

# FORTY-NINTH SESSION Hansard Report

49<sup>th</sup> Session

Seventh Meeting

Volume 7

## THURSDAY 30 APRIL 2020

#### MADAM SPEAKER TOOK THE CHAIR AT 1.00 p.m.

## **OPENING PRAYER**

**MADAM SPEAKER (N. RATTLE):** Honourable Members please be seated. I would like to thank our stand-in Chaplain this afternoon for the last minute request to ask the Lord for blessings for our meeting today.

He has given us some very encouraging words and for us to be blessed and to do our best for the people of our nation under God's guidance.

Honourable Members, Kia Orana and welcome to our Parliament Sitting today. A special welcome to our Members from the Pa Enua who were not able to join us in our last Sitting in March, we are very pleased to see you all today. I would like to give many thanks to the Head of State, to Sir Tom Marsters for giving us the ability to be able to sit here today in a hurried manner that we have come together.

Greetings to you, Sir Tom Marsters, Lady Marsters, your staff and your family on this wonderful day. And to all the people of the Pa Enua and Tumutevarovaro who are watching or listening to the radio today – Kia Orana to you all from us all here in your Honourable Parliament House today.

I would also like to acknowledge our officials in our Sitting today. We have the Solicitor General, Stuart Baker and we have the Deputy Solicitor General, Kathy Bell and we also have Allan Parker from the Audit Office. We also welcome the Cook Islands News media in our midst today.

Honourable Members I just have some very, very important announcements to make before we continue to make our recording better than it was last time. For the benefit of our Hansard, I believe the staff would have come to your seat to help you put the microphone exactly in front of you, so please speak clearly into the microphone and do not take your face away from it. In fact, if you look at the Speaker, address the Speaker and you will not go wrong. Instead of looking around the room. Do not touch the red button and this will be controlled from the back of the Chamber at our Technician room.

Please still continue to observe the COVID-19 restrictions of your distance as you can see we have done that by your seating. You have your hand sanitiser and your tissues with your disposal bag on your desks. We will remain seated today and there will be a Motion to be moved to suspend that Standing Order, mainly because you have the glass barrier, in front of you to keep your droplets in front of you.

At this point I would like to extend our congratulations and many thanks to our Government and our Minister of Health with your team in ensuring the safety of the people of the Cook Islands from COVID-19.

I just have one more announcement and that is, at our last Sitting in March, I omitted to acknowledge the loss of the son of our former Member of Parliament, who was also a former Deputy Speaker, Mona Ioane. We all know his son was involved in a road accident. The second one is, I would like to acknowledge and send our condolences to the family of Papa Tiaki Wuatai, former Member of Parliament for Pukapuka/Nassau. Thirdly, recently former Member of Parliament, John Henry of RAPPA who was also a former Deputy Speaker of this House. I send our condolences to all the families of these former Members of Parliament.

One more final notice in regards to mobile phones, apparently with everybody going online at the same time, it really weakens the system. So, please if you do not have to be on the mobile, do not do it to look on just whatever. It is important that our meeting is captured in our system.

So Honourable Members, today being a Thursday is a special in our Sittings and we are guided by Standing Orders 64 and 65. Because of the urgency of the Bills that are being brought to Parliament, we will be suspending some of those Standing Orders in time but now we will go to Question Time.

Our Question Time for Thursdays as you know, is for one hour.

## **QUESTION TIME**

The Floor is open and I see the Honourable Tamaiva Tuavera.

**MR T. TUAVERA:** Thank you Madam Speaker. First of all, Kia Orana to all Honourable Members today in the Name of the Lord. Greetings to you Madam Speaker and all your staff members, to the Prime Minister, Deputy Prime Minister and Cabinet Ministers and all Members of the Government. Greetings to all Members of the Opposition and especially our Members from the Outer Islands.

My question Madam Speaker is for the Deputy Prime Minister. My question is concerning the radio live broadcast of our Sitting of Parliament to the Outer Islands. I believe it is important for our people in the Outer Islands to receive the radio broadcast of Parliament especially during this hard times of the COVID-19.

I understand the Deputy Prime Minister has allocated some funds for a mast so that the broadcast is able to be heard in the Outer Islands but I do not know whether this has been done. So the

question Madam Speaker is, can the Deputy Prime Minister tell us when and how long this mast will be completed so that our people in the Outer Islands are able to listen to the broadcast.

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

**HON. M. BROWN:** Thank you, Madam Speaker. We have already put aside \$200,000 for improving radio services to the Outer Islands. That money has been set aside. It is now up to the experts that we are looking at to deliver those services, but of course with this travel and the COVID situation it has slowed down the efforts to supply the appropriate equipment to each of those islands.

It is not only radio that we are looking to improve in the Outer Islands Madam Speaker, it is also the television and also the mobile services working in conjunction with Vodafone to ensure that services across the board to all of our Outer Islands will be significantly improved.

As to how long it will take, we are at the mercy of the COVID situation but the team is working as quickly as they can to rectify the situation. Thank you.

**MADAM SPEAKER:** Thank you Honourable Minister Brown. Honourable Selina Napa, you have the Floor.

MRS S. NAPA: Kia Orana to all of us this afternoon.

My question is to the Minister of ICI or any Minister in the Cabinet. My question is regarding the old cars and trucks including white ware that is on the island and littering people's lands. My question is, what is Government's plan to remove these old machineries.

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

**HON. R. TAPAITAU:** Greetings to all of us in the Name of our Lord. Greetings Madam Speaker and greetings to all of us.

To answer the question by the Member for Titikaveka, if these old vehicles are in your village, utilise your Constituency Fund to remove those vehicles and take them to General Transport at \$350 per vehicle.

Yes, ICI and Government have a plan. We will start working in the Outer Islands first because there are a lot big machineries there and then we will return to work on Rarotonga.

So this is just a warning for the Members of Parliament, if you are thinking of digging a hole to get rid of vehicles in your constituency please do not do that because if you do, NES will be on your back to speak to you privately. So there are plans and please be patient we are trying to get into the plans that we are thinking of but as we have this COVID-19 at the moment it is quite hard at the moment. Thank you for the question.

MADAM SPEAKER: I see the Honourable Selina Napa.

**MRS S. NAPA:** My second question is also related to my first question. We know that General Transport is no longer accepting these old machineries, so my question is whether the people who bury these old machineries if there is a law in place to prosecute these people who bury this rubbish.

**HON. R. TAPAITAU:** Thank you for the question. Firstly, whether General Transport is still taking these cars and according to the Member of Parliament for Titikaveka they are not. So I need to find out because about a month ago they took one of the cars that I asked for so I need to get clarification from General Transport to see whether this is true or not. Two weeks ago they were still charging \$350 for a car but I might be wrong and maybe I need to check with General Transport.

The second question from the Honourable Member is whether a person will be prosecuted. She should know because she is on the Board of REA but I will clarify that later on in the Session and give her that answer. Thank you.

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

**MR T. TUAVERA:** Supplementary question. Can Government clarify if we are still paying tax on vehicles that we import into the Cook Islands? My understanding is that that tax helps get rid of that vehicle at the end of its life on the island.

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

**HON. M. BROWN:** Thank you Madam Speaker. It is an unusual question because I would have assumed that the Honourable Member as the owner of a large vehicle would have paid tax on that vehicle and knows that he would have paid tax unless he did not pay tax on the vehicle. But the short answer Madam Speaker is that tax and revenue is collected into the consolidated account and then appropriated through the Bill that we in Parliament here dish out to various Agencies and Ministries.

I am happy to report however, that the Ministry has been working very closely with other Agencies in particular with the National Environment Service to look at allocating a portion of that revenue towards the cost of resending the waste back to where it came from. This means allocating a special levy to every item that is brought in to allow its repatriation and this includes not just vehicles but also toxic materials like batteries, white ware, electronics and so on and the work on that area is progressing very, very well. Thank you.

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

**MRS S. NAPA:** My question is to the Minister of Health. At the beginning of COVID-19, we were told that two hundred of our people are stranded in New Zealand that needs to return home. Overtime we heard the number of two hundred stranded Cook Islanders remained in the Cook Islands News Paper, but suddenly the number has now increased to three hundred.

So can the Minister please explain whether the three hundred is because of some people that did not adhere to the measures that we set out not to travel overseas and they are stuck overseas and wanting to return. Are they added to the number of people that are already in lock down in New Zealand? How did this number increase from two hundred to three hundred people?

MADAM SPEAKER: Thank you. I now see the Honourable Minister Rose Brown.

**HON. R. BROWN:** Kia Orana to all Honourable Members and also to you Madam Speaker. Greetings also to our people listening in.

Thank you Honourable Member for the question. I want us to understand that the number did not stay on two hundred because there were other Cook Islanders who did not register to be part of this programme to return home. It has been difficult for the people responsible for these people stranded in New Zealand to locate them and to ensure they are registered. The number did not stay on two hundred and I want us to understand that. There are one hundred and thirty of our people returning home on the first flight. The second flight is the same with one hundred and thirty people who are permitted to return home.

In this number are residents of our own people who are stranded in New Zealand. This also includes people who already planned to return home and are now stuck during this time and also our referral patients. Most of them are not been cleared by their doctors to return home and they are also in this group of people the reason the number had increased. Thank you Honourable Member.

MADAM SPEAKER: I see the Honourable Selina Napa again.

MRS S. NAPA: My next question is again to the Minister of Health.

My question is based on our returning Cook Islanders. What is the process to allow each person to be included on the list? Initially, they were required to ring the Auckland or Wellington office however, today this has been redirected to the Ministry of Health. It is now their responsibility to assess who qualifies to fly on these flights. Some people rang to ask how they can qualify to return home.

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

**HON. H. PUNA:** Thank you Madam Speaker and thank you also to the Honourable Member for Teimurimotia for this good question.

I understand this issue has been the talk of our people and still is today. I will go back a bit and explain what happened in the past up to today.

When New Zealand enforced their lock down, it was discovered that a lot of our people got stranded in New Zealand. These are people who live in the Cook Islands permanently but they are either in New Zealand or in other countries for various reasons. I believe we are in this together

with one mind of how we can help all our people. That has no tie to this COVID-19 or may I say that this is not public health issue. The spirit here to help those of our people who are stranded in New Zealand.

Our Ministry of Foreign Affairs was quick to engage our High Commission in Wellington and also our Consulate Office in Auckland to find out whom of our people needs to come home, their residential address and how many of them. They put some criteria in place to distinguish who qualify to be assisted.

I would like to thank our staff at the Ministry of Foreign Affairs and also those at the High Commission Office in Wellington and the Consulate Office in Auckland for their efficient work in compiling the list which provides the address, contact details and other information of these people who are stranded in New Zealand.

A request came to Government during that time and was announced in Parliament the urgent need to grant \$500,000 to assist our people who are stranded. We also engaged the group called Pacific Home Care in New Zealand to deliver these packages to those named on the list. One of my former staff, Thomas Wynne also assisted the group. The first group to receive our financial support were our Golden Oldies Netball Team who were accommodated at the Atiu Hostel at the time. Inclusive in this group of people were our referral patients.

