropriated for this section. If we continue with this it is not enough. I think it's time to look at it now and it's time to fix it before it become a problem in the future. Thank you Madam Chairman.

**MADAM CHAIRMAN:** Thank you. On the next big item you sort yourselves out so you can share your time more appropriately. I see the Minister of Education you have the Floor.

**HON. H. PUNA:** Thank you Madam Speaker. Kia Orana to you and the staff of Parliament. Kia Orana also to Honourable Members and our people listening in. Kia Orana to the Heads of the Ministry of Health and the Ministry of Education in the gallery today.

Madam Speaker, I have listened with great interest to the comments made by Honourable Members on the Education Vote Item. Some of the comments have been very meaningful and very deep. But before I make some comments in clarification, let me say thank you to all the teachers of this country, both past and present. I am sure we will all agree that teaching is one of the noblest professions there is. The future and the well being of our future generations are in their hands. I feel lucky in many ways Madam Speaker that a lot of my family including my father was a teacher. Three of my older brothers were teachers and that is why I have a lot of respect for our teachers.

Sometimes, we point the finger at teachers for the short comings of our young ones, and yet we forget that the best school there is in a young child's life is at home. Some of the concerns expressed by Honourable Members in this House today can be resolved in the homes. Sure, there are roles for schools and the teachers but they should be secondary to the primary teachers in our homes. For example, there are comments about Output 1 – Our language. Yes, it is a concern that Government has taken on board and I am very pleased to say that we have made some solid achievements on this issue.

When I was Chancellor of USP last year, we were able to persuade USP to take on Cook Islands Maori language as a subject in the USP curriculum. Now it is available at USP campus for those who want to learn the language at this stage of their lives. But I don't want to take the credit for this, I want to give credit where it's due. Credit must go to aunty Marjorie Crocombe and her band of lady committee members who

actually ambushed me one night at USP and got me to commit to do something about our language. I owe them everything and I give them credit.

But Madam Speaker and Honourable Members, our homes are the best school there is. Let us not rely or depend on the schools to do what we should be doing in our homes. Language is something that we can nurture with our young ones in our homes before they go to school. But you know, this is a challenge mainly here in Rarotonga and to some extent, Aitutaki. But to the rest of the Outer Islands, it's not a challenge Madam Speaker. I don't know if Aituaki and Rarotonga consider themselves as English but the Pa Eua are still speaking our language in their homes and so our young ones are well grounded in their language. The challenge really is for us here in Rarotonga and Aitutaki so let us not rely on the schools to do what we should be doing. We have the most important role to play as parents.

My older brother has quite a big family in Aitutaki. Young nieces and young grand nieces and nephews and they are half Papaa and half Maori, in fact they look like Papas, but you know what? They speak fluent Maori and English. They master both languages. Isn't that what we desire for our young ones? I hope we will never make the mistake that happened when I was a young kid at Araura Primary School.

The administration at the time had a policy that you are not allowed to speak Maori on the school grounds. And you know what? Punishment was a cane on your back side and I copped it twice. But what that did for me was that I became almost embarrassed of my language. I didn't think it was good enough to get me in this world. But the sad thing is, it lived with me, even when I went to University in New Zealand and Australia. I was shy of expressing myself. I didn't think my English was good enough and yet I'm sure some of us do it, whenever I speak English I always think in Maori first and translate it into English. I lived with this condition right throughout my University days and I suddenly realised after I graduated, hey, you cannot be a lawyer if you're not master of the English language because that is our tool of trade.

So in a real court one day, I was drawn against the dux of a Law School, a very good friend of mine. But after our presentation to a real Judge, the verdict was delivered and I beat him, but it is what the Judge said in his verdict that really made me overcome my shyness and nervousness about language.

So Madam Speaker, we each has a role to play in addressing this issue. The challenge is, let's get on with it instead of relying on the teachers to do it for all of us.

I noted some comments which were correct that there are some reduction in Output 1,2 and 3. The Head of the Ministry of Education has just advised me that that is because of the core funding support that is normally received from New Zealand as yet to be received. So this has not being factored into the budget. However, the good news is that they will meet with the New Zealand High Commission this coming Friday, so fingers crossed those reductions will disappear.

Madam Speaker, the question of our scholarships from the Outer Islands is a very important subject to all of us. In fact, I've seen many from my home island of Manihiki, very smart students but have fallen by the way side. It is not because they're not smart enough to carry on with their academic studies but because of

certain circumstances. The change of environment for one is a major factor and where they stay is also a contributing factor. I know that there are a lot of challenges for us to create the right environment for these students from the Outer Islands to excel while studying here. So for me, the answer is not necessarily more money. We need to address these other issues as well. But the best news about our Education Madam Speaker and Honourable Members is that our students at Tereora College are doing exceptionally well. In fact their achievements make us all proud. I better not show off too much otherwise New Zealand might not be too happy with us. But I want to reassure us and our parents listening in that our students and our teachers are doing exceptionally well at Tereora College. Their achievements assures us that they are heading in the right direction.

Thank you for your support.

**MADAM CHAIRMAN:** Thank you very much.

I will now put the Question. The Question is:

**That the sum of \$20,130,302 for Education stands part of the Schedule?**

**Motion agreed to**

We will now go to Environment.

ENVIRONMENT:

The Question is:

**That \$1,140,122 for Environment stands part of the Schedule?**

I see the Honourable Vaitoti Tupa.

**MR V. TUPA:** Thank you again Madam Chair for this opportunity to speak on the allocation.

I also give my thanks to the Minister for Environment, the new Minister, the Honourable Robert Tapaitau. As well as to the Minister of Finance because when I look at the appropriation for Environment I am happy because the allocation has increased. If we look under Personnel, we will see the amount allocated for this area. Last year the appropriation was for \$1,014,704.00. And when we look at the appropriation for this year, it has increased to \$1,140,122.00.

If we look at Outputs 1, 2 and 3 under Output 1 is Advisory Compliance. Last year's appropriation was \$326,458 and for this year the allocation has increased to \$352,848. When I look at this, it is a significant increase to the tune of over \$26,000.

When we look at Output 2 under Island Futures, last year's allocation was \$277,182 but this year's allocation Madam Chair has increased to \$315,497. This is an increase of \$38,315.

Output 3 is called Corporate Services. Last year the allocation was \$411,064. The allocation for this year has increased to \$471,783, an increase of over \$60,719. So I would like to thank these two Ministers because the increase in the appropriation amounts to over \$125,818.00. I haven't included Personnel in this. However, in the Outputs that I have mentioned Madam Chair, I would like to say thank you to the two Ministers for this appropriation.

I would also like to thank the Minister of Environment and the Minister of Finance for the allocation for Suwarrow National Park. I know this has increased by \$10,000. There is as well a proposed office for Environment on the island of Aitutaki, an increase of \$13,000. I think this is a very great help to our Environment Services.

I will bring us back to Output 1. This is one of the most important areas for us in our country. The Environment has also established a regulation under this Output. This Regulation is now before Crown Law to finalise before being presented to Environment. This Regulation will enhance the work of all the outputs and this will impact on the area under the Environment Act under EIA. Our people have had difficulties under the Legislation, the EIA under Clause 36, especially the requirements for conducting an EIA process in 30 days. I know that some Ministers have faced difficulties but they could not do anything because it has been established under law. Maybe this is one area for the Minister responsible as well as the Prime Minister could consider because this has been a difficulty in the past.

Therefore, Madam Speaker those are my contributions under Output 1.

I will now talk about Output 2 under Island Futures. Under this program I want us to know that that this is a very important area under Environment. This is one area that we get aid funding for our country and in looking at how we conform to these countries outside because there are programmes under this allocation. One of those is called the Ridge to Reef program. This program and project is a regional wide project. I want to assure our people that myself as well as the Minister, Vaine Mokoroa have worked on a Budget allocation to see how we can access the funding for this country.

Under this program there are five departments that can access funding and these are; Ministry of Culture; Agriculture; Marine Resources, Environment and ICI – Infrastructure.

