



# FORTY-NINTH SESSION

## Hansard Report

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**WEDNESDAY 1 JULY 2020**

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

**OPENING PRAYER**

**MADAM SPEAKER (N. RATTLE):** Honourable Members please be seated. Our first business for today is a Message from the Queen’s Representative.

*Message to Parliament: Royal Recommendation, signed by the Queen’s Representative Sir Tom Marsters.*

*Message No. 4*

*“The Queen’s Representative in pursuance of Article 3 of the Constitution, on behalf of Her Majesty and in pursuance of Article 43 of the Constitution recommends Parliament to proceed upon the Bill Short Title where is the – COVID-19 (Economic Response) Act 2020.”*

*DATED at RAROTONGA this 30<sup>th</sup> day of June 2020.*

Kia Orana to all Members of Parliament that have entered the House today. Kia Orana also to the people of the Cook Islands in the Northern Group, Southern Group and also on Rarotonga.

I would also like to welcome Jonathan Milne from the Cook Islands News, the Editor of the Cook Islands Newspaper and Miss Tiana Haxton from the Cook Islands Television.

Honourable Members, as I announced yesterday that my decisions would be given today first on the media and second on the petition.

I shall read that. Honourable Members in regards to the Motion that was passed in the House on Monday 22<sup>nd</sup> June 2020 that reads; *That this Honourable House resolved that the Cook Islands News headline and article on the front page of the paper last Friday dated 19<sup>th</sup> June 2020 which published the report of the proceedings of Thursday 18<sup>th</sup> June 2020 was inaccurate and unfair and further that the Honourable Speaker is also of the opinion that of the 19<sup>th</sup> June 2020 was inaccurate and unfair shall order that the media representative that made the report Rashneel Kumar be ordered to withdraw from Parliament for a period to be determined by Madam Speaker.*

I have scrutinised all relevant information available on the matter. I have a number of concerns with the article and sought a response from the Cook Islands News about the use of certain words. At the end of the day, there are two issues with the article that are of concern to me. The first is the headline – MPs seek allowance top ups. The Cook Islands News has said that the headline is accurate. There were two MPs that questioned the spousal allowance, so they were entitled to use the words MPs. They also advised that top up is what it is, a top up to the salary that one has.

Whilst I accept that on one reading the Cook Islands News is correct, there is a second meaning to the headline that is available and that is MPs are seeking more allowances than what are otherwise permitted. It is the second meaning that is the meaning most likely to be taken from the public reading it and it is because of that, that I find that headline is unfair.

The accuracy relied on by the Cook Islands News is technical in nature and not one of substance. The paper needs to take more care with its headline and not word play with the English language to create dual meanings.

The other aspect of the article that concerns me is the use of the word demands in the first paragraph of the article. I find that use of the word demands is both inaccurate and unfair. The Cook Islands News has accepted that in hindsight the word conveys more forcefulness than what was otherwise there and they have apologised to me for the use of that word. Whilst they have apologised to me, I note that they have not seen it fit to apologise to the public and have continued to print articles that do not acknowledge any fault.

The second paragraph onwards of the article is an accurate report of the proceedings before this House and someone reading this article in its entirety would know what was the situation before the House and would have read the headline and the use of the word demands as likely attempt by the paper to sensationalise a story. They would have known that there were two Opposition MPs seeking to clarify the situation in respect of spousal allowances.

However, we know that people do not read an article in its entirety. I read with interest an article published by the Editor of the Cook Islands News referencing the support of the paper had received from PINA – Pacific Islands News Association. Of particular interest the article sighted by Polynesia Co-Chair Monica Miller saying it was also a wakeup call for multi-media Pacific Journalists to take care in writing headlines.

For the many who get their news scrolling on a phone screen the inference from the headlines maybe all that matters as they comment, like and share.

The Cook Islands News has advised that both the headline and the use of the word demand were editorial decisions and words used by the Editor that they were not the words of the Journalist in question.

It would seem that the Journalist was responsible for writing the second paragraph onwards which I note is accurate and it was the Editor that was responsible for the offending parts of the article.

What then should I do? It seems unfair to punish a Journalist for actions of their Editor. My power in Parliament is only directed towards the Journalist not the Newspaper as a whole. There is nothing to stop the paper from sending another Journalist down to report on the proceedings of the House. That Journalist will be under the same Editorial revisions as this current Journalist.

I have come to the view that on this occasion, I am not going to order the Journalist to withdraw from Parliament. However, if it happens again I will not draw any distinction between the Journalist and the Editor when it comes to the publication of an article. It will be treated as if it was the Journalist and that Journalist will be ordered to withdraw from Parliament.

I am going to, however refer this article to the Media Council along with a copy of the response received from the Cook Islands News and this decision that I give to you today.

While the Honourable Minister Mark Brown has said the Media Council is idle, I have been informed they do exist and hope that this complaint will mean that they no longer remain idle. And for your information, all of this information is compiled and they will be delivered to each of the Members of this Council when we finish this delivery.