I was happy because a couple of days ago I received a letter of appreciation from our former Head of State, Sir Frederick Goodwin and his wife who also received this financial support. They are referral patients to New Zealand and I bring to this House and to our people listening in their warm regards. It was during that time when two hundred odd of our people were identified on the list. This is the first phase of the support them.

Secondly, our people are crying to come home but they are caught because of the lock down. That is where the Public Health comes in because we have already put measures in place to keep our country COVID free. We set our first plan to return our people home when New Zealand enforced their lock down when they reached level four. However, the restriction that New Zealand also enforced during their lock down is that you cannot travel on the road for essential service. New Zealand did not approve our plan because our people on lock down in New Zealand are required to move to one accommodation. We will respect the instructions from the Government of New Zealand.

The second phase of the Public Health measures is that our people returning from New Zealand has been placed under the Ministry of Health to administer. It is only right for us to do that because some of these retuning Cook Islanders are referral patients and the Ministry of Health will know whether they are okay to return home or is it better for them to stay on in New Zealand. This is the reason the idea of going through a quarantine period was considered. We are now being assisted by our very own son Dr. Kiki Maoate, Dr. Joe Williams and their group of experts known as the Pacific of Medical Association who will supervise the quarantine.

As mentioned by the Minister of Health earlier on, 130 passengers who are returning home next Friday is under quarantine now. Their health is being checked and monitored daily by the doctors and nurses and they are all happy staying in their accommodation in the Holiday Inn in Mangere. This is not a prison but a four-star hotel.

The great news about this quarantine is that they are allowed to walk and stroll around the premises of the hotel at an appointed time of the day. The second group will be checked into the hotel tomorrow. There are some people that have removed themselves from the group. The group was initially to be 130 people but this morning the number has dropped to just over 110.

That is the reason the Ministry of Health was involved in this repatriation process and it is only right for them to be involved with all the health restrictions that they have put in place to ensure that this harmful virus does not enter our country. We will await patiently for our returning people next Friday and maybe we will have a dance team on the tarmac to welcome them home. And I am pretty sure that our returning netball Mamas will be dancing their joy when they step on the soil of their homeland.

Thank you Honourable Member for this good question and I apologise for the long answer but I wanted for all our people to understand the full answer to your question. And thank you Madam Speaker.

**MADAM SPEAKER:** I will give the Floor to the Honourable Tama Tuavera because he requested for it much earlier then followed by the Honourable Tina Browne.

**MR T. TUAVERA:** Thank you Madam Speaker and my question goes to the Minister of Finance on wage subsidy. First of all, Minister I hope this is not done in alphabetical order because otherwise we are in trouble because my business starts at C.

My question is why is the wage subsidy taking so long to come through especially for businesses like ours and others in our village that are not earning tourism dollars anymore. That is the gist of the question Honourable Minister, why is it taking too long because all businesses have applied for this wage subsidy and nothing has come through. For today these businesses are paying the wage of their workers from their own pockets and yet they are not making revenues.

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

**HON. M. BROWN:** Thank you Madam Speaker and for your information to date 320 businesses have been granted the wage subsidy to pay wage subsidies to over 3,000 private sector employees. That represents nearly 50 percent of the private sector workforce that has been provided for with the wage subsidy to the tune of 3.2million dollars. If the Member is having difficulty receiving the wage subsidy to pay his workers, then I suggest he talk to the relevant authorities and agencies to find out the reason.

Thank you Madam Speaker.

**MADAM SPEAKER:** I see the Honourable Tama Tuavera, you have the Floor.

**MR T. TUAVERA:** Thank you Honourable Minister and just on your reply. We have already been to see them and we are getting the same answer every time, for us to wait. This is on your reply Minister to go and see the right people and we have seen the right people and we are always getting the same answer to wait. I believe the time period for waiting is over as you have pointed out 3.2 million dollars have already been given out.

So, there are businesses in Ngatangiia that have still to receive the wage subsidy for their businesses.

MADAM SPEAKER: The Honourable Minister Mark Brown.

**HON. M. BROWN:** We have put in place a very stringent system, Madam Speaker to ensure that the tax payer's money that is being used in this economic recovery is being utilised properly. There have been many people who have applied for support but have not registered previously as a business. Therefore, we have taken the time to help many of these businesses to register and get an RMD number but also to register with the National Superannuation Fund to get a Superannuation number.

It may surprise many people but the National Superannuation Fund has registered close to 400 new entities as new employers. I am not sure whether the personal details of the Honourable Member but I think the debating Floor of Parliament is not the place to discuss the issues surrounding his business and it is better placed with the relevant authorities which we can chase up outside of this debate.

**MADAM SPEAKER:** Thank you Honourable Minister. And I will now give the Floor to the Honourable Tina Pupuke Browne.

**HON. T. PUPUKE BROWNE:** Kia Orana, Madam Speaker. Kia Orana to the Prime Minister and all Cabinet Ministers and all the Honourable Members of this Honourable House.

Firstly Madam Speaker, I seek leave to enable me to convey condolences to Papa Taura Hagai who passed away in Rakahanga early this morning. I believe they are holding his funeral service this afternoon. I give my condolences to all the family in Rakahanga from all of the family here in Rarotonga.

I would like to connect my question to the question raised by the Member for Ngatangiia. I will ask in English and in the outset inform the Minister of Finance that I am not an applicant for the wage subsidy. I was given this question in connection to a news release in our local paper and also connected to the application forms on this matter. Maybe the answer by the Minister will make matters clear to many people on this matter and how they are to move forward.

There are two parts to this question. The first part is the businesses that have not yet received the subsidy or are only recently approved, and who have already laid off their staff on unpaid leave. Once the subsidy is received do they bring their staff that were on leave and pay them from the date going forward or do they go back to when they started being put on leave?

My second question is regarding the rates of pay – the application forms was clear that a person needs to work up to 35 hours to be able to receive the minimum wage subsidy. Unless the business can afford to top up the pay and I think the expectation is an amount of 80 percent of the original pay, the comment in the Cook Islands News seems to suggest that if the business cannot top up the pay then the business should reduce the hours but pay the full subsidy and the difficulty is that those conditions were not included in the application form so can you please clarify?

MADAM SPEAKER: Thank you. Are you finished with your questions?

# HON. T. PUPUKE BROWNE: Yes.

MADAM SPEAKER: Honourable Mark Brown.

**HON. M. BROWN:** Thank you Madam Speaker. Firstly, in response to the first question, if people on unpaid leave then come onto the wage subsidy do they get paid from the start of their unpaid leave period? The answer to that is if the employer has applied for the period of time that they took their unpaid leave, then they must back pay to that period of the unpaid leave, that is when the wage subsidy will kick in. In other words, a company cannot make an application and receive wage subsidy for the month of April and then not pay that out to their workers.

In terms of the second question, the wage subsidy is exactly that. It is a subsidy for a person's wages. Therefore, a person who earns more than the minimum wage which is what the wage subsidy is, is entitled to have their pay by their employer topped up to their normal salary or normal wage. However, if they cannot top up their wage because they have no income coming in, then it is a matter of negotiation between the worker and the employer to find the middle ground as to how many hours they should be able to work or they can work to collect their minimum wage.

The provisions of the Employment Relations Act are still in place. Therefore, if there is disagreement or dispute between workers and their employers there is a process in place for mediation and arbitration. Also just to be clear, before any reduction of hours or reduction of pay, there needs to be a written Agreement between the employer and the employee to have that in effect.

We are only three weeks into this wage subsidy now and I want to remind everyone that we are looking at this, this is a marathon and not a sprint. There are categories of employees that are coming through and applying that we have not quite captured under the wage subsidy, therefore the wage subsidy is being amended to enable us to catch those that previously were not captured. I am sure we will adapt as we move over the next couple of months as more people come on board to apply for the wage subsidy. Thank you Madam Speaker.

## MADAM SPEAKER: Thank you.

**HON. T. PUPUKE BROWNE:** If I may, Madam Speaker I have one more question for the Minister of Finance.

In the past few days, we have heard the cry of the students attending Universities and we who have attended University know that those times were times when we were poor. You have to ensure that you save your scholarship allowance to fund your way through University.

I was happy to hear the Minister of Finance say that the first lot to apply for the wage subsidy was not included in the first formula. I am thinking that maybe this is the status of our students in New Zealand and we did not think of them and allocate some help while they are in lock down in New Zealand.

The question is, now that they have reminded us that they are still alive, what are our plans to include them in the package for helping our people living in New Zealand.

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

HON. M. BROWN: The Minister of Education can answer that question.

MADAM SPEAKER: Prime Minister, you have the Floor.

**HON. H. PUNA:** Thank you Madam Speaker and thank you Honourable Leader of the Opposition for bringing this matter up.

We know that this appeared on social media last weekend and I think it is important that we understand the item that appeared on Facebook and what it really means and the position of Government.

When you read the article it seemed to infer that Government is not looking after the Scholarship Students. This is not nice and also not true because this has been answered by the Secretary of Education, Danielle Cochrane.

Firstly, when we speak about Scholarship Students, who are they really because as I understand it, the Scholarship Students are the students who have been awarded scholarship from the Government. There are 49 of them at this time. I do not believe when we refer to Scholarship students that private students will not be included. So now the Government is required to look after these 49 students in New Zealand. That is what Danielle has stated on Facebook that these 49 students are being looked after properly. These Scholarship Students are not the ones mentioned in that article.

The second issue is with those students attending school privately and these are the students being written about that they need assistant. I would like us to understand that there is help available to these students from the Government of New Zealand and the Ministry of Education have set out ways to help these students attending Universities privately should they need help.

We have to be aware that each individual student attending university privately have different needs and their problems are not the same. Firstly, where they are staying which is the University Halls. The University in Auckland have different living conditions in New Zealand. I was told there are some Universities who are demanding for payments from the students although they are

not staying at the University accommodations. However, there are also some Universities who understands the crisis that we are in now and have exempted their students from paying their accommodation.

We called the Secretary of Education to meet with Cabinet during the last couple of days and asked her to look into this issue affecting our students at this time at the Universities. We want to know what their difficulty is and where they need to be assisted so we can provide support to them. So this is what we are doing now Honourable Member and we are waiting for the report from the Ministry of Education and Foreign Affairs so we know how many private students we have in New Zealand and what their needs are so we know what type of assistance we can give them. However, I would like to confirm that all our 49 scholarship students are well looked after.

The separate issue about what we can do with the private students if we need to look after them if they need help, what can we do to help them. One difficulty here Honourable Member is that the educational providers in New Zealand have not confirmed with us when they will reopen for classes. They have been asked to confirm with us, for example, the Auckland University, Waikato, Wellington, Dunedin and Canterbury University have not confirmed when they will reopen the University. I know some parents wants to return their children home now but we need to understand that there are restrictions in place that will affect our students if we bring them home now.