Therefore I thank the Minister today because both of us have worked hard on this to see how we can access assistance. Although we've sought help through these departments, we were able in those days to set aside an allocation to move this forward. That's why I'm saying this is one of the most important areas under Environment.

There are also other areas under Environment where funds can be accessed, especially maybe biodiversity.

In the past the Climate Change Program was under the responsibilities of Environment but today it is under the auspices of the Prime Minister because we are aware of the promotion throughout our country on the issue of the Green Climate

Fund. Like I have requested in my maiden speech, this is a program where there is funding that we in the Outer Islands as well and non-Government organisations can access to assist us.

Therefore, Madam Chair, I request this area be strengthened, especially when you consider they have an increase of over \$38,000 because the Aid funding that is received from overseas it's much more substantial than this in assisting their program.

As well, when we consider Agriculture. That is why these Conventions were combined under Basil, Rotterdam and Stockholm because these programs all work closely with agriculture.

Because the Ministers and Associate Ministers of Agriculture and Environment have opportunities every two years to attend the meetings of these three combined Conventions because these consider all the chemicals within the environment and agricultural areas. That is why I like to say thank you to these two Ministers for the increase in the appropriation for this area.

I come back to Output 3. I thank them for the increase in this area of over 60 thousand dollars in Corporate Services. Therefore I believe Minister for Environment and Finance that this is one pool of money under operating that will help our Outer Islands especially the officials out there. This will greatly help them in carrying out their work under their responsibility.

Madam Chair, I fully support this appropriation and that is all I have to say. Thank you.

**MADAM CHAIRMAN:** Thank you and I see the Honourable Tamaiva Tuavera.

**MR T. TUAVERA:** I will not spend much time because my colleague has spoken on this output.

I will talk about the people who sit in the meetings for environment which is the Environment Authority. This Board comprise of Ian Karika as Chairman, Vakatini Ariki is a Member and also Doreen Boggs. All the Members of Parliament of Rarotonga are also on this Board.

I want to welcome our new Minister to the Board and I say greetings. But this Authority does not have any teeth, yes Prime Minister this Authority has no teeth because no one has been prosecuted. Our people are breaking the law but no one has been prosecuted.

On one side maybe this is good for them but to me the law is the law. For me sometimes I wonder whether I am wasting my time going to these meetings. Two months when there was flooding here in Rarotonga there was a section of land in Ngatangia where a lot of sand was taken by the water and this was taken into the lagoon in Ngatangia. The good thing was the Environment Service allowed for that sand to be dredged from the lagoon and brought back to shore.

It was found that a hotel has blocked the water from flowing in the drain going past the Pacific Resort. When the wall was taken down the water flowed to the beach. This is one of the things that I am looking at Madam Chair under Output 1 there is a bullet proof it says it is a responsibility of the Environment to check on how this is being carried out.

I am not sure whether there are enough funds because they are not going out and checking on these matters. I think I will ask the new Minister of Environment if he can find out what is proper so that these things will not happen again. This is the second time that this happened at this same area in Ngatangia.

That is why I rise for this Ministry to sharpen their teeth and to see if it is appropriate for the Members of Parliament of Rarotonga to be on the Board because I am not a Civil Engineer, I am only a Scientist. That is why I rose to ask that the teeth of the Environment be sharpened. Thank you.

**MADAM CHAIRMAN:** I see the Honourable Selina Napa.

**MRS S. NAPA:** Madam Chair, just to use up our time and to add a little bit more to the Environment Vote Item. I am looking at Output 3 Corporate Services and I can hear the views of my colleagues and I am looking at the whole Vote Item and the main point is to protect our environment.

One of the main needs is to amend our Environment Act. I can see there's a lot of people out there our own people and even those outside of our reef that have found loopholes in the system and to actually beat the system and that is why I say that there is no teeth in the work of the Board. Our Act does not suit the time and the times are changing.

My last thought is on e-waste and white ware collection and there is no appropriation for 2018/19. When you go around the island of Rarotonga and even in the Pa Enuia I can see the waste being left on the side of the road or in the bush around Rarotonga. How can we call our country a paradise when we see the waste around the island? So I will ask the staff of Environment through the Minister to find an appropriation for the e waste and white ware on our islands.

I can see the Cook Islands General Transport they are trying to do their best to work on this and because this money has been taken out how can we help this private business.

Last year I have seen some cars being parked on the side of the road and they stayed for many months on the road and the Members of Parliament ended up paying for these cars to be taken off the road because it became an eye sore on the side of the road. The Environment Service helped to pay for the cars to be taken off the road. Those are my thoughts and that is one waste and white ware collection for a small allocation for 2018/19 to help clean our island.

**MADAM CHAIRMAN:** Thank you and I see the Honourable Minister of Environment you have the Floor.

**HON. R. TAPAITAU:** Madam Chairman, greetings and to all Members of this House greetings and to all the people listening in, greetings to all of you.

Thank you to the Honourable Member of Matavera, the Honourable Member of Ngatangia and the Honourable Member of Titikaveka as we saw the three of you have stood up.

Honourable Vaitoti Tupa, supported the Budget and since you are all in the same camp I hope that all three of you are supporting this Budget.

Let us look at the concerns that you have and firstly I go to the Member of Titikaveka. I think with the e-waste especially the cars that are parked on the sides of the roads. I think it is also a constituency problem. I think as a community we can all help to better this e-waste or cars parked on the side of the road. But in saying that in the next Budget we will be looking closely in appropriating more funds for this.

To answer the Member of Parliament for Ngatangia about this Ministry having no teeth. It is because I think prior to me getting here that they were wearing false teeth. So with the new Minister spearheading this department he is wearing iron teeth, all these teeth are iron ones.

I would also like to respond to the Member of Parliament for Matavera and thank the Honourable Member Vaitoti Tupa for supporting this Budget. I sort of thought he would because he was the former HoMs for environment. He probably looked at this as his first opportunity to get up and he saw that the money was approved by the Minister of Finance.

Look when we move into a new post, like myself and the timeline given from the Election time to now, could we also give that consideration when we do speak on these Bills please. Because in coming into Ministers it is not a lot of time for all of us to get around our portfolios. So with the Budget for the Environmental Services, it was great that we had the support from the Finance Minister to give it what we got today.

Because as the years go forward it will only get better. Considering that they were talking about the Board, it doesn't matter if you don't come, we will change the Board. I will put the members on the Board so that it will function properly. We will put an Engineer on the Board so he will consider and solve all those issues.

The concern that the Member of Parliament for Ngatangia had about that wall that is put in place. As Minister of Environment and also the Minister for Infrastructure I am putting in place a strategy where anything that gets built, Environment should talk to Infrastructure or Infrastructure should talk to Environment.

But when structural buildings get put up like that we have an engineer to guide them and assess the situation first. That is not the only Government agency that I am trying to get to cooperate with Environment. I will also have talks with the Ministry of Health because I think all these three Government agencies should go hand in hand to enhance the Environmental Services.

So in saying that we would also like to talk about getting some stuff to the Outer Islands. I think I have been away for more than 10 years and during that time I think Environment has only been to Tongareva maybe 3 or 4 times. So we would like to have staffs out in the north as well. But I think with the Tongareva situation, I think they are afraid that they are not permitted to eat their crops, because the Environment has prohibited them to do so. I think that is one of the concerns particularly for the Northern Group.

Just to end on a good note, I would like to thank all the Honourable Members who spoke on this Appropriation and approved the budget for the Environment Services. And I would also like to thank the Minister of Finance because I know the next Budget coming up he can help out a lot more than he can now.

Thank you.

**MADAM CHAIRMAN:** Thank you Honourable Minister and I am now going to put the Question. The Question is:

**That the sum of \$1,140,122 for Environment stands part of the Schedule?**

**Motion agreed to**

We will now move down to Finance and Economic Management.

FINANCE AND ECONOMIC MANAGEMENT:

The Question is:

**That the sum of \$19,554,194 for Finance and Economic Management stands part of the Schedule?**

I see the Honourable Vaitoti Tupa.