There is a directive by New Zealand now that anyone who returns home will be permitted to travel on a one way ticket only and you will not be allowed to return to New Zealand. This is New Zealand's law under level three of lock down. Furthermore, if our students leave New Zealand to return home and they are collecting the student allowance under the Study Link programme, they will lose their student allowance because their attendance record will tell that they are not in school. So there are a lot of uncertainties now but the clear advise from the Ministry of Education is that our students is much better off staying in New Zealand at this time unless our parents wants to bring our students back and give up their studies.

The bright news on the horizon is this, our advice is that there is a possibility that about four weeks down the track, New Zealand might lift their boarder restrictions and we might have to do away with our supervised quarantine in New Zealand but that is a medical issue that our medical professionals will have to decide. However, can I stress to us all the importance of doing anything and everything to make sure this virus does not get into the Cook Islands.

**MADAM SPEAKER:** Honourable Prime Minister, can I ask you to wrap up please. You're done. Are you finish?

This is particularly different to what we would normally do because we have extended our question time quite a bit. However, I think it is quite important that the Prime Minister is given the opportunity to answer the question as clearly as he has because it has been a concern from many people in the community. There is a lot of misunderstanding and the reason we have extended our question time which have expired about 10 minutes ago maybe.

I know in the weekend, with the release there were many people who were not happy with Government for the way the article was written but we are very grateful that we have been explained the reasons as the Prime Minister has hence we spent quite a bit of time on that.

Honourable Members, that brings our question time to the end. Parliament will now suspend until 3.00 p.m

## Parliament suspended at 2.27 p.m.

## Sitting resumed at 3.00 p.m.

**MADAM SPEAKER:** Honourable Members please be seated. Parliament is resumed. Honourable Members I will ask the Leader of the House to move the motion.

**MR T. ELIKANA:** Thank you Madam Speaker. I stand to move three Motions and the substance of those Motions you have already referred to them in your introductory remarks at the start of this Sitting. I suggest that I should move them separately, so we can deal with them in a more orderly fashion.

Madam Speaker, the first Motion, I move:

## <u>That Standing Order 65, which relates to arrangement of business of the House,</u> <u>in particular paragraph 2 be suspended, so, as to enable the timely presentation</u> <u>and passage of the COVID19 Amendment Bill 2020 and also the</u> <u>Public Expenditure Review Committee and Audit Amendment Bill 2020</u>

Madam Speaker as I have indicated we should deal with them separately before I move into the second Motion and the third Motion.

MADAM SPEAKER: I will ask for a Seconder for the Motion, please?

## Seconded by the Honourable Member, Tai Tura

I will put the Question and the Question is:

## That the Motion be adopted?

## Motion agreed to

**MR T. ELIKANA:** Madam Speaker, the second Motion that I would like to move is that in regard to Standing Order 224, which relates to the notice to be given of the introduction of a Bill in this House. I would like to move:

## <u>That Standing Order 224 be suspended to enable the COVID-19 Amendment Bill 2020</u> <u>to be introduced and passed through all its stages today as an urgent measure</u> <u>and due to its international importance and also to enable the</u>

#### <u>Public Expenditure Review Committee and Audit Amendment Bill</u> to be introduced and passed through all its stages today

#### MADAM SPEAKER: I look for a Seconder?

#### Seconded by the Honourable Member, Tai Tura

I put the Question:

## That the Motion be agreed to?

#### Motion agreed to

**MR T. ELIKANA:** Thank you Madam Speaker. The last Motion that I would like move is one of the matters that you have alluded to in your opening remarks which is in regards to Members when they should be standing when addressing this Parliament and that is covered under Standing Orders 155.

Madam Speaker I move:

#### <u>That Standing Order 155 be suspended so as to enable Parliament to</u> <u>observe the COVID-19 special measures to ensure the safety Members,</u> <u>staff of Parliament and members of the public in this House</u>

MADAM SPEAKER: Thank you, is there a Seconder for the Motion?

#### Seconded by the Honourable Member, Tai Tura

I put the Question:

## That the Motion be agreed to?

#### Motion agreed to

You may continue with your last Motion Honourable Member and then I will go to our Orders of the Day.

**MR T. ELIKANA:** Thank you Madam Speaker. The last Motion is referred to the absence of the Honourable Patrick Arioka in this Honourable House and I move:

#### <u>That the Honourable Patrick Arioka, Member of Parliament for Murienua</u> <u>be granted leave of absence as he is unwell at the moment and</u> <u>I place his medical certificate on the Table before you</u>

MADAM SPEAKER: Is there a Seconder for the Motion.

## Seconded by the Honourable Member, Tai Tura

I put the Question:

## That the Motion be agreed to?

#### Motion agreed to

I would like to give the Floor to the Honourable Member Tina Pupuke Browne.

## HON. T. PUPUKE BROWNE: Madam Speaker, I move:

#### <u>That the Honourable Nooroa Baker, Member of Parliament for Akaoa</u> <u>be granted leave of absence while he is in New Zealand on medical grounds</u> until such time he is well enough to return home

Madam Speaker, I also move:

## <u>That the Honourable William Heather, Member of Parliament for Ruaau be granted leave</u> <u>of absence as he is unwell and I have his medical certificate with me</u>

MADAM SPEAKER: I call for a Seconder?

## Seconded by the Honourable Tingika Elikana

I put the Question:

## That the Motion be agreed to?

#### Motion agreed to

Thank you very much for that and Honourable Members we will now go to, I believe there is a Ministerial Statement by the Honourable Minister Mark Brown and you have the Floor.

**HON. M. BROWN:** Thank you Madam Speaker. I think it is appropriate at this time before we get on to the business of the day for me to provide an update to the House and also to our people listening in on our COVID-19 response and also our plans for phase 2 of this response.

One month ago I announce Phase 1 of the Governments Economics Response Plan. It was a bold plan which has provided our people with some certainty in an uncertain time. Because of the Plan, our people know that they will have some income coming in to support their households, despite the total removal of tourism, and in turn, a large portion of income for the country.

Once we passed the Supplementary Budget on 18<sup>th</sup> March, the Government moved rapidly to implement phase 1 of the stimulus measures that we announced in our COVID-19: Economic Response Plan.

As of today the 29<sup>th</sup> April 2020, in just the third week of implementation, a total of \$6.4 million has been distributed to the Cook Islands households and businesses. Wage subsidy payments have been made out to 321 businesses and I am happy to advise including Captain Tama, just today, to a total value of \$3.2 million. There are 3,015 employees covered under the wage subsidy program, which represents nearly 50 percent of the private sector workforce. There were 289 grants to businesses and sole traders to the value of \$1.8 million. We have a relatively modest 72 employees on the unemployment benefit to the total of nearly, \$72,000. And with the welfare payments there were 2,171, one-off welfare payments to our elderly, carers, destitute and so forth to the tune \$868,400. Four thousand, seven hundred and three children received additional child benefit as the result of the closure of the schools for an extra two weeks to the values of \$470,300.

I would like to take this opportunity to thank all the agencies and organisation that have been instrumental in the swift and efficient rollout of the stimulus measures. I would like to make special mention of the Ministry of Internal Affairs, who were responsible for dispensing all the welfare measures; the Cook Islands National Superannuation Fund who has been instrumental in the development of our new application system, and my own Revenue Management Division who are administering the business grants, wage subsidy and tax measures; and the Chamber of Commerce who have done excellent work in making the measures more easily accessible for the business community.

I would also like to commend those employers that are doing the right thing by their employees in these difficult times. For those who are not, remember that it is these same employees that you will be relying on to get your business back on its feet after the pandemic. If any bad behaviour crosses the line, although I am sure it won't, you are on notice that Government authorities are checking and will not hesitate to take necessary action, and in addition, hold any future wage subsidy payments.

It is important at this time to keep an eye on morale. Keeping our employees motivate and optimistic for the future is extremely important. While you as an employer might be suffering, your staff are also suffering as they face reduced hours, or doing work they don't normally do. But a motivated, engaged workforce is critical for the future prosperity of your business, and you have the ability to motivate them by maintaining a good working relationship.

I must be clear though, that the eye is not only on business. As individuals and members of our community, each person has a role to play, that means employees too. The wage subsidy is being paid by Government for you to be productive, to contribute to your workplace, or in many cases to your community. This is not an opportunity for you to sit at home, your employer has the right to request that you work. The money that is being paid to you has been hard earned, so use it to make your place of work or community a better place for everyone.

But enough of Phase 1, if I can now move on to Phase 2. It is becoming increasingly clear that economic conditions will remain tough for a period well beyond June this year. This calls for a second phase of stimulus, yes, more stimulus, not austerity and much larger than the first.

Phase II will focus on the 12 months from July, that is until next year July 2021, in line with our Budget. I don't want to make any predictions about how long it will take the world economy to emerge from its COVID19 lockdown, but we need to be prepared for a lengthy period of low economic activity, and a much slower return to our previous levels of growth than we initially expected. To respond to this the Government will provide stimulus of around \$76 million to keep the economy afloat until we are in a position to begin the process of recovery.

The Government is well into the development stage of Phase II of the COVID19 Economic Response Plan. So, let us have a look at exactly what we are doing?

First, we are monitoring progress of the roll out of Phase 1 measures and will be progressively evaluating their performance against the objectives of the plan.

The monitoring and evaluation framework will assist in identifying which measures are working and those which should be continued into Phase 2. It will also help identify any gaps in coverage.

Secondly, supported by the monitoring and evaluation efforts we are undertaking a needs assessment to ensure that Phase 2 addresses the needs of our economy and our country.

Thirdly, we are not doing this work in isolation. To assist in the development of Phase 2 we have established an Economic Response Think Tank to supplement the skills in the Ministry of Finance and Economic Management and this comprises of a team both locally based and international expert Economists, supported by Policy Experts.

At this time our country deserves access to the best technical support. The Think Tank will provide both a sounding board and expert second opinion to ensure that Phase 2 of the ERP will meet our country objectives effectively and efficiently.

Fourth, we are consulting with a wide range of stakeholders. These includes the Private Sector, Government Agencies, Community Representatives, and the Opposition. We are all in this together so it is important that we consult with as many as possible.

The design and scale of Phase 2 of our Economic Response Plan is a delicate balancing act. A balance is required between the needs of our people, the needs and capabilities of our businesses and the financing ability of our Government.

At the same time, we have to ensure that economic flows and relationships are considered so that any specific measure or combination of measures does not cause an economic imbalance leading to more harm than good over the long term.

In addition, Madam Speaker I will remind you that what we are doing here is economic stimulus. We are quickly filling some of the gap that is left by tourism. If we do not do this, then our own situation will be much worse.

We have all seen the huge unemployment around the world on the news. We want to avoid this. The ultimate aim of the Economic Response Plan is to sustain our livelihoods during this down turn.

Looking forward diversification will be important and will be a big part of the big picture as we recover from COVID-19.

On the finance side, Madam Speaker we are developing fund raising strategies right now with our key development partners to ensure we have the money to finance Phase 2.

The phrase "responsibly finance" is important here. While there have been calls for austerity we have been clear that the time for austerity is not now. While we need to be mindful of not compromising our longer term financial sustainability cutting spending right now in the middle of a slump would be like trying to cure a sick person by bleeding them. This was an ancient remedy that never worked because it weakened the body instead of strengthening it. At this stage the team is working on the support measures for Phase 2. We need support measures that target individuals, business and the community.

I want to be clear though, when we say business, many people automatically think of the big businesses that we all know and rely on in our community. What we often don't think of is that business includes many more people – from small cafes and restaurants, to market vendors, to commercial farmers and fishermen and holiday home owners. The majority of businesses that we will support are small businesses, and I mentioned before, for example, 75% of the businesses that have received the wage subsidy have less than 10 staff. Our focus on small business will continue.

The Economic Response Plan is Government's fiscal response to the economic impact. This will be implemented in the 2020/21 Budget that will be released in June this year. The fiscal response is the only tool that Government has to intervene in the economy – we do not have a reserve bank like most other nations, so we must ensure that our fiscal response is strong. But I would like to make a very important differentiation between the Government budget, and the economic response plan.

Whilst much of the funds for the economic response plan will flow through Government agencies, these funds will not be going into agency operating budgets. The economic response plan consists of funds that will go out to the community in the form of benefits and grants, and also in the form of contracted services, mostly for capital projects, that will keep many businesses operating.

I stated previously that we have no intention to cut the Government payroll, and there is an important reason behind this in addition to the economic impacts that this would have; the machinery of Government must be intact to deliver core services. It is these services which underlie many of the necessary functions of society. But it is also these services which allows Government to direct funding into households and businesses in the community.

That said, I have instructed the various heads of Government agencies that we will be focusing Government expenditure on our core services, at least for the next year or two.

This means that Government will place most new programmes on hold, and that we will be directing funds from some existing projects and services into other areas, or into funding the economic response. There are things that we can do without for a period of time, and the funds for those things can better serve us in other ways, including by reducing our debt levels.

As an example, I have directed that the Government's vehicle fleet replacement be put on hold. For now we will only replace broken-down vehicles that are necessary for Government to deliver services to the community. If it works, we'll keep on using it, and for as long as we need to.

MFEM is currently working with Government agencies to determine what the new Government budget will look like, and from that, our agencies will determine the priority in their sector and we will finalise that process in the next few weeks.

The overall budget is going to look bigger, because the Government can only spend funds through the appropriation. But you will see the differences in a few places.

Most notably in the funds that Government will be directing into the economic response, and likely increases in our welfare funds, and our capital projects, as we seek to engage businesses. On the other hand, you will see a somewhat leaner Government operating budget, where we seek to do more with less.

In closing, I will repeat what I have said on previous occasions – please continue to engage with us, give us your feedback and ideas and put your applications in for existing measures.

Let us remember that getting through this economic slump in one piece, ready to adapt to the new normal after the pandemic, is the common goal we are all striving towards, no matter what side of the House we may be on and I urge us to work together constructively for the good of our nation.

As I prepare this statement yesterday Madam Speaker, I looked at today's daily verse and it was from Joshua Chapter 8 Verse 1. It says *"Then the Lord says to Joshua, do not be afraid, do not be discouraged. Take the whole army with you and go up and attack Ai."* We can take comfort from these words of scripture Madam Speaker, to not be afraid. The army is a reference to all of us, the workers and volunteers fighting this virus.

So with those words, may God Bless us all and may God Bless our beautiful country.

Meitaki maata.

**MADAM SPEAKER:** Thank you very much, Honourable Minister for that very informative statement and also very relevant scripture that you shared with us, very relevant at this time of our lives.

We will now go to presentation of the Bills.

## **PRESENTATION OF BILLS**

The first Bill for presentation is the Financial Services Development Amendment Bill by the Honourable Mark Brown.

ACTING CLERK AT THE TABLE (J. DANIEL): Short Title: Financial Services Development Amendment Act 2020.

#### BILL READ A FIRST TIME

**MADAM SPEAKER:** Can I ask the Minister for the date and time for the Second Reading of the Bill?

HON. M. BROWN: Immediately after the COVID-19 Amendment Bill, Madam Speaker.

**MADAM SPEAKER:** The Financial Services Development Amendment Bill is called for the Second Reading immediately after the COVID-19 Amendment Bill.

The second Bill is the Customs Legislation Bill by the Honourable Minister Mark Brown.

ACTING CLERK AT THE TABLE: Short Title: Customs Legislation Act 2020.

## **BILL READ A FIRST TIME**

**MADAM SPEAKER:** May I ask the Minister when the Customs Legislation Bill for the date and time for the Second Reading of the Bill?

**HON. M. BROWN:** Immediately after the Public Expenditure Review and Committee Amendment Bill, Madam Speaker.

**MADAM SPEAKER:** The Customs Legislation Bill is called for the Second Reading after the PERCA Bill.

The third Bill is the COVID-19 Amendment Bill. I call for the Honourable Prime Minister.

ACTING CLERK AT THE TABLE: Short Title: COVID-19 Amendment Bill 2020.

#### BILL READ A FIRST TIME

**MADAM SPEAKER:** Can the Prime Minister please name the date and time for the Second Reading of the Bill.

HON. H. PUNA: Madam Speaker immediately after the presentation of Papers.

**MADAM SPEAKER:** The COVID-19 Amendment Bill is called for the Second Reading immediately after the presentation of Papers.

The fourth Bill, is the Public Expenditure Review Committee and Audit Amendment Bill by the Honourable Mark Brown.

**ACTING CLERK AT THE TABLE:** Short Title: Public Expenditure Review Committee and Audit Amendment Bill 2020.

## BILL READ A FIRST TIME

**MADAM SPEAKER:** Can the Minister name the date and time for the Second Reading of the Bill.

HON. M. BROWN: Immediately after the FSDA Amendment Bill, Madam Speaker.

**MADAM SPEAKER:** The Public Expenditure Review Committee and Audit Amendment Bill is called for Second Reading after FSDA Amendment Bill.

Thank you, now we will go to the presentation of Papers.

#### **PRESENTATION OF PAPERS**

I call the Minister of Health to present the Paper on the COVID-19 Domestic Travel Restrictions Regulations Revocations Order 2020.

HON. R. TOKI-BROWN: Madam Speaker I have the honour:

#### To submit the Ministry of Health COVID-19 Domestic Travel Restrictions Regulations Revocations Order 2020, Serial No 2020/9

MADAM SPEAKER: Thank you Honourable Member. We will now go to Orders of the Day.

## **ORDERS OF THE DAY**

First on the Orders of the Day, is the COVID-19 Amendment Bill 2020. I call the Prime Minister to move for the Second Reading of the Bill.

HON. H. PUNA: Thank you Madam Speaker, I move:

#### That the COVID-19 Amendment Bill 2020 be now read a Second time

**MADAM SPEAKER:** Thank you Prime Minister and you may continue.

**HON. H. PUNA:** Thank you and if I may I would like to speak in our language. Firstly, greetings to all of us in this Honourable House, Madam Speaker, Acting Clerk and all the staff of Parliament, Kia Orana. Greetings to all the Honourable Members of this Honourable House.

Special mention and greetings to the two Members of Mangaia that was unable to attend our last meeting of Parliament. I miss the questions raised from the Member of Tamarua, I hope that you will not mind not being present at the last sitting of Parliament but on a serious note it is good to see everybody here except our other Members that are sick. The Member of Murienua and the Member for Ruaau. Maybe the dengue fever is around the Arorangi area of the island.

Greetings to all our people listening in, our three pillars of our community – greetings. I would like again to extend Governments gratitude to all the people of the Cook Islands for the spirit of cooperation and unity by everyone to work together in our response to this crisis of the coronavirus. The Ui Ariki and all our traditional leaders, our religious leaders, all the Government public servants you have shown a spirit of unity during this crisis time. For one purpose and reason only because we do not want this pandemic to enter our paradise. And we have been able to keep this virus at bay and out of our country.

Before I continue Madam Speaker, I would like to join the Leader of the Opposition in extending my condolences to the families that are mourning for the loss of Papa Taura Temu Hagai on the island of Rakahanga, and also to the family of the Mama whose body was returned to Mitiaro this morning. Even though it has been a while since our friend who was a former Member of Parliament, John Henry passed away, I extend my condolences to the family and any family who may have lost their loved ones recently. We, your Members of Parliament extend to you all our condolences, may God comfort you all.

Madam Speaker, on the 16<sup>th</sup> April I was very proud to announce that the Cook Islands was COVID-19 free. We are one of the first nations of the world to be coronavirus free. I am also happy that our friends in the Pacific region like Samoa, Tonga, Tuvalu and Kiribati are also COVID-19 free. Beside our spirit of unity and cooperation fighting against this pandemic our faith in the Almighty has assisted our efforts against this virus.

When we look at our environment to include our beach, lagoon, ocean and our environment, I think they are applauding us for our care over them. In Rarotonga and especially the Outer Islands, they are happy to see the traditional island practices and ways are being revived among the people. I enjoy listening to our police report on the radio every morning and especially this morning the officer was reporting that our people has been behaving very well lately. Our people are sleeping early these times as there are no more night life opening to the people. Our people are saying that we should continue this kind of lifestyle.

Even if we have reached this good status, however we should continue to be aware of the need for us to be careful and to be safe not to allow the coronavirus to enter our country. We are ensuring that our borders are controlled and kept clear of any opening for this virus to enter. This virus is currently not in our country and the only way for it to enter is by the boats, ships and aeroplanes or through our borders.

Now our attention is turning to our people that are stuck in New Zealand and we are looking at bringing them home but praying that the virus does not come into our country through them. As I mentioned earlier this afternoon, there are 130 of our people in quarantine in Auckland and they are expected to return home next Friday.

Madam Speaker, Honourable Members we make no apologies for these public health measures that we are insisting all intending travellers to our country must undertake.

We know the statistics for our people. About one third of our whole population are vulnerable to this virus if it arrives on our shores. So it is most important Madam Speaker that we protect the lives of our people. There is nothing more important than protecting the lives of our people.

Honourable Members, thank you that is why we were called at short notice to arrive here this evening for this purpose. We were able to prevent the entry of foreigners into our country under Clause 9 of the Entry, Residence and Departure Act and not long ago, we were able to enforce this and that protection measure worked well until today. However, it became apparent we were unable to prevent the entry of our own people who were stuck overseas from returning to the country and we do not want our own people to bring this disease into our country and if we are not careful this will happen.

Therefore, Madam Speaker and Honourable Members of the House there is no other way to ensure that we are able to control the entry of our own people but through the passing of this Bill.

We do know the story of this disease that it spreads very easily wherever it goes and I am sure we all support the idea that we all work together in seeking protection from this disease for our people and our country. This is the only way available to us to ensure that our own people returning into the country abide by the rules and regulations under COVID-19.