**MR V. TUPA:** Thank you very much Madam Chair. I would like to thank the Minister of Finance because I see an increase in all the different allocations for the Ministry of Finance. The important issue in this appropriation Madam Chair is how it is connected to the Speech from the Throne. Because it is mentioned in that speech the task of appropriating funds for Government agencies will be tasked to each department or ministry.

I will support this move Madam Chair. This is a good move especially during the auditing time of each Government agency. This will speed up the process of auditing when it is due. This period of allocating the Government under the guidance of the Minister of Finance, Honourable Mark Brown. Also during my time as the Secretary of Environmental Services, this was one of the point that was recommended to us. I support this allocation as stated in the Speech from the Throne.

I know would like to talk on Output 3, on taxation. This area includes Customs, Inland Revenues and so forth. I would like to ask the Minister of Finance, if he would be able to give some statistics or numbers to do with imports. I would like to really

understand what ways are there for us to help this situation. We now can see the importation of chicken, eggs and vegetables. Even, Madam Chair and some Members of Parliament, this has been spoken about. I do believe we still need to talk about this again. There are people on our islands selling eggs. I'm not too sure about chicken – I don't believe they are selling chicken any more.

Concerning our vegetables, I do believe there's an increase of growers growing vegetables nowadays. So that's why I raise again the point concerning agriculture. I do believe this will in turn help our growers.

So therefore I do believe that this is one way we can establish officers to look into this, to observe what vegetables are being grown here. I do believe that this will become a big help with the section of importing. I do believe, Minister of Finance, this is something you can look into to strengthen our business owners selling goods like eggs.

We have also spoken about strengthening our growers in the Outer Islands. Under this Output, I do believe this will be of a big help to the growers in the Outer Islands but I now can see there is an increase of the allocation.

So, Madam Chair, this is what I wanted to talk about, to talk about taxation and importing into our country.

**MADAM CHAIRMAN:** Thank you. I see the Honourable Terepai Maoate. You have the Floor.

**MR T. MAOATE:** Thank you Madam Chair.

The finance revenue stream that's been coming through as the Minister of Finance has wrapped up yesterday, the bulk of it came through tourism and some other areas that is in our Budget book plus the Aid and of course you have to be proud for what the Government of the day has achieved to the revenue of \$268 million. However, I would like to share a bit of history on our finance.

We had a recession in 1997-98 – actually a bit more than that but when you are in the Outer Islands it actually started in 1995-96 and carried on. It has taken four years after to get into a revenue stream in 2004 with \$76.9 million with a debt of \$107.6 million and our loan reserve of \$18.5 million. That was the period that the Democratic Party Government came into place.

Before we went to 2008 the economy from 2004 was slow and it was very difficult. There was a rebuild of our economy. In 2005, we had five cyclones in February 2005. We know what the risk and the cost to the country as a whole or an island in terms of monetary – not only that but in food support. For us in Aitutaki we found it very difficult and I am sure everyone else around the islands got affected.

In 2008 our revenue stream increased from 2004 to \$83.5 million. However, our debt – we managed to scale it down from \$107 million to \$53.3 million. At the same period we increased the loan reserve to cater for any disaster and risk from \$18.5 million to \$27.2 million. That is more than half of the loan being taken out with a

very, very difficult economy base and also increased our loan reserve for further disaster or economic recession.

In fact in 2008 there was a global recession. The Government decided to hold all expenditure. In fact it was reduced by 10 per cent right across the board. Everyone retained their jobs in the public sector. The private sector struggled but were still able to move forward.

Coming to the 2018 Budget, revenue of \$268.2 million; debt \$138.81 million. As announced yesterday, there's another \$20 million to cater for any shortfall with Te Mato Vai. Loan reserve \$20.92 million. The full debt will be near \$160 million. Yes, I didn't make this statement. It is all there.

Now, going to page 40 of our Book 1 – Source of Risk. “Should the current trade war escalate and cause a global economic downturn” and you can read through that and grasp the possible danger we will be facing. And it's already affecting today our fuel. One part in there it says: “Fewer tourists could impact on the Government's fiscal position.” And so on and so on. That's a chain reaction that will happen. Once you have your VAT taken away, once you have all these – I think I don't need to explain this – but there is the possible effect that's already in our book. So the warning is there to us.

And of course the exchange rate. Our loan is in foreign currency. It will increase if the recession hits us.

Going past to the next page there's a natural disaster. If you go to the Table 5.6 it shows you the damage in our finance, not only on our people but the finance in our budget from the cyclones that we've been through.

As we know from all the media, the TV programmes that's coming through, the News on our global environment and around our own Pacific Island right down to our own home.

Cyclone or disaster patterns are not what it used to be. In the book there it says taking out insurance coverage and all that for catastrophobic initiative for cyclones with a one in ten probability. I am looking at this I think this is ten years old. What we have been getting is one in five or probably less.

So I have enlightened everyone just hopefully that we look at the danger of what we are sitting on our finance today. It's nice and beautiful that we have a good Budget, the economy has been really awesome in the last ten years. For me and every business people or anyone out there that will read this, it's scary when I have to see there's \$160 million debt and we don't have any backup except the \$20 million so we need to be careful, it's very, very scary.

You see people say this is not a business and okay that's why people go bankrupt, that's why we went into recession, that's why we went in 1996 when the Government had to scale and do devolution. We don't want to do that to our people tomorrow. Now I think we need to be very careful. It was this Government that put us in that recession I don't believe that I want to be in that safe hand.

What we are about to go into is a \$160 plus million we need to be careful. We have the revenue to put money aside more than \$20 million we should be sitting around \$40 million to cater for this kind of problem or this kind of debt.

When we talk about we the Government got this revenue, I think we need to re-look at that. The private sector has not received much help for their input towards this revenue because all the private sectors do their marketing in the accommodation. Individually they go out of their way to take out mortgages and loans to support their own business to make it successful.

Government in turn puts money into agencies like Tourism to go marketing but that's general. In terms of the marketing today or the last five years it's a social media and you may comment on it. I can say it because I have a business, not mine I have given it to my children their business have been on going with success based on understanding the marketing through social media. So credit should be going to the private sectors that put money to make it successful with the help of the Government through the agencies but the bulk of it was from their own pockets. We should be putting money into the private sectors to boost them, to help them whether new or old. That's how I see this whole funding it didn't look, didn't sound like it's actually supporting the private sectors and I don't believe we should be saying this Budget is for the people, it should be for all the business and the people itself.

So we should be helping our people out there I keep saying this let's create an economy like what we did in Aitutaki. Government did not come in to help us in Aitutaki to put the tourism in place. It drove itself to become what it is today. Government came to do the tar sealing and the airport so we should be looking at helping the outer islands to help them help themselves.

Every private sector that's earning today have been spoon feeding us in the outer islands, yes and I do agree we need to help them but it doesn't mean to say for the rest of their life that we have to keep spoon feeding when there is no disaster it doesn't mean we carry on doing. We need to help our people get up and go.

I go back to the basics of those that can be helped the basic areas we can help our people out there to get up and go. They may not have tourism, they may not have the population to deal with but there are products and commodities that they can be put on basic ones that they can be helped. Just give them the tools to do it.

We work hard as a private sector, can't carry on spoon feeding when they are struggling they are trying to run a business. We should be putting back to them as well. In saying that I will reserve my support for this.

**MADAM CHAIRMAN:** Thank you very much, Honourable Members. It is our break time. The Committee of Supply will now suspend until 7.00 p.m.

**Sitting suspended at 4.58 p.m.**

**Sitting resumed at 7.00 p.m.**

**MADAM CHAIRMAN:** Please be seated Honourable Members. Welcome back Honourable Members. We will continue with Committee of Supply on the item of Finance and Economic Management.

Are there any further speaker? I will call on the Honourable Minister, Mark Brown.

**HON. M. BROWN:** Thank you Madam Chair. I think it's appropriate that I stand at this time to ask about some of the fears that were raised by the Member of the Opposition in their discussions on this particular vote item for the Ministry of Finance. He related the story of our country in 1996 which is over twenty five years ago, the story of our country going into debt and how our country underwent economic reform.

I was a young public servant at that time Madam Chair so I was one of the ones who had to endure six months of our pay cut by fifty percent. I was one of the fortunate ones Madam Speaker out of the three thousand odd public servants at the time, fifteen hundred was released from the public service. But I also was one of the ones Madam Speaker who stayed and reformed and changed the laws of our country at the time to put us in the footing that we are today.

It was during those days Madam Chair that we learned the lesson as a country of what we should and what we should not do. The lessons were painful but they were very necessary. It was at the time Madam Chair that we learn the value of making hard decisions because if we did not make those hard decisions which were the right decisions, we would not have recovered our country as fast or as well as we are today.

Sometimes Madam Chair, making hard decisions requires courage particularly for politicians at that time Madam Speaker knowing full well the courages decisions they made would lead to their political demise but it was done for the long term benefit of our country. So when I hear the words of the Opposition that they are scared and worried and fearful, my words to them Madam Chair is, do not be scared, do not be worried, and do not be fearful but take courage.

There is one thing Madam Chair that we provide now that wasn't provided to us back in 1996 and that thing is openness, transparency and information. I was really happy listening to the Members of the Opposition quoting pages out of these two Books that we have provided and we have provided as a Government for the last eight years. Never before has this level and depth of information been available to our Members of Parliament and let alone to the members of the public.

Every page in these Books Madam Chairman is available to our public online from the Ministry of Finance website. Not just on the Appropriation Bill and the amount of money that we are going to expend and approve this week, but also information on the level of our national debt, the debt that is owed to individual organisations internationally by currency, by organisation. There is economic analysis provided by the Ministry of Finance as articulated by the Member from Amuri/Ureia which caused him to shaken in his boots a little bit.

This is what providing the information for the Members and the people is all about, it's letting them know that the decisions we make on our appropriation is based on

good sound economic analysis which is what the purpose of this economic analysis is about. It is to provide best case scenario, medium term scenario and worst case scenario.

If this happens in the world in terms of trade, this maybe what we could expect in terms of the impact in our country. If we are hit with a certain natural disaster that affects our economy, this is what we can expect will happen in our economy. So our Ministry of Finance Madam Chairman takes great effort to provide this level of detail to all the Members in this House and also the people in our country.

The question we ask is, okay, if this is going to happen to our country, what are we doing to prepare ourselves. Already from a financial perspective Madam Chairman, our country operates its national finances under financial ratios that we set way back in 1996 as a result of those troubles we had during the economic reforms. It is those fiscal prudent ratios that we have worked with over the years that have put our country in a very sound financial position today.

We may hear a figure of \$130million as a huge amount of money for debt but in today's economy Madam Chair, that figure is a very modest level of debt. We don't have to take the Minister of Finance's word for that, we can just read the Standard and Poor's Assessment of our country, we can read the Asian Development Bank report on the economic performance of our country and in those reports you will see their statements clearly articulated. The Cook Islands is a very modest level of debt that it is managing the best in the Pacific. So I would say again, do not be scared because knowledge and information provides you with the courage to make decisions that are important for our country.

Most people who build a house nowadays Madam Speaker would be required if their house was funded by borrowing, they will be required to insure their house. That's what we've done with our country is sort out financial protection to insure our country. So in the event of natural disaster Madam Chair, when we first came into Government, there were no funds set aside for emergency response. This Government established the emergency response fund which sits currently at \$1.5million separate from the cash reserves that the Government has accumulated.

We've also established within the Pacific the Pacific Catastrophe Risk Insurance Facility which provides us with a level of insurance in the event of natural disaster to the tune of \$15 million and on top of this, Madam Chair, the Cook Islands was the first member country of the Asian Development Bank to set up a contingent line of credit for \$10 million in the event of natural disaster and now the Asian Development Bank is selling this particular product to other member countries.

In terms of financial disaster, Madam Chair, in 2014 the country established under law, under legislation in this House, the Loan Repayment Fund, a fund which was set up and established to service all of our national debt. In a way that it protects the rest of the country's moneys from being exposed to risk from borrowing.

So the Government has put in place, Madam Chair a number of protection measures, both against natural disaster but also against economic changes that may occur. So that when we make decisions, Madam Chair, we make them on the basis of good

sound financial information. So my words to the Members of the Opposition and to our people is do not be fearful. Do not be scared of big numbers because as a country we deal in big numbers and our numbers will get bigger.

This Government, Madam Chair over the years has distinguished itself by making courageous decisions which have not always been in the popular view of the public. We've never been afraid to do the right thing even though the Opposition has used those decisions that we've made to try and gain popular favour from the people despite knowing that it's wrong.

We made the right decision in terms of taxation Madam Chair when we put in the tax reforms of 2014 to ensure people had more money in their pockets but to do this we had to increase the VAT to 15 per cent and we were able to demonstrate to people that despite these changes in our tax reform, people got more money in their pockets. And we shifted the tax burden away from our own people and on to the increasing number of tourists who were coming into our country and enjoying our country. Now they pay. Now they pay a fairer share of tax in our country.

The Opposition also took great delight in trying to curry favour when we made our decisions on fishing in our waters. Close to \$20 million that our country will earn, Madam Chair, as part of the Pacific region. Our share of that \$20 million which is worth hundreds of millions of dollars being earned by other Pacific countries, the Opposition took the popular view and said we would not accept any of that money but we knew, Madam Chair this was the rightful earnings of the Cook Islands people and we should make the decision to ensure that money goes to our people.

And that, Madam Chair, has proven to be the right decision despite negative publicity led by the Opposition Members to deny our own people their rightful inheritance on their fishery revenue.

We took the right decision, Madam Chair when we first came into Government, before we were even sworn in, to commit to an agreement with Air New Zealand to continue the flights from the USA and we extended that commitment to direct flights out of Australia from Sydney. As a result of those initiatives and our investment into the tourism industry, Madam Chair, our numbers have increased from 120,000 to now close to 170,000 people.

You cannot make those decisions Madam Chair if you are scared and fearful. You must make those decisions based on courage and faith. That, Madam Chair, is why we are the Government and they are the Opposition.

However, Madam Chair, I was encouraged from the words of our Member from Amuri/Ureia in regards to our seabed nodules and I know that during his time when he was in Government that he was involved also in progressing the work to find out how our country can turn this wealth in our ocean into income for our people.

So I will be talking to the Honourable Member and the Members of the Opposition in the next few months to seek their support in our country's endeavours to find ways and get more information on the wealth that sits in our waters because this, Madam Chair, is a matter that is far too important for us to bicker over as political parties. It

is very important to the wellbeing and the future of our people and our children that we work collectively to find ways to turn this enormous wealth that has been blessed upon our country into lifting the living standards of our people.

I think with those words, Madam Chair that we can joyfully pass this Appropriation that we've set down for the Ministry of Finance.

Thank you and Kia Orana.

**MADAM CHAIRMAN:** Thank you to the Minister of Finance.

I will now put the Question. The Question is:

**That the sum of \$19,554,194 for Finance and Economic Management stands part of the Schedule?**

**Motion agreed to**

We will now go to Financial Services Development Authority.

**FINANCIAL SERVICES DEVELOPMENT AUTHORITY:**

The Question is:

**That the sum of \$429,315 for Financial Services Development Authority stands part of the Schedule?**

As there are no speakers, I will put the Question.

I see the Honourable Terepai Maoate.

**MR T. MAOATE:** Thank you Madam Chair.

I believe this is the offshore banking agency. I am being corrected by the Minister when I was in the Ministry it was called the offshore banking.

Anyway, as I look into this, I can see there is no trading revenue but to my understanding this organisation has brought a lot of money into our country. But this body has also brought some problems like the "Wine Box". This wine box issue got our country into a bad international reputation. This was the matter of money laundering which connected us to the Mafia people. That was our status in those days and we were on the black list. This is a great progress for our country in the past and years to come. I didn't look into this deeply but I feel this body is good for the nation.

I stood up because we are not fully clear of the arrangement for this but maybe the Minister of Finance can explain this to us but the amount that is being paid to the workers in this department and what we found is that there is two staff. When we look at the salaries for these two staff it is quite a lot of money. But as explained by the Minister we want to pay our young people well. Maybe this is the status of this Government body. I am a Member of Parliament but I get paid just quarter of the

amount. I believe that these two are doing a good job and that will benefit our economy and our name will not go on the black list. Thank you, Madam Chairman.