I do believe this will result in concern for some of our own people. I do know we all have friends or family members who are under this situation in New Zealand and I know that for many of us, this has disrupted many of our plans during this time. Personally, I do believe that we all support the notion of our collective support for putting these measures to protect our nation and our people.

Under the Constitution of this country, our people have a sacred right to travel out and back into this country. However, under the Principal Act of this country, we do have the mandate to put protective short term measures in place because we are not removing this right permanently from our people. There is a provision under this Act that this arrangement is only for a short period of time. Until this pandemic has lifted or until a vaccine has been established then we are able to return back to our normal way of life.

I do know that we have strong feelings and sympathy for our people. Some of them are crying and some of them are saying they prefer to go to prison instead of the hotels designated. But I do believe deep down they do believe like all of us that these measures need to be established to protect our Nation.

Therefore, this legislation in place will standardise the measures or preventions for foreigners, our own people in entry into the Cook Islands so it is the same. Therefore, may I please request our people who have been affected by this new arrangement to please have patience and understanding in knowing that we are all working to protect our country.

Thank you Madam Speaker and thank you Honourable Members.

**MADAM SPEAKER:** Thank you Honourable Prime Minister. I look for a Seconder for the Motion please.

#### Seconded by the Honourable Member Tingika Elikana

**MR T. ELIKANA:** I reserve the right to speak to it when required.

**MADAM SPEAKER:** I see the Honourable Vaitoti Tupa you have the Floor.

MR V. TUPA: Thank you very much Madam Speaker for giving me this opportunity.

Firstly Madam Speaker, if I may just a few words to the people in my constituency and to also convey words of condolences.

I would like to give my greetings to all the people in Matavera. To the Community Groups in Rangiatea, to the different denominations and all the Pastors and Leaders, greetings to you all. I extend special thanks to our Puna Team in Matavera. To the Team Leader and the rest of our team members, as well as the staff from the Ministry of Health who are overseeing the work in our Puna, greetings to you all.

I would like to extend special words of condolence to Reverend Panu Rouru for the passing of his sister and to the family who travelled to the island of Mitiaro for the funeral. Please accept our words of sympathy and comfort, from the church members of the Cook Islands Christian Church in Matavera and I believe you are having a big feast now on the island of Mitiaro.

We will put that aside and come back to the subject of COVID-19. First of all Madam Speaker, I give my full support to these proposals before the House so we are able to put the proper measures in place for our own people when they return to the Cook Islands. This is my reason for supporting the Amendment Bill before the House.

However Madam Speaker, I have some views to express. Since the beginning of COVID-19, I saw the hard work that our own people put in, from our Prime Minister and all of us in this House as we help our own people to tackle this virus.

The main aim here Madam Speaker is to ensure full protection to stop this disease from entering our country. Madam Speaker, I always listen to the updates conveyed by our Prime Minister on radio and television in the evenings. My thought here is that all these hard work and effort must not be wasted hence my view for all of us in this House to support this Bill before us.

My views Madam Speaker is that I fully support the sales of liquor to be closed at 6.00 p.m. and my real concern is the nightclubs in the evening. Therefore, I give my full support to this Amendment Bill before the House and support the proposal to limit the operating hours of liquor sales.

**MADAM SPEAKER:** Thank you very much and I give the Floor to the Honourable Terepai Maoate.

**MR T. MAOATE:** Thank you Madam Speaker. Kia Orana to you and all the staff of Parliament. To the Prime Minister and all Cabinet Ministers, the Members of Government, to the Leader of the Opposition and all our Honourable Members on the Opposition side, Kia Orana. Not forgetting all our people listening in to our Parliament this afternoon, greetings. Kia Orana also to our people in New Zealand listening and watching our livestream today, especially those anticipating their return home soon.

I fully support the amendment to this Bill before the House today. I would like to speak on something concerning the Outer Islands. As mentioned by the Prime Minister regarding the statistics for the Outer Islands, two or three people is an important matter when compared to the whole of the nation. NCD is a problem for our elderly and children in the Outer Islands and the statistics given is very, very high compared to our population and this is inclusive of half of our population.

I thank the Ministry of Health for doing an excellent job with regards to this crisis but as we all understand when this coronavirus enters our country the Ministry of Health is not ready to deal with this. So, if we look at the Outer Islands there are no medical doctors, and medical resources to respond to this medical issue if the virus gets there. We heard the news about Aitutaki refusing the entry of passenger cruise ships at the beginning of this virus pandemic which affected the whole world.

We know that these passengers will bring our local businesses money but the people did not look at that but rather to protect the island people from being affected by this virus. We were also very supportive for the domestic airline, Air Rarotonga not to service the Outer Islands including Aitutaki. The Members of Parliament for Aitutaki were stuck here in Rarotonga when this lockdown of flights to the Outer Islands were imposed.

Today, the people of Aitutaki are very concerned with those of our people stuck in New Zealand wanting to return home. We are aware that the quarantine is not a fully secure process even though our people in New Zealand are undergoing this imposed period but there is risk involved but we know that the New Zealand quarantine standards is quite high. The concern here is the time they board the plane and what might happen from that point until they arrive our shores. I fully support the recommendation for these people on arrival to be quarantined and maybe for a period not two weeks but four weeks just like what we did here.

Personally here I do not support the repatriation of these people but if that is the wish of most of our people and our Government then I will go along with that. I am more concerned with the majority of our people that have NCD and requires medication. I refer to the thousands among our people and not just the few returning on this flight back home. Those that will be flying home are well looked after and not suffering or hungry. I am aware there is a document that has been revoked on the restriction of travel for these people. I would like the Government to consider the importance of protecting our people from this coronavirus not only in Rarotonga and also in the

Outer Islands. This is my request to the Ministry of Health and our border control measures to be intense as not to allow this disease to enter our nation.

Thank you, very much.

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

**MRS S. NAPA:** Kia Orana Madam Speaker, the Prime Minister and your Cabinet and all Honourable Members and staff of this Honourable House. Greetings to the people in my constituency of Titikaveka, the religious leaders, elderlies, youth and babies, Kia Orana. The public servants and the Ministry of Health workers in my community that is working closely with our EOC in preparation for these people that will be arriving next week, Kia Orana.

May I Madam Speaker speak in my mother tongue language now. I want to thank this COVID-19 because I am loving having my island back. My family have indicated to me, how grateful we are that Rarotonga has been given time to rest and recuperate and this is from the overwhelming visitors that we get each year. I see signs on our island that is healing, showing signs of wonderful healing.

I also see our traffic on the road having a breathing space there are less traffic on the road than before. I see the usual messages coming out on the media that we need to protect our borders of entry. Vigilantly, not just to protect the vulnerable as we all say, we must protect the vulnerable, yes it is true. We must also remember however that we are one of the highest country with NCDs in the Pacific or the highest in the Pacific and those with NCD diseases and cardio arrest are one of the ones most prone to corona virus.

I would also like to bring to everyone's notice that it was mentioned in the headline for today's newspaper, "Pacific Bubble should help us get back to business." I just have a little concern with this publication and I know it is within our means to try and do something to restore our economy. For Australia to say that our country and New Zealand should be looking at putting tourism back into the Pacific, my plea to Government is to please look at this carefully. Look carefully at the situation because until Australia is clear and New Zealand is clear, then we should carefully consider our options. I see the suggestion being made as audacious and especially at this time and because it treats our health and welfare as less important and like an Australian holidays. Please let us not look at the money first, let us put the wellbeing of our people first.

This COVID-19 has made many of us appreciate that there should have been far greater emphasis on diversification rather than placing all our eggs into the tourism basket.

Right now the Ministry of Agriculture is playing a leading role in our Nation to the National COVID-19 response. They have been able to provide our local people with seedlings and seeds and I have seen on social media that a lot of the homes have little home gardens growing.

There is just one more little thing that I would like to ask the Ministry of Agriculture and that is to be providing our people with the knowledge and capability to achieve good security within their households.

For the last time I am asking Government to remain vigilant and not be complacent just because we are COVID free. There is the example shown to us on the front page of today's newspaper where a woman after twenty days arrived in New Zealand got COVID.

I give my full support to the amendment of the COVID Act. My only question that I would like to pose is during the time we were passing this Bill what measures were put in place to ensure that we have covered every little single detail to protect our people, to protect our Port of Entry and why was this piece missed out. As Parliamentarians we have a duty to pass lawful legislation so whose job is it to check the Bills are well covered to protect our people to ensure all areas are covered.

I hear the DPM on the other side saying it is my job, it is our job.

All I am asking is there should have been some means of thorough checking put in place before this Bill came to Parliament. However, for us to protect our Port of Entry I am giving my full support to the Bill and would like everyone to press on with hygiene precautions and for everyone to stay safe. Kia Orana.

**MADAM SPEAKER:** Thank you and I see the Honourable Tina Browne. You have the Floor. I just remind you, you keep an eye on the time and then we will see what we are going to do after that. Let's keep an eye on the clock.

Oh, I see the Leader of the House.

**MR T. ELIKANA:** Thank you Madam Speaker. I think to avoid any interruptions when the Honourable Leader of the Opposition is making her comments regarding the Bill before us, I think it is only proper at this junction for me to move a Motion.

Madam Speaker, I move:

That Standing Order 54 which regards to Sitting days and Hours of Sitting in particular paragraph 2 of that Standing Order, be suspended to enable this Honourable House to continue with this Sitting until such time that the Bills that are on the Order Paper for the day which is the COVID-19 Amendment Bill which we are currently going through followed by the Financial Services Development Amendment Bill and then the Public Expenditure Review Committee and Audit Amendment Bill and the last Bill which will be the Customs Legislation Bill until all those Bills has passed all stages then passed into Law

MADAM SPEAKER: Thank you there is a Motion on the Floor. I call a Seconder please.

# Seconded by the Honourable Minister Mark Brown

I put the Question:

## That the Motion be agreed to?

#### Motion agreed to

So, that will then depend on how much debate goes on between now and whenever, so I now give you the Floor, the Honourable Tina Browne.

**HON. T. PUPUKE BROWNE:** Thank you Madam Speaker. Greetings to everyone again this evening. I thought our meeting will move faster this evening but I think it is proper we listen to everyone's thought and also the diverse comments from the Outer Islands as well as from Rarotonga. So we will remain here until probably midnight tonight.

I have a different view towards this Amendment Bill. My support is not different but my interpretation is different. I recall our Sitting when we debated on the COVID-19 Bill, the request was for us to look at our border and to protect it. I know the Prime Minister was agitated at the comments I made at that Sitting and he explained to us all that this cannot be done under our Constitution and the Convention on Civil and Political Rights.

He explained and asked whether I heard the Solicitor General at our meeting at the National Auditorium telling us that we cannot close the borders but because of Parliamentary procedures, I did not have time to answer those comments. I believe this is the right time because this Amendment was the same request that was tabled in Parliament when we sat in April. If the Prime Minister had forgotten to apologise to me I accept his apology in advance.