**MADAM CHAIRMAN:** Thank you and I see the Minister of Finance you have the Floor.

**HON. M. BROWN:** Thank you, Madam Chairman. The Financial Services Development Authority can be compared to the Tourism Authority. They are the marketing arm of our financial sector. Our financial sector represents close to 8 percent of our GDP so it's a small but valuable contribution to our economy and it's coincidental that this particular agency, this Authority was established by the father of the Honourable Member for Amuri Ureia during his time as Minister of Finance. So it's been in operation for a number of years assisting our companies that operate in the financial services sector.

This agency should not be confused, this agency should not be confused with the Financial Supervisory Commission. They are the regulators. The Honourable Member has raised the issue of the Wine Box and the reputation of our country in regards to financial services and our country has worked very, very hard particularly over the last ten years, Madam Chair to ensure that we meet all of the obligations put upon our country by the OECD and by the Financial Action Task Force and the previous Members of the House from the last term will be aware of the numerous legislation that we passed as a country to ensure that we met all of the obligations around combating anti money laundering and also financing of terrorism required of our country.

This particular agency, Madam Chair was also responsible for the development of new financial products that our companies can sell internationally and some of these financial products, Madam Chair probably would not be familiar with our people but certainly are familiar with international markets who use this type of financial product and these are products that we have introduced into the market place such as international foundations and also captive insurance companies and these are very separate from international companies and international trusts which were the foundation of financial services industry and in fact one of the most well known captive insurance companies that we have established in our country is the one I referred to earlier the Pacific Catastrophe Risk Insurance Facility which is a captive insurance company guaranteed by the World Bank domiciled here in the Cook Islands.

It would probably be timely to advise the Members of the House and our public listening that every ten years the OECD conducts a mutual evaluation of countries under its scope and since November last year up until July of this year our country has been under the microscope from a team out of the OECD talking to various Government Ministries but also talking to banks, talking to the private sector analysing our legislation, looking at our regulations to determine whether our country is complying with the very strict conditions now put on anything to do with financial transactions between countries.

The last time this mutual evaluation was conducted, Madam Chair was nearly ten years ago and our country then ranked in the top three Asia Pacific region. This

evaluation, Madam Chair which was completed in July puts us as one of two countries at number one. This is an enormous achievement by a jurisdiction as small as ours with the people that we have within our country to be able to reach such a high standard of compliance in terms of what we are doing to combat anti money laundering, tax evasion and anti- terrorism.

So again my words to the Members of the Opposition do not be afraid. We are heading in the right direction, take courage from the fact that we are being assessed very highly by international standards. Thank you very much, Madam Chairman.

**MADAM CHAIRMAN:** Thank you Honourable Minister. I will now put the Question and the Question is:

**That \$429,315 for Financial Services Development Authority stands part of the Schedule?**

**Motion agreed to**

FOREIGN AFFAIRS:

The Question is:

**That \$2,095,731 for Foreign Affairs stands part of the Schedule?**

I see the Honourable Vaitoti Tupa.

**MR V. TUPA:** Thank you Madam Chairman.

With regards to the appropriation for Foreign Affairs, if I look at the past year I can see that there is a decrease in the year 2018/19. However, when you look at 2018/19 through to 2021/22 all the ideas in this appropriation it has increased a little bit. Maybe there is a reason. So Madam Chair I will come back to Output 1 under Pacific and Regional Affairs and Trade and in particular to Section 3 and this concerns our relationship with regional organisations because Madam Chair during the Speech from the Throne I spoke on the topic of establishing a Commission to Fiji.

In my address Madam Chair I said that it is not the right time now. Maybe I can explain why I said it is not the right time yet. The Prime Minister mentioned that I oppose this proposal. When we look at the appropriation from number 1819 to 2022 in Book 1 on page 151. In there is the appropriation for this office. This is the reason I am saying that it is not the right time for this office.

It is a good proposal but the time is not right. I was wondering as to how many pacific countries have an embassy in Fiji. I only know of one and that is Tuvalu. I believe that this office was set up in Fiji to cater for their people who resides in Fiji. As we all know Tuvalu is very close to Fiji and a large population of the Tuvalu people resides in Fiji. This is the only pacific nation that have an embassy in Fiji.

However many international organisations like UNDP, EU and others, they have a regional office in Fiji. Our connection with UNDP is with their office in Samoa. This

UNDP office give assistance to the Cook Islands, Samoa, Tokelau and Niue. All the assistance that we may require from UNDP this will have to go to their office in Samoa.

In Fiji there is also a UNDP office there. There are some other pacific nations that are affiliated to the UNDP region office in Fiji. This is one of the important things I want to inform the Honourable Members of this House. In the past I was involved in regional or international meetings for over 20 years to represent our country to try and engage assistance for our people. In all these engagements with these agencies I try to bind assistance for our country and many of these agencies are situated very far from our island country.

I have always tried to encourage other pacific countries in these meetings to support my proposals. If they can establish offices close to the pacific region. Now these international organisations have offices in Fiji and Samoa. And our involvement in regional programmes in the pacific. Like SREP, AFO and others, Madam Chair. These have also established regional offices in the Pacific. The reason for this so that they be closer for pacific nations to submit and work with them on the various regional programmes.

That is the reason Madam Chair I am presenting my views to the Government in this Honourable House. I am not opposing this proposal but rather caution the Government and say that the time is not right. For our Government to find ways and means in the area of economic. With regards to the appropriation under this Ministry I have no problem with that, however they know the reason for allocating such an amount at this time.

Therefore Madam Chair that is the reason I stand to explain the reason I do not support the establishment of this office in Fiji. Maybe we should look at establishing an office for the Cook Islands in Australia. A lot of our people resides in Australia that is your prerogative to consider this matter. I strongly propose this move because a lot of our own people lives all over Australia.

Those are my thoughts Madam Chair on this allocation, and thank you.

**MADAM CHAIRMAN:** Thank you Honourable Member and I see the Honourable Selina Napa, you have the Floor.

**MRS S. NAPA:** Kia Orana to all of us this evening. I have not much on this Vote Item of the Ministry of Foreign Affairs, except to speak on the Immigration Services and on the subject of protecting our borders. Managing the movement of persons into our country and also leaving our country.

I note that an amount of \$72,000 was allocated for the appointment of two senior immigration officers. This was announced at the Budget Breakfast for the private sectors and one member in the public stood to express on this matter. The person asked the question whether there are enough immigration officers to check on the people arriving into our country and those that are leaving the country. Whether there are adequate protection for our person on Suvarrow even though this is not to do with

immigration. Though one of the person's responsibility is to check and inspect the yachts that may stop at Suvarrow even when they leave.

We also note the many aircrafts arriving into the country and there are a lot more yachts coming to our islands. Whether we have enough resources to monitor their movements. I also say that there is not adequate funds for Immigration. It is not only a matter of protection from those arriving into our borders. It also concerns foreign workers that we are bringing into the country if there is a requirement for inspection.

Some of the foreign workers arriving in our country are conducting employment outside of what they are supposed to do. They are conducting business outside the scope of their employment. However, as we look at this we should also consider ourselves as to how we treat these foreign workers. On one side, when you consider that they provide help and assistance especially for the businesses in our country because there is not enough local labour or there is work or jobs that our people do not want to take up.

That is why these foreign workers are here because we have sought their help to help with our businesses and development in this country.

I would also like to raise the point that the legislation on immigration must be strengthened. I think there is one that has been circulating around that will be coming into the House and it's a piece of legislation that is much needed to be looked at inside this House. It is to strengthen and tighten loopholes inside the system of the immigration services in our country.

Those are my thoughts on this Vote Item. Thank you Madam Chair.

**MADAM CHAIRMAN:** Thank you. Honourable Member. I see the Honourable Tamaiva Tuavera. You have the Floor.

**MR T. TUAVERA:** I would like to go back on to the BTIB to explain on what I am going to say because when I consider the comments by the Member from Teimurimotia on foreign labourers. I am unsure as to where the responsibility for foreign workers lies, whether it's in BTIB or under Immigration.

Because I am disheartened by some foreign workers when they come here to work for somebody because they come here for employment under a signed contract. When I look under this system, when a foreign worker breaches the law here or breaches the contract, it is your responsibility to pay for their repatriation. But when I look at some local employers who are responsible for bringing these foreign workers in the country, when the foreign workers breach the law of some sort they do not repatriate them overseas. Because under the terms of their contract when they breach the law and end up in Court, how come they have not been returned back to their own country?

When I discussed this with the Principal of Immigration her comment was they have no funds to return these people but I said to her that it's not right that it is your responsibility to return them. It should be the responsibility of the employers that

brought them here. So today there are a lot of foreign workers who have broken our law and they are still in the country.

So Prime Minister, I am unsure whether your Immigration portfolio has teeth and whether they are able to return these people overseas.

So I think when I look at it today the fault lies with the employers. Sometimes when these foreign workers know of an area of employment they could do, they leave the first employer and move to the second one and he never returned to his country and some people have even started their own business. This is much concern for our business sector in the country because while these people are starting business on their own, so I am not sure whether BTIB has the teeth to regulate them but I think we should really examine the people who have broken the law.

Madam Chair, if you were in their country and you broke their law you would be on television, you would be in the newspaper until you are sent out of the country, after ten years in prison. Therefore I consider that we are not really taking care of our people because these businesses being conducted, our own people can do them.

Those are my thoughts for standing up Madam Chair.

**MADAM CHAIRMAN:** Thank you and I see the Honourable Nooroa Baker.

**MR N. BAKER:** Firstly, Kia Orana Madam Chair. Because they are saying that they are bored and that only a few Members of the Opposition like the Member for Teimurimotia is standing up so I might as well stand up and cause some excitement because my feet are starting to establish on the floors of this House. In the past few days they weren't firmly planted and it was a little bit different.

Like my good friend, the Honourable George Angene said, we went to the same school. So I am able to speak like the Honourable Angene.

When I consider this appropriation under Immigration Services, when I look at 2017-2018 its \$554,857 was the allocation and when I look at 2018-2019 this has reduced down to \$402,940.

I would like to dwell upon my experience with my foreign workers from overseas. I did not bring them in. In this case, they came and asked for employment from me. I asked them for their work permit. They told me they do not have one. I asked them who brought you into this country. They said "So and so and so and so. I do not want to mention names." I told them they need a tax file number as well as a permit to work in this country. So I applied for a tax file number for them as well as work permits because of the Christian country we are.

And so they worked for me. Following that, I am the fool and they are the business owners. They're the boss. I told them "Oh well, it's time to go home" as I didn't bring them here but I'm trying to help them as a business person. So I returned them home for the reason one of them stole from me. Three weeks later he was back in this

country and I asked myself how did you get back into this country? I returned you home. Because our border protection is not strong.

So I sought for options to return this person. Through basketball he ended up in New Zealand. I had to deal with the Immigration Department to let them know that he's out of the country and I was surprised they didn't even know that he left the country and that's how weak the Department is. I rang them to tell them this person has left the country and not to allow this person to come back into this country again because he stole from me.

So the question is have we got enough money here to look after this area? Well I am trying to make sure that this country is being run properly by the appropriate departments. That is why we are here my friends because our people put their trust in us to come in here to discuss what is happening in our country.

That is why I am looking at the Budget allocation for this Department. I think we need to increase that a bit because this Department doesn't have adequate funds to return these people home.

I went to the Department of Justice and I asked my friend working there who I do not want to mention and I asked him how many foreigners who are on the list who are in trouble in this country and it is over thirty and they can't be sent back because the department has no money to send them home. That is why I am repeating that this department need help, they need more money.

This is what we have to discuss in this House that is why we are here to discuss matters on how to protect our people and our country. Thank you, Madam Chair.

**MADAM CHAIRMAN:** Thank you Honourable Member. I see the Honourable Prime Minister you have the Floor.

**HON. H. PUNA:** Thank you, Madam Chair and thank you Honourable Members for those comments on the Budget, the appropriation for the Ministry of Foreign Affairs and Immigration. Most of the comments were on the Immigration part of the Ministry and I appreciate that. I appreciate it with comfort that we all share the same concerns because the truth is our Immigration system needs overhaul badly.

There have been many studies, many reforms but none has seen the light of day yet and in the meantime the problems get worse and worse but you know I appreciate the comments from the Honourable Member for Ngatangia because in some ways he is really admitting that some of the problems are caused by our business people.

One business brings in a worker and the rule is that when they finish working for that employer they must go back but this is not happening many times. There seems to be an understanding among the business community that you can swop workers or move them around. So this is a wakeup call to all of us. We are flagrantly breaching our own laws and in the process our country is suffering because we now have this impression that immigration is out of control.

I want to reassure our people listening and this Honourable House that, that is one of the reasons why I have not issued any PR and you will notice that over the last 12 months no PR has been issued. There have been representations and queries to my office why, why, why. The answer is simple. We need to review our Immigration system. We need to make sure that our Immigration system is relevant to today's conditions and until that is done we must be wary, we must be hesitant to issue new permanent residence.

So I would ask you, Honourable Members if you see me being attacked in the paper for that very reason, show me your support. A new Policy has been formally adopted by Cabinet and all that remains now is for the legislation to be drafted to incorporate these policies and I am really keen to see this new Entry, Residence and Departure Legislation in this House as soon as possible because I am sure we will all agree that immigration is supposed to be a development tool. We bring in workers to assist with our development where they are needed and the challenge is for us to ensure that they are in fact kept where they are needed and brought in and importantly to ensure that at the expiration of their stay here of their permit that they must leave this country.

I am pleased that there is provision in this Budget for another two senior Immigration Officers. Trust me this agency needs help. At this point in time Madam Chair I want to extend the special appreciation to all our Border Control Officials. These are some of the hardest working people in this country, at all odd hours they have to report to work and these are the officials who man our borders down at the airport. With so many flights now arriving at unpleasant hours of the day or morning they have to report to work and they do report to work. So in many ways they are on the frontline of our tourism industry. I look forward to all our support when the new legislation comes in this House but I know there's a lot of areas in our immigration system that needs to be fixed.

Just briefly on the objection by my friend the Honourable Member for Matavera to the opening of the mission in Fiji. He is saying that the timing is not right. There is a saying in Manihiki that a little knowledge is a dangerous thing because the Honourable Member was mentioning from his experience and knowledge that there is very few foreign embassy in Fiji. In fact from the Pacific he mentioned only one and that is Tuvalu.

I have before me the list of Embassy and High Commissions in Fiji now and there is 19 of them and climbing including Australia, New Zealand, China, France, India, Indonesia, Japan, Kiribati, Malaysia, Marshall Islands, Micronesia, Nauru, New Zealand, Papua New Guinea, Solomon Islands, South Africa, South Korea, Tuvalu, United Kingdom and the USA

In addition there are three missions. One is the United Nations and it's a permanent mission the other as I mentioned the other day is the European Union and the third one is the Republic of China and that is Taiwan.

So Madam Chair there's not just one foreign Embassy in Suva. A lot of our friends that are diplomatic partners and those who are wanting to be our diplomatic partners are now based in Suva.

In addition the air services operating into Fiji are quite, quite numerous at the moment. Fiji Air is now operating to a lot of destinations including South East Asia. I know they fly directly to Singapore and of course to cities in Australia. There is potential for us to tap into those services and persuade them to extend to the Cook Islands. But we cannot do that if we are just here and not there. We need to be on the ground rubbing shoulders with these people. That is why we have taken the initiative to open a Mission in Fiji because it's very much in our national interest. I conclude my remarks with those few words. Thank you Madam Chair.

**MADAM CHAIRMAN:** Thank you, Honourable Prime Minister. I put the Question for Foreign Affairs:

**That the sum of \$2,095,731 for Foreign Affairs stands part of the Schedule?**

**Motion agreed to**

The Committee of Supply is suspended till 9.00 p.m.