Secondly, during our Immigration Select Committee meeting last week, explanations were given by consultants on the Entry, Residence and Departure Act 1971-72. They also explained that under our Constitution and the Convention on Civil and Political Rights, we cannot stop our people returning home, however we can delay their return because under our Constitution, our people have the right to travel to and back from New Zealand.

However, under the Constitution and also the Convention if there is a good reason to stop or delay the travel this would not hinder the rights of our people. This is the question that was asked in our Select Committee last Wednesday, whether these Notices that is being put out are legal and the answer was, yes. I was surprised because this is not what I understood when we discussed the COVID-19 Bill during the last Sitting.

I am not sure if that was the reason or whether that helped Crown Law to review the COVID-19 Act in ensuring that this legislation deal with the issues that we want to address. I am not worried about this Amendment Bill because of two reasons.

I just want to acknowledge the presence of the Solicitor General and the Deputy Solicitor General who has been very helpful in explaining to me and my team and clarifying for me some of the matters that I thought were issues. My concern was, is this Bill constitutional and are we offending

the Constitution or the Convention. I am sure that the Crown Law Office worked overtime last night because I received a response and I was satisfied with the response.

I did thank the Deputy Solicitor General for getting back to me although it was after 8.00 p.m. that night. I responded to her and said, "You should go home and sleep". Those were the issues that I had at the time.

I just want to say that and for many reasons, we should be patient with the mistakes that we make. I understand the immense pressure on Government in times like this, and I understand the workload of the Crown Law Office and the fact that they are severely under resource. I understand that Te Marae Ora is very stretched and it should not come as a surprise to us that many of them at Te Marae Ora and Crown Law Office look consistently tired. The good news is that we are so far because of the hard work of all of the above. I see our role on this side of the House as assisting during this time of the COVID-19 by supporting this amendment.

Finally, normally retrospective legislation is not something that the legal fraternity looks favourably at. Normally, people like me would probably object to legislation like this that is retrospective. However, these are not normal times and we should accept the fact that when people are working under immense pressure, they are entitled to make mistakes now and then. But it my belief that this Bill would plug the hole and validate the notices that has already been issued and will provide the legislative authority for notices going forward.

Thank you Madam Speaker. Kia Orana and Kia Manuia.

MADAM SPEAKER: Thank you very much Honourable Member. Are there further speakers?

I will now put the Question on the Second Reading.

The Question is:

## That the Bill be now read a Second time?

#### Motion agreed to

I will now resolve Parliament into the Committee of the Whole House to go through the Clauses.

#### COMMITTEE OF THE WHOLE HOUSE

**MADAM CHAIRMAN:** I will begin with Clause 1: Title. This Act is the COVID-19 Amendment Act 2020.

Clause 2: Commencement.

Clause 3: Principal Act amended

Clause 4: Section 31 inserted.

The Question is:

## That Clauses 1, 2, 3 and 4 stands part of the Bill?

#### Motion agreed to

Long Title: An Act to amend the COVID-19 Act 2020.

The Question is:

#### That the Long Title stands part of the Bill?

#### Motion agreed to

The Question is:

#### That the Bill be reported to Parliament without amendment?

#### Motion agreed to

Parliament is resumed.

**MADAM SPEAKER:** I call the Minister to report the Bill to Parliament.

HON. H. PUNA: Thank you Madam Speaker.

I am pleased to report:

#### <u>That the COVID-19 Amendment Bill passed through the Committee</u> without amendment but with a few red flags

**MADAM SPEAKER:** Honourable Members, an error has just been pointed out to me and let us go back. Nobody pulled me up but let us go back and have the Second Reading done because that did not happen. Please allow that to be read.

ACTING CLERK AT THE TABLE: Long Title: An Act to amend the COVID-19 Act 2020.

## **BILL READ A SECOND TIME**

**MADAM SPEAKER:** We will go back and the Report was made by the Minister in Charge and I will now put the Question.

The Question is:

## That the Report be adopted?

## Motion agreed to

We will now go to the Third Reading and I call the Minister in Charge to move for the Third Reading.

HON. H. PUNA: Thank you Madam Speaker. I am pleased to move:

# That the COVID-19 Amendment Bill be now read a Third time

MADAM SPEAKER: Thank you. Is there a Seconder for the Motion?

# Seconded by the Honourable Tingika Elikana

Thank you. The Question is:

# That the Bill be now read a Third time?

# Motion agreed to

ACTING CLERK AT THE TABLE: Long Title: An Act to amend the COVID-19 Act 2020.

# **BILL READ A THIRD TIME**

**MADAM SPEAKER:** Honourable Members, that completes the First, Second and Third Reading of the COVID-19 Amendment Bill 2020.

We will now go back to the Orders of the Day on the Financial Services Development Amendment Bill.

I would like to call the Minister in Charge to move for the Second Reading.

HON. M. BROWN: Thank you Madam Speaker. I move:

## <u>That the Financial Services Development Act Amendment Bill</u> <u>be read a Second time</u>

If I may speak to this Bill Madam Speaker.

This is a pretty straight forward piece of legislation which seeks to change the membership of the Board. In February last year, we held a forum for the Financial Services industry to determine the future of the FSDA but also the broader future of the Financial Services Sector. The outcome of that forum Madam Speaker, was that the Financial Services Sector and industry is still relevant and very important part of the Cook Islands economy.

One of the recommendations from the Forum was that the Board have greater representation from industry members and to reduce the Government membership on the Board of the FSDA. So, as a consequence, Madam Speaker this Bill merely seeks to change the Board composition by having one person appointed by the Minister who will serve as the Chair of that Board. There will be two persons appointed through elections by the Trustee Companies Association and there will be one person appointed by the majority of finance licensing holders namely banks, insurance companies and so forth, who will be on the Board. And the fifth member of the board will be the Chief Executive Officer of the FSDA.

Coming off the Board will be the automatic appointment of the Financial Secretary who will no longer be on this Board and also the Chief Executive of the Financial Supervisory Commission who is the regulator of the industry.

In the amendment, Members will see some consequential amendments that are also set out and these are to change some minor anomalies that were in the original Bill when it was first passed back in 2008. In section 1(3), there is a change of the name from the Financial Industry Development Authority to Financial Services Development Authority.

In section 2, the definitions of the Financial Services Industry there is a change again from the Banking Act 2003 to the Banking Act 2011. Also amendments that subsequently taken place in other legislations such as the Trustees Companies Act 1981-82 has been amended to the Trustees Companies Act 2014. Both of those original statutes have been repealed and replaced since the Act was initially passed.

Similarly, the reference to Trustees Companies Act 1981-82 in the definition of the Trustee Companies Association should be changed to Trustee Companies Act 2014. In section 2, the definition of Financial Services Industry is to add the Foundations Act 2012 and the Captive Insurance Act 2013 both of these statutes Madam Speaker were passed since the Act was initially passed.

In the nutshell Madam Speaker that is the purpose of this particular amendment. The key purpose is the change of the Board Membership and the rest of the amendments that can be seen in the Bill are to do with the correcting the relevant legislations that we passed subsequent to the first passing of this Act.

Thank you Madam Speaker that is all my comments on this particular amendment.

MADAM SPEAKER: Thank you Honourable Minister and can I call for a Seconder?

## Seconded by the Honourable Tai Tura

I will put the Question:

# That the Motion be agreed to?

## Motion agreed to

I beg your pardon, let us go back. I think it is getting late in the day. Thank you for seconding, and do you want to speak - No. Therefore, I open the Floor for anyone to speak.

I see the Honourable Tina Browne and you have the Floor.

**HON. T. PUPUKE BROWNE:** Thank you Madam Speaker, yes, it is getting a bit late. I am comforted by the suggestion from the Minister if FSDA may have a life after the next budget. We might recall that in the previous Budget there were a few agencies that Government felt that perhaps it was becoming to its expiry date. And of course the Pearl Authority was one of them but if FSDA I think was given a life line to see how they would continue up until the next budget.

Even though the Bill is largely to address the composition of the Board. I am pleased because it suggests to me that we might still be keen to continue with FSDA in our efforts now, which is more important now because we do want to diversify. And I am thinking that maybe the reason for changing the composition of the Board, maybe the previous structure just didn't work or produce the results.

So, on that note the Members on our side of the House support the Bill.

**MADAM SPEAKER:** Thank you Honourable Member are there any further speakers. Well, no further speakers.

**HON. M. BROWN:** If I may speak, Madam Speaker, just in response to the comments by the Leader of the Opposition in regards to diversifying the economy exactly correct in that point there. The Financial Services Sector will then play a key role in being part of our economy.

Although we are just passing the Bill today, in effect the new Board composition has been in operation since last year and I am happy to report that in that short time Cabinet has received the submission to allow the FSDA to start developing a new financial product and this is a financial product that the Industry believes will have some value in the International Community. It's a product that is set up to protect the assets of a married couple in the event they divorce.

In some countries around the world Matrimonial Law will demand the split of assets which may see in some cases the selling off of a company or the closing down of a business. What this product does it allows their assets jointly owned to be protected to allow the beneficiaries which may be the children of the marriage to have the value of that company rather it be eroded by being split up or divided between the husband and the wife.

Now we are not the experts in this field but our Industry Members feel that this is a product that will be in demand from markets internationally and that is an example, Madam Speaker of the innovation that we are looking for from the FSDA to further develop our Financial Sector. Thank you, Madam Speaker.

**MADAM SPEAKER:** Thank you. I will now put the Question:

#### That the Bill be now read a Second time?

#### Motion agreed to

#### ACTING CLERK AT THE TABLE: Long Title: An Act to -

- (a) Alter the composition of the Board of Directors of the Financial Services Development Authority.
- (b) Make other related amendments.

#### **BILL READ A SECOND TIME**

**MADAM SPEAKER:** Thank you we will now resolve Parliament and go into the Committee of the Whole to go through the Clauses of the Bill. I will cover 1, 2, 3, 4 and then the rest of the Clauses.

#### **COMMITTEE OF THE WHOLE HOUSE**

**MADAM CHAIRMAN:** Clause 1: This Act is the Financial Services Development Amendment Act 2020.

Clause 2: Commencement

Clause 3: Principal Act

Clause 4: Section 1 amended (Short Title and Commencement)

I put the Question:

## That Clauses 1, 2, 3 and 4 stands part of the Bill?

#### Motion agreed to

Clause 5: Section 2 amended (Interpretation)

Clause 6: Section 4 amended (Directors)

Clause 7: Section 5 amended (Term of office and remuneration of directors)

Clause 8: No compensation for loss of Office

I put the Question:

#### That Clauses 5, 6, 7 and 8 stands part of the Bill?

#### Motion agreed to

Honourable Members, all Members sitting in the House must vote please.

I will put the Question again.

## That Clauses 5, 6, 7 and 8 stands part of the Bill?

#### Motion agreed to

Long Title: An Act to -

- (a) Alter the composition of the Board of Directors of the Financial Services Development Authority.
- (b) Make other related amendments.