**Sitting suspended at 8.32 p.m.**

**Sitting resumed at 9.00 p.m.**

**MADAM CHAIRMAN:** Please be seated Honourable Members.

Welcome back Honourable Members. We will now go to Head of State.

HEAD OF STATE:

The Question is:

**That the sum of \$236,285 for Head of State stands part of the Schedule?**

I see the Honourable Member Selina Napa, you have the Floor.

**MRS S. NAPA:** Thank you Madam Chair. I have a brief statement to make concerning the allocation for the Head of State. I can see that under the allocation for the Head of State, there is no allocation for a house for the Head of State. Although there is a house in Tikaveka to accommodate the Head of State, this house is not appropriate as a residence for our Head of State. Maybe we should consider in the future providing our Head of State a good accommodation.

However, the location of the current Head of State office in Titikaveka is actually an ideal area for him to be in. Maybe this is one area we should look at in the future at providing a good residence for the House of State.

This is all I have to say Madam Chair concerning the Vote Item for the Head of State.

**MADAM CHAIRMAN:** Thank you very much. I see the Minister of Finance on the Floor.

**HON. M. BROWN:** Thank you Madam Chair. I am very surprised with the comments made by the Honourable Member for Titikaveka of her suggestion that we change the HOM of the Head of State. Pardon me Madam Speaker, it was lost in the translation. It's not the HOM for the Head of State but the home which surprises me Madam Chair that the Member even suggested such a thing was referring to a house and not to the CEO. Maybe it's the good taste of marshmallow that we had during the break.

But thank you very much for the opportunity Madam Chair. The current residence of the Head of State in Titikaveka has been a topic of discussions for a number of years particularly due to difficulty in securing a more permanent tenure in dealing with the land owners. All I can add at this stage is that that's an ongoing process and we hope to have a firmer resolution in terms of our discussions with the landowners on acquiring the property in Titikaveka as a permanent residence for the Head of State.

**MADAM CHAIRMAN:** Thank you. I will put the Question. The Question is:

**That the sum of \$236,285.00 for Head of State stands part of the Schedule?**

**Motion agreed to**

We will now go to Health.

**HEALTH:**

The Question is:

**That the sum of \$16,071,733 for Health stands part of the Schedule?**

At this point I would like to congratulate the Secretary of Health at this late in the evening to be still with us in making sure she hears what the Members of Parliament are going to say about her budget. She needs to leave Parliament tonight feeling very happy about what you're going to say about her. Remember this is one of our timed Ministries so the Floor is open.

I recognise the Honourable Member Vaitoti Tupa.

**MR V. TUPA:** Thank you very much Madam Chair. I would like to make some comments about the Vote Item for the Ministry of Health.

Firstly, I would like to convey my appreciation for the increase in the Vote Item for the Ministry of Health. I note in Output 2, the initiatives in the budget for health services. I am also grateful to see that allocation being increased.

Although there's an increase in the Vote Item, I still think we should inject more money in this Ministry especially for Output 2. If we look at this Output, there are important tasks that need to be done. This area involves accident expenses and also health issues. This is why I am very happy because the budget for this area has been increased. I believe although the budget for Health is over \$16million, maybe in the

future if we can increase this appropriation again to more than \$20million, it will really assist our Health services. Health is our people's lives.

We should also look after our health service in the Outer Islands. I can see that in our current budget, there are insufficient funds to pay doctors to stay and serve the people in the Outer Islands. However, I believe that in the future we will be able to pay doctors to serve in the Outer Islands.

I also spoke about flying doctors. We know that in Australia they have flying doctors. We should look at this issue and decide whether it is cheaper to use flying doctors in the Outer Islands or have them stay on the islands and serve our people. I heard some of our Honourable Members from the Outer Islands talk about this issue. They didn't focus on doctors only but they also requested for dentists. On our island Mangaia, patients have to come to Rarotonga to see the dentist. Maybe then it's a good idea to provide our people in the Outer Islands with both doctors and dentists.

Maybe it is also a good idea for us to consider putting a system in place where we equip a ship with medical and dental facilities and use it to provide health services for our people in the Outer Islands. This is only a proposal but it's up to us to decide which is the cheapest option for us to help our people in the Outer Islands. Therefore Madam Chair, I am very happy with the Vote Item for the Ministry of Health.

I also take note of the initiatives under Output 3. There is an allocation for Funding and Planning. I also believe this allocation will assist initiatives under Funding and Planning and also our people in the Outer Islands.

So, Madam Chair, I am happy with this appropriation. Maybe in the future we can increase that.

**MADAM CHAIRMAN:** Thank you and I see the Honourable Nooroa Baker.

**MR N. BAKER:** Thank you Madam Chair.

Before I start, I would like to thank the Honourable Minister, Mark Brown and his staff for the hard work they have put into organising the Budget for 2018-2019. I would like to say also to the Honourable Minister of Health, Rose Brown thank you for everything that you have done regarding the medical referral and I would like to thank all the Members of the House for your presence here tonight.

I support the Budget but I don't agree with the amount that has been appropriated because I went through a life-changing experience. I think that we need an increase in the proposed budget for Health.

I went through a life experience. Three years ago a close person to my heart went through a check-up and it was discovered that she had a lump on her breast and we were told by the Health Department everything was okay. The following year we went back again for scanning and I was told that everything was okay.

The third year we went back again and they decided to do a biopsy. The result was sent away and it came back with a negative reading resulting in breast cancer. We were referred to New Zealand three weeks ago for more tests and I asked the nurse why we have to do the whole test again because the test was already done in the Cook Islands. She said that our medical equipment here in the Cook Islands is too old fashioned and they need to do the whole thing again in digital in New Zealand. They did further tests and found another lump in her other breast which was not picked up over here in the Cook Islands by our old and outdated equipment.

So I believe that the \$1.4 million is simply not enough. Please, if the Honourable Minister of Finance, Mark Brown and your staff can look at increasing the Budget for 2019-2020 so we can upgrade our equipment to avoid situations that are similar to mine.

When I look in our Budget Book that was prepared, for Patient Referral there is \$550,000 that was put aside for that and I know that the Honourable Minister Mark Brown and his staff is doing the best they can and I believe that that's what they have put on the side for the referral of patients that we have in the Cook Islands. But maybe we can look at a CT scan for our hospital here so we don't have to go through this situation that I went through or maybe an MRI machine and also so we can improve our public health and community health care.

Maybe we can educate our staff up at the hospital that needs help. They are doing a marvelous job up at the hospital and of course they need help financially.

I went to our hospital and sought more, for them to tell me how much do we really need up at our hospital to take care of our staff and patients. I was told it would have been better if they had put \$2.8 million aside in this Budget.

Like I said earlier on, Honourable Mark Brown and his staff have worked hard to put this Budget together.

So it's a lesson for us all to learn in the future. It's important for us to look after our families.

I know it's not an easy place and the nurses and the doctors work 24 hours up at the hospital to take care of our loved ones and I take my hat off to them. I can see the Secretary of the Health Department among us tonight. Thank you for coming and God bless you because I know you are a woman of God and you are an honest woman and I know you're going to do the best for our people. And also our new Minister of Health, Honourable Rose Brown, I know you're going to do a great job for our people because for me personally I put my trust in you. I am sure our people will put their trust in you also as a new Minister because you are going to do the best for our people. When I visited you in your office, you started our conversation with a prayer and that's how I know you are a woman of God. Because we are a Christian nation, I'm not a Pastor here but I study the Word of God and that's why I said one day we are all going to face Him because we are not going to live forever.

So we have to do the right thing for our people and that's why God put us in here because when you have the spirit of God in your life, you become a fearing man of

God. So thank you Honourable Mark Brown and your staff for the Budget that you have put together for our people for the Health and I hope that you will continue doing the best you can for our people especially in the Health Department and also the Prime Minister.

Thank you.

**MADAM CHAIRMAN:** Thank you very much Honourable Nooroa Baker.

It was very painful for you to share that but how very appropriate it is to share a real situation of your experience and we can only wish the best outcome for the problem that you are undergoing.