#### Motion agreed to

I put the Question:

## That the Bill be reported to Parliament

Parliament is resumed.

**MADAM SPEAKER:** I call the Minister to report to Parliament.

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

## <u>That the Financial Services Development Amendment Bill has</u> <u>passed through the Committee with no amendments</u>

MADAM SPEAKER: Thank you and I put the Question:

## That the Report be adopted?

#### Motion agreed to

I call the Minister to move for the Third Reading of the Bill.

HON. M. BROWN: Madam Speaker, I move:

#### That the Financial Services Development Amendment Bill be read a Third time

MADAM SPEAKER; Thank you, is there a Seconder?

## Seconded by the Honourable Tai Tura

I put the Question:

## That the Bill be read a Third time

#### Motion agreed to

#### ACTING CLERK AT THE TABLE: Long Title: An Act to -

- (a) Alter the composition of the Board of Directors of the Financial Services Development Authority.
- (b) Make other related Amendments.

## **BILL READ A THIRD TIME**

**MADAM SPEAKER:** Honourable Members, that completes the First, Second and Third Reading of the Financial Services Development Amendment Bill 2020.

We will now go to Orders of the Day on Public Expenditure Review Committee and Audit Amendment Bill 2020.

#### **ORDERS OF THE DAY**

I call the Minister to move for the Second Reading of the Bill.

HON. M. BROWN: Thank you, Madam Speaker. I move:

#### <u>That the Public Expenditure Review Committee and Audit</u> <u>Amendment Bill be read a Second time</u>

If I may speak to the Bill, Madam Speaker.

#### MADAM SPEAKER: Yes.

**HON. M. BROWN:** In September 2017, the Cabinet approved a review of the Public Expenditure Review Committee and Audit otherwise known as PERCA. That review is now completed and what we have before us is the proposed Amendments to the Act which are intended to modernise the functions of PERCA and this Bill puts out a workable set of functions and duties for PERCA and removes the duplication of the duties of the Audit Office and that of the PERCA Committee.

The Amendment Bill also makes explicit provision for the back-dating of appointments of the Chair Person and other Members of the PERCA Committee. The Amendments also allow for the appointment of the Chair Person and Members to continue for a specified period after the expiry of their Warrants.

If I may speak to some of the policy descriptions behind this particular Amendment Bill.

It is to ensure the independence of the Audit Office and the PERCA Committee whilst also trying to facilitate a good working relationship between the PERCA Committee and the Audit Office.

For example, the Audit Office's core functions are to audit Government agencies accounts. The provisions in this amendment allows the Audit Office to carry out other audit but on the explicit instructions of the PERCA Committee.

The Amendments also contain provisions that will provide protection to the Director of the Audit Office and the Members of the PERCA Committee against any civil liability when acting in accordance with their duties in good faith. For example, PERCA Committee Members cannot be held liable for a Report that is found to be faulty because of incorrect information or misleading information that they received in good faith. That protection is not afforded in the current Act and this amendment puts that protection in place.

Thirdly, in order to promote greater transparency and accountability, the reports prepared by the Committee under Section 16 can be published now under this amendment by the Committee no later than 14 days after the Report is send to the Speaker. Currently the Reports can only be put out to the public once they had been received and Tabled in Parliament. But because of the infrequent sittings of Parliament these Reports may take quite a while before they are able to be released.

Therefore, the amendments contained in this Bill allow for those Reports to be published in a timely way. As I mentioned earlier the other provisions in the Bill are to provide clarity about the appointments and the back dating of appointments of the Chair Person and other Members. And when necessary to provide for the continuation of the Chair Person and other Members in office for a specified period after the expiry of their terms in office.

Also the remuneration of Committee Members if necessary to be back dated because at present there is no reference in the Act to allow the remuneration of Committee Members or the appointment of the Chair Person and Committee Members when their warrant is expired. The Report recommended an increase in the fees for the Chairman and for the Members of the Board and this was appropriated in the Budget for this current Financial Year, however they had been unable to be paid out because there were no provisions in the Act to allow that payment to be made in a back dated way.

Therefore, Madam Speaker this Amendment Bill seeks in some ways to modernise certain areas of the current Act and seeks to formalise the appointment and remuneration of expired warrants for our Committee and for the Chairman. That Madam Speaker is the comments that I have to make on this particular Bill.

**MADAM SPEAKER:** Thank you, Honourable Minister. Can I have Seconder to the Motion please?

## Seconded by the Honourable Tai Tura

Are there any further speakers? I see the Honourable Vaitoti Tupa.

**MR V. TUPA:** Thank you very much, Madam Speaker. Madam Speaker, I have a very short message to support this. With the confusions within this Bill, I have discussed this with the Head

of the Ministry which is Alan Parker. I have gained some good comments and ideas on the matters discussed.

As we all understand as explained by the Minister that there are still issues and ways of working through the payments and as far as 2019. I have also looked into the issue of the Section 9 (a) with regards to Payments.

I have also looked at Section 10 (a) regarding the Committee and their payments and I have also looked at the organisation of the Committee under the Public Expenditure and that is Paragraph 8. I can see here there is a great need for more improvements in this section.

When we look at some of the issues in this Bill, there is a section that deals with looking carefully at the performance of the Heads of Ministries. Madam Speaker, I think this will strengthen the work performance of the Heads of the Ministries. Some Reports as I have explained in the past Sitting of Parliament, some Reports from the Departments and also at the time when I was head of Environment. I used to think the word 'qualified' means your report is good. Madam Speaker, 'unqualified' means you are doing a good job. This is the reason, Madam Speaker that I am giving my full support of what is within this Bill.

In Paragraph 9 it states that your Report must be completed within fourteen days. Because the report will indicate that you are doing a good job and if your report is not good then you should not be in the job. Therefore, Heads of Departments this is something that we have to take note of that your Report if it comes 'qualified' is not good.

Therefore, Madam Speaker these are my thoughts and to give the support to this Bill. This is what I want to bring in to the Parliament House this evening and to give my full support.

**MADAM SPEAKER:** Thank you and I see the Honourable Tina Browne you have the Floor.

**HON. T. PUPUKE BROWNE:** Thank you Madam Speaker. I just wanted to make a couple of comments, two or three comments with regard to this Bill. We might recall that the original purpose of PERCA in the need for a PERCA to be established was to be the watch dog for Government.

I recall that the first Committee Members that was appointed back then in 1995/96 maybe, and Reports came out of those Committees, and like the Minister has said, they come to Parliament and that's it, they vanish. They don't vanish literally, they just don't see the top of the desk. They are never on top of the pile.

I do recall that in the discussions that took place back then, the Committee was getting to a point where they were getting the impression that it was a waste of time because the Reports were coming and nothing was being done about them.

Now the Amendment here to ensure that the Report is published fourteen days after it had been tabled with the Speaker, I think it is a good amendment to ensure that at least PERCA will feel useful.

The second amendment that I thought I would comment on is the composition or the term of the committee members, that is being proposed as a new section 10(a), it says that you shall continue in your office unless two things happen, one is that your successor is appointed and the other is that the Minister has given you notice of your reappointment.

I will give you an experience in this Minister which I think you are very familiar with. In a situation of a chairperson whose successor has not been appointed and who has indicated unwillingness to continue, that doesn't seem to be covered in this scenario. I have personal experience of this when I was on the Board of the Pearl Authority. This is a similar provision in that Act and I continue to be chair for at least another 3 or 4 years because there was no way that I could get out.

So, I put that there just so that we might be aware of that scenario because there are some who may wish to cease being a member and is unable to find a way to do so. I believe that the PERCA Committee still serves a useful role. I agree with the removal of some of the responsibilities of the committee particularly those responsibilities that they really practically can't continue. And I think that if anything the PERCA Committee should be given some teeth, so it is worth their while meeting and reporting on issues.

I support this Bill.

**MADAM SPEAKER:** Thank you Honourable Member. As there are no further speakers, I would like the Minister to respond.

**HON. M. BROWN:** Thank you Madam Speaker. Yes, and points taken and noted from the Leader of the Opposition in regards to vacancies that may be created on the Board. This particular amendment here validates if you like any of the work done by the committee members or the chairperson even when their warrant is expired.

The case brought up the Leader of the Opposition is slightly different in that it is similar to a Board member or chairperson wanting to resign. And I well recall her tenure as the chair of the Pearl Authority Board and the long time it took for us to release her but any members who do wish to step down from their positions on the Board or who indicates they do not want to renew their position at the expiry, really the appointment process then kicks in to look for a replacement.

Secondly, the authorities and powers of the PERCA Committee are very strong. This is a body that any member of the public can go to, to lodge a complaint. And the committee members led by the chair will look at complaints and if they are valid and if there is substantial information to justify it, they will carry out an investigation. And their recommendations to the relevant authorities at the conclusion of their investigations can result in some serious prosecutions.

But with those words Madam Speaker, I am happy to receive the support from Members to have this Bill proceed through the process. Thank you very much.

**MADAM SPEAKER:** Thank you Honourable Minister. I will put the Question:

#### That the Bill be now read a Second time?

#### Motion agreed to

**ACTING CLERK AT THE TABLE:** Long Title: An Act to Amend the Public Expenditure Review Committee and Audit Act 1995/96.

#### **BILL READ A SECOND TIME**

**MADAM SPEAKER:** I now resolve Parliament to go into the Committee of the Whole House, to go through the Bill.

#### **COMMITTEE OF THE WHOLE HOUSE**

**MADAM CHAIRMAN:** As you can see, the Bill is put into Parts as well. So, I will cover the Clauses and then the four Parts, then the Schedule and the Long Title.

Clause 1: Title.

Clause 2: Commencement.

Clause 3: Principal Act amended.

I put the Question:

#### That Clause 1, 2, and 3 stands part of the Bill?

#### Motion agreed to

Part 1: Amendments to Part 2 of the Principal Act.

I put the Question:

#### That Part 1 stands part of the Bill?

#### Motion agreed to

Part 2: Amendments to Part 3 of the Principal Act.

I put the Question:

#### That Part 2 stands part of the Bill?

#### Motion agreed to

Part 3: Amendments to Part 4 of the Principal Act.

I put the Question:

#### That Part 3 stands part of the Bill?

#### Motion agreed to

Part 4: Miscellaneous.

I put the Question:

#### That Part 4 stands part of the Bill?

#### Motion agreed to

Schedule: Various references to "Chairman" replaces with references to Chairperson.

I put the Question:

#### That the Schedule stands part of the Bill?

#### Motion agreed to

Long Title: An Act to amend the Public Expenditure Review Committee and Audit Act 1995/96.

I put the Question:

## That the Long Title stands part of the Bill?

#### Motion agreed to

I put the Question:

#### That the Bill be reported to Parliament

Parliament is resumed.

MADAM SPEAKER: Are you ready for your Report Minister?