And I see the Honourable Tetangi Matapo. You have the Floor.

**MRS T. MATAPO:** Madam Chair, that was quite emotional.

**MADAM CHAIRMAN:** Very.

**MRS T. MATAPO:** Especially for the speaker following suit.

Anyway, I rise to give one significant view on the vote item for Health. But first of all I would like to reiterate the saying that prevention is better than cure.

Firstly I want to thank the Minister of Health and the Secretary of Health. You have to be a woman to know what a woman needs. I only want to speak on one issue on this appropriation not because of the Member of Parliament's emotional speech but because I am a woman. This is my thought. Now all of us living in the Outer Islands the women are missing out we are not included in the breast screening.

Yesterday I went up to the hospital with my sister-in-law to the hospital in the belief that we will have a breast check-up but we were told sorry the breast screening was held last month but when she checked on the computer she found that my check-up was due. If my one is due then how many other women in the Outer Islands are in the same situation.

In the past I know that the Ministry usually send some nurses to our island to check the women's breast but this is done manually. But it is now over five years since the check-up has been done on our island.

So therefore these are my thoughts to our leader ladies for having doctors do some screening for mammogram in the Outer Islands from New Zealand. Thank you.

**MADAM CHAIRMAN:** Thank you Honourable Member I see the Honourable Tamaiva Tuavera you have the Floor.

**MR T. TUAVERA:** I would like to speak about mental health. I know of a soldier here in the Army we call them crazy because he went to Vietnam three times. Nobody has ever done this except this gentleman who is a Cook Islander. He is ill and I think the term is PTS, post traumatic syndrome. But we do not have any facility

here for people like him. He was sent to jail. We the ex-Army members were not happy because he is not sick but he needed support and medication. The Honourable Member William Heather was one of the people who helped him to take his medication.

So I ask that we look into this Budget to ensure that there is an appropriation for people like him. If we do not look after our people like this person and we continue putting them into jail this is not right. Like what our friend here have said we are a Christian country and we look after our own. What did they say we don't leave one behind?

I will come back to the machines that we use at the hospital. One day I went up and I had kidney stones. They took an X-ray and they said I needed to go and do an ultra sound. I asked the Fijian man what he will do and he said he needed to do a scan to look at my body. He told me that if you were New Zealand you will be scanned. So I knew that we needed these machines here. During my ultra sound he told me that my prostate was enlarged.

I did not waste time and I flew to New Zealand. Lucky I have health insurance in New Zealand and I got a CT scan and it was found that I needed an operation. In a way I think I saved the Minister of Finance money that day because I paid for my operation myself. But the end result, Madam Chairman was the best. I have been cleared no cancer, no nothing and the good thing is my colleagues all went to get themselves checked out all my ex-Army mates went to get themselves checked out. Out of all of them, three of them had the same problem. They thanked me for what I did on Facebook putting it out.

I am looking at the Secretary of Health we will help you to converse with the Minister to look into getting all these machines for our hospital. Life is precious nowadays and we need to look after ourselves. Thank you.

**MADAM CHAIRMAN:** Thank you Honourable Member. I see the Honourable Tingika Elikana.

**MR T. ELIKANA:** Kia Orana Madam Chair. Thank you for this opportunity to speak on the appropriation for the Ministry of Health. But before I express my views on this big appropriation. I would like to thank the Opposition because they have kept to their role as the side of the House to correct the Government and not to oppose.

In the past we have referred to this side of the House as the opposition I am happy though to see a change in their identity as the correcting side and also thank them for their strong support of the allocation for the Ministry of Health. My only problem Madam Chair is that they did not meet or talk with the Minister of Finance before the Budget process is over. If they had been to visit the Minister and express their views this appropriation will be better. I can see their desire to increase this allocation for the Ministry of Health.

They are just following what I have taught them. What is money worth for our life? I am very happy for their strong support for the appropriation for Health. Madam Chair

I will not speak much on this appropriation because they are supporting this appropriation wholeheartedly.

There are few matters that I wish to present to this Honourable House because Madam Chair I have been in the past a head to some of the Government agencies. I have been a strong fighter to some of the Secretaries of the Ministry of Finance and a colleague of mine is the Honourable Member for Nikao. We are known as the stubborn duo.

In this appropriation for Ministry of Health this is the first time I have known that the right was given to the head of the ministry to decide on how to spend the allocation. In the past years when you ask for an amount of money you will have to explain as to how you are going to spend it. For example 5 computers, two motorbikes and one outboard boat. And you will be given the amount of money required for the items that you have submitted.

But for this year Madam Chair I can see we are moving on to better things. I would like to thank the Minister of Finance for your good efforts in this year's Budget and for previous years also. My only problem here is that this did not happen when I was Secretary of a Government ministry. I am jealous for these two ministries and that is the Ministry of Education and now the Ministry of Health.

When you look closely to the appropriation of these two ministries this right has already been given to them. In the allocation for the Ministry of Health the Amount of \$275,000 is given for them to decide how to spend it. Maybe the things the Member from the Opposition has identified can be purchased by this amount of money. This amount of money has been allocated for them to decide as how to spend it. Luckily the right has not been given to us. Maybe for us the first thing to buy is a new vehicle.

This is the wisdom of those responsible for managing our Budget and that is to give to those who knows what is really needed to serve our people. We are not all doctors maybe myself and the Member for Amuri-Ureia can be very close to this occupation because our fathers are doctors and we may know a few things about health and of course the Member Selina Napa.

So Madam Chair this is an important Ministry of Government and I trust the Secretary of Health will do the appropriate thing to acquire the right things for the welfare and health of our people.

Secondly Madam Chair, on the issues presented by the Honourable Member for Ngatangiia. I am happy because he was able to read my thoughts. There is in this appropriation a matter that is included for the first time. This is not to disrespect the work my father has done in this area and of course Doctor Fariu. This is done to honour their past work and to improve on these as they did this without formal training. Madam Chair I am referring to mental health.

It is listed in this Appropriation allocation as Clinical Psychologist. The appropriation for this particular area is already set. Madam Chair I supported this proposal for a clinic because our prison has become a place where we put these unfortunate

members of our community who has mental problems. And the prison warden known as Black uses a different kind of medication for these mental issues.

With this new health program there will be proper facilities and medication to attend to these members of our community who is affected by mental health issues and they will not be going back to the prison facilities.

I am happy to see these new initiatives by Government to advance our way of life for the betterment of our own people. There of course in the Ministry of Health appropriation for the specialised position to attend to the different health issues experienced by our people. I will not speak on this issue I might offend some people.

I will just highlight the patient referral program administered by the Ministry of Health and this is not new. Patient referral from the Outer Islands to Rarotonga hospital and patient referral from Rarotonga to New Zealand for specialist health care. I support this program but my issue here Madam Speaker is that there is no differentiating on how much is spent for patient referral from the Outer Islands and how much is spent for patient referral to New Zealand so we are all aware of this.

**MADAM CHAIRMAN:** Honourable Member may I say hold that thought because it is time now to finish for the night. Tomorrow you shall have the rest of the time to finish off as I am sure the Minister would also like to speak.

So may I ask now the Minister to move a Motion to report to Parliament please?

**HON. M. BROWN:** Thank you Madam Chair. I move:

**That we reconvene into Parliament**

**MADAM CHAIRMAN:** There is a Motion on the Floor. I will put the Question:

**That the Motion be agreed to?**

**Motion agreed to**

Parliament is resumed.

**MADAM SPEAKER:** I will now ask the Minister to please report the progress to Parliament.

**HON. M. BROWN:** Thank you Madam Speaker. I am pleased to report:

**That progress of the Appropriation through the Committee of Supply  
is progressing very, very well**

**MADAM SPEAKER:** Thank you very much. Parliament is now adjourned until tomorrow, Thursday 27 September 2018. I am going to give the honour to the Honourable Tingika Elikana to say our closing prayer please.

**CLOSING PRAYER**

**MADAM SPEAKER:** Parliament is adjourned until Thursday 27 September 2018 at 1.00 p.m.

**Parliament adjourned at 10.00 p.m.**