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

#### That the Bill has progressed through the Committee Stage with no amendments

MADAM SPEAKER: I put the Question:

#### That the Report be adopted?

#### Motion agreed to

MADAM SPEAKER: I call the Minister to move for the Third Reading please.

HON. M. BROWN: Thank you Madam Speaker. I now move:

## <u>That the Public Expenditure Review Committee and Audit</u> <u>Amendment Bill be read a Third time</u>

MADAM SPEAKER: Is there a Seconder for the Motion?

## Seconded by the Honourable Tai Tura

I put the Question:

# That the Bill be now read a Third time?

## Motion agreed to

**ACTING CLERK AT THE TABLE:** Long Title: An Act to Amend the Public Expenditure Review Committee and Audit Act 1995/96.

## **BILL READ A THIRD TIME**

**MADAM SPEAKER:** Honourable Members, that completes the First, Second and Third Reading of the Public Expenditure Review Committee and Audit Amendment Bill.

We will now go to our last Bill on the Business of the Day, Customs Legislation Bill 2020. I call on the Minister to move for the Second Reading of the Bill.

HON. M. BROWN: Thank you Madam Speaker. I move:

# That the Customs Legislations Bill be read a Second time

Madam Speaker, this particular Bill has the specific purpose of making amendments in Customs Legislation to accurately reflect our ratification of the Pacer Plus Agreement.

For the benefit of the Members, the Pacer Plus Agreement is a Regional Agreement between Pacific countries including Australia and New Zealand for closer economic relations and it deals specifically with an Agreement between Member countries on trade of goods and trade of services. It is expected that this Agreement will come into force three months after its ratification in June.

We are one of a minimum of eight countries required to ratify for this Agreement to come into force. We have already been a signatory to this Agreement for the last couple of years and people may ask the question what is the benefit of being part of the Pacer Plus Agreement?

The benefits are if you are especially an exporting country and being part of the Agreement means that if you want to get your product into a market internationally rather than you as a country trying to do it on your own, you can be part of the Pacer Plus Group and have access to these markets.

So for the Cook Islands, our access to international markets because we are part of Pacer Plus is the same as the markets that Australia and New Zealand have access to. Any markets that Australia or New Zealand derive access into, we will automatically as a Member of the Pacer Plus Agreement have the same access as they do into those markets.

We are not much of an exporting country at the moment but we have been talking about diversification and if we do get to the stage in the future where we may be having crops that we want or products that we want to get into international markets this Pacer Plus Agreement will allow us to access the markets that our larger partners have already access into.

Many of the countries in the region still rely on tariffs to protect their industries. One of the things our country did many years ago was to remove those tariff protections on our people and I believe it was the former Prime Minister Dr Terepai Maoate who initiated that quite a few years ago now.

As a result of that we will not be affected by removals of tariff barriers that are part and parcel of this Pacer Plus Agreement because it's already been done. However, as part of the new countries that will be with this Pacer Plus both Australia and New Zealand have put together funding to assist our Border Agencies like the Bio-Security, Customs to enable our products to go into international markets and their support package to the Cook Islands alone totals 8 million Australian dollars and this will go towards the areas of strengthening our border and trade agencies to improve and take advantage of the benefits of Pacer Plus.

Therefore, these Amendments that we are talking about are put in place to recognise our ratification of Pacer Plus and to recognise any of the Pacer Plus obligations and commitments that we will be part of. We had looked to pass this Legislation in the previous Sitting of Parliament but I am very happy now that we are able to do it in this Sitting of Parliament before the ratification of the Agreement in June. Thank you, Madam Speaker.

MADAM SPEAKER: Thank you. I call for a Seconder for the Motion please?

## Seconded by the Honourable Tai Tura

I shall give you a medal for being the best Seconder of this Sitting. Are there any speakers to the Bill? I see the Honourable Tina Browne.

**HON. T. PUPUKE BROWNE:** Madam Speaker, I simply wanted to indicate the Opposition's position with regard to this Bill. The Opposition supports this Bill and supports the matters or the purpose of the Bill. It is timely that we should do that if indeed the Pacer Plus Agreement is going to be ratified in June and the fact that the Amendments enhance the consistency of the Principal Act with the equivalent Legislation overseas and internationally and finally improve the drafting or include drafting improvements in the Bill.

For all those reasons, I give the support of the Opposition on behalf of all Members of the Opposition.

MADAM SPEAKER: As there are no further speakers, I will put the Question.

The Question is:

## That the Bill be now read a Second time

## Motion agreed to

#### ACTING CLERK AT THE TABLE: Long Title: An Act to -

- (a) Update Customs Legislation to be consistent with the provisions of the Pacific Agreement on closer economic relations plus Pacer Plus Agreement, and
- (b) Enhance the consistency of the Principal Act with equivalent Legislation overseas and international standards, and
- (c) Make other technical and drafting improvements.

## **BILL READ A SECOND TIME**

**MADAM SPEAKER:** Thank you. I now resolve Parliament into the Committee of the Whole House to go through the Clauses and Parts of the Bill.

## **COMMITTEE OF THE WHOLE HOUSE**

**MADAM CHAIRMAN:** We will cover the Clauses, the Parts and the Long Title of the Bill now.

Clause 1: Title

Clause 2: Commencement

I put the Question:

## That Clause 1 and Clause 2 stands part of the Bill?

#### Motion agreed to

Part 1 Amendments to Customs Revenue and Border Protection Act 2012.

I put the Question:

## That Part 1 stands part of the Bill?

#### Motion agreed to

Part 2: Amendments to Customs Tariff Act 2012.

I put the Question:

## That Part 2 stands part of the Bill?

#### Motion agreed to

Long Title: An Act to -

- (a) Update Customs Legislation to be consistent with the provisions of the Pacific Agreement on closer economic relations plus (Pacer Plus Agreement) and
- (b) Enhance the consistency of the Principal Act with equivalent Legislation overseas and international standards, and
- (c) Make other technical and drafting improvements.

I put the Question:

#### That the Long Title stands part of the Bill?

## Motion agreed to

I put the Question:

## That the Bill be reported to Parliament without amendments?

## Motion agreed to

Parliament is resumed.

**MADAM SPEAKER:** I ask the Minister to give the Report please.

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

## That the Bill progressed through the Committee with no amendments

#### MADAM SPEAKER: I put the Question:

## That the Report be adopted?

## Motion agreed to

I now call on the Minister to move for the Third Reading of the Bill please.

HON. M. BROWN: Madam Speaker, I move:

## That the Customs Legislation Bill be read a Third time

MADAM SPEAKER: I call for a Seconder for the Motion please.

## Seconded by the Deputy Speaker, Tai Tura

I put the Question:

## That the Motion be agreed to?

## Motion agreed to

## ACTING CLERK AT THE TABLE: Long Title: An Act to –

- (a) Update Customs Legislation to be consistent with the provisions of the Pacific Agreement on closer economic relations plus, and
- (b) Enhance the consistency of the Principal Act with equivalent Legislation overseas and international standards, and
- (c) Make other technical and drafting improvements.

## **BILL READ A THIRD TIME**

**MADAM SPEAKER:** Honourable Members, that completes the First, Second and Third Reading of the Customs Legislation Bill 2020.

Thank you very much Honourable Members. We have gone well over time and it is very good that we have completed these Bills today and you will be even happier when I tell you that the COVID-19 Amendment Act 2020 has received the Queen Representative's assent and it is right with us in this room.

I have to apologise, I am sitting right here and it is really affecting me and so I sort of off track some of the time trying to keep warm. But it has been a wonderful day and I thank you very much for the work well done.

So Leader of the House, we have tea and coffee ready outside for nice warm drink before you go home. I ask the Leader of the House to move a Motion please.

**MR T. ELIKANA:** Thank you Madam Speaker. I think everybody will appreciate the next Motion that I would like to move before this House.

Madam Speaker, I move:

## That Parliament adjourns Sine Die

MADAM SPEAKER: I ask for a Seconder for the Motion.

## Seconded by the Honourable Prime Minister, Henry Puna

HON. H. PUNA: Madam Speaker can I just speak briefly to the Motion.

#### MADAM SPEAKER: You may have the Floor.

**HON. H. PUNA:** Really Madam Speaker, I just want to thank all Honourable Members and everybody in this House for the wonderful effort that we have put in to this special Parliamentary Sitting. It is even better that we were able to bring all our Outer Islands Members of Parliament together for this Special Sitting. Thank you for your cooperation in being here.

Madam Speaker we all understood why we are all here and we will accept it why we are here for this special sitting. That is the very spirit that our people throughout this crisis have shown time and time again. In addition to the expression of thanks I did earlier on, I want to thank especially all our Puna for their wonderful efforts in reaching out to our people. It has become quite clear that this is a system that we must continue to maintain if we are to reach all of our people in our country.

The many volunteers that have step up has been quite amazing and the professionals from the Ministry of Health and others as well as our Police force has been extraordinary too. In fact, the effectiveness of the Puna is such that it has inspired our Ministry of Health to consider a new way of making sure that our Health Services are accessible for as many of our people in our communities as possible.

It has also inspired Government to also look at how we can better deliver services to our Outer Islands. This is very much a work in progress but thank you to the Puna concept that was brought to light under this emergency. I just want to thank Puna Puaikura in the district of Puaikura for their acceptance of having the quarantine of our returning Cook Islanders carried out at the Edgewater Resort.

They accepted the request from Government through the Minister of Health as well as the Minister of Internal Affairs at a meeting last night. In fact, they have done more than that they have offered volunteers to help assist with the security of the premises so that the quarantine can be properly and completely safe. So, I think an expression of gratitude is due to Tinomana Ariki as well as all the Chiefs and the people of Puaikura, thank you so much.

I want to thank us all in this Honourable House too, for not playing politics with any of the issues that we have dealt with. In fact, our gratitude goes to all the officials that have worked tirelessly and under extreme pressure over the past few weeks to get ready for our sitting and what needed to be brought to this House.

New Zealand and Australia are talking about a common bubble, I have already expressed to Prime Minister Arden and to the Australian High Commissioner our desire to be part of that bubble after all, we are COVID free, we should be the first member of that bubble. And right now the Pacific leaders are talking about a pacific bubble as well. But yes, Honourable Members your views are very strong and clear about making sure that whatever we do that we must keep our *Ipukarea* safe.

That is our shared and overriding priority. So, with those few words, Madam Speaker, thank you very much to you and the staff of Parliament and thank you to all Honourable Members. God Bless us all.

#### MADAM SPEAKER: Thank you Honourable Prime Minister.

I will now put the Question:

## That the Motion for the adjournment *Sine Die* be agreed to?

#### Motion agreed to

Before I asked an Honourable Member to say a prayer for us before finish. I would like to thank our Solicitor General for being with us since one o'clock this afternoon. We are very thankful for your help given before and up to today.

May I ask the Leader of the House to close our Sitting with a word of prayer.

## **CLOSING PRAYER**

## Parliament adjourned at 6.52 p.m.