Thank you and before I present my second decision, I welcome one of the Petitioners into the Public Gallery, Miss Justine Flanagan and this will be my decision on the advice given to me on the Anti Chemical Treatment of the water supply of Rarotonga Petition.

Having received the advice about the operation of the applicable Standing Orders of the Petition process, a Petition that is in order will be referred to a Select Committee whether or not it has been read under Standing Order 81.

As Speaker, I am ruling the Petition out of order as the first Prayer of Relief is outside the power of Parliament. The first Prayer of Relief is for Parliament to cease immediately any action to use chemicals to treat the water supply of Rarotonga.

This is asking Parliament to issue an injunction. This is not within the power of Parliament. Accordingly, the Petition will not be received by Parliament and will not be referred to the Select Committee. Thank you very much Honourable Members for your time.

We will now go to our Question Time for half an hour and I see the Honourable William Heather.

**MR W. HEATHER:** Madam Speaker, greetings to you today and to all the Members of this House. To the Prime Minister, Deputy Prime Minister, Ministers of the Crown, to the Members of Parliament on the Government side and also to our Leader of the Opposition and all my colleagues, I say greetings to you all.

I would like to ask my question to the Associate Minister of Agriculture, Honourable Patrick Arioka. A couple of months ago, the Nono Factory burned down and my

question is what is happening to the Nono growers at this time and whether Government has any plans?

Madam Speaker, a nono grower rang me yesterday and talked to me about the nono industry and further I asked the question about vanilla production in the House the other day and he was happy with the question that I asked the Associate Minister so he asked me what about the nono, what am I going to store the nono juice in? Today all my barrels are full of juice and I do not have any other containers to store the nono juice. So can the Associate Minister please tell us if there are any way we can help these growers. Maybe the funds that will be used to purchase the tractor for the Matavera Growers can be used to help the nono growers.

**MADAM SPEAKER:** Thank you, and I see the Honourable Member Patrick Arioka.

**MR P. ARIOKA:** Thank you, Madam Speaker. Greetings to all of us this afternoon. To the Government side, greetings to you all and to the Leader of the Opposition and your Members, greetings to you all. Greetings to our people listening over the radio to our debate and a special one to all our growers wanting to hear our response to the questions.

Madam Speaker, I thank the Member of Parliament who posed this question because this problem needs some very quick assistance from Government. From the day the Nono Factory burned down the Government gave some assistance but they said there is no problem. It was said that this building will be rebuild so the Nono industry can start again.

We were happy with that information because we can see that this industry is moving forward. A few months ago we received information that this building has not been rebuilt and were also told that insurance has been paid out but the work on the building has not been done.

We met with the Nono Growers to find out what really are problems they are encountering today. There are lots of problems and we must ensure how we can find ways and means to address these problems.

Firstly, the operation of this factory and we found that our growers are not under this administration and it is the owner of the company that does the management and the administration.

Secondly, they have no record or report to confirm us that what they have promised to do, they will carry. We didn't stop there, we continued to find ways how we can support our planters.

Today, the Government and all the organisations who support this programme is looking into how we can work ahead. The Honourable Member mentioned that the barrels are full and there are not enough barrels to store the nono. Therefore, we want to further look into this issue and we will meet with the nono growers to find ways how Government can assist this area.

However, I have seen some hard working growers using water tanks to store their nono juice. That's the response that I can give about the nono and our involvement with the Ministry. Thank you.

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

**MR V. TUPA:** Thank you Madam Speaker. My question is also a request and this is going to the Minister for the Ministry of Culture.

I want to tell this House and the Minister Responsible Madam Speaker that on our way to Parliament, myself and the Member of Parliament for Ngatangia turned in to the Ministry of Culture. My colleague here is my witness so that I am not quoted incorrectly in the newspaper.

When we went to visit the Ministry of Culture, we discovered that renovation work is being carried out. The Secretary for the Ministry of Culture also confirmed this with me. When we were looking around, I rang the Secretary for Culture to ask him what was happening. He told me they were doing some renovation work and looking at replacing the iron roofing. He also told me that some of the iron roofing has rusted and some are still good.

So the question to you Mr Minister is, these iron roofing that will be removed, because I am looking if there are areas that can be assisted, what are you going to do with these iron roofing. The Secretary for the Ministry of Culture told me they will do something after Constitution Celebrations. This is my question to you Mr Minister. Thank you.

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

**HON. G. ANGENE:** Thank you Madam Speaker and thank you Honourable Member for Ngatangia for that beautiful question. That's the type of question that we should ask in this Honourable House.

The question is, what I am going to do with these iron roofing that will be removed. Most of these iron roofing are still good but let us look at the Outer Islands because I want to provide assistance to those of our people who needs assistance. We have Moses and all the prophets, meaning this is where we manufacture iron roofing which is supplied by two main companies, I decided to look at the outer islands especially the northern group islands. Maybe the Members of Parliament from the Northern Group can find out whether they will need some of these roofing iron to help our people who needs to improve their iron roofing on their houses.

We should also consider the people in the Southern Groups. We also have people there who will want these roofing iron but it must not go to those unoccupied houses but to those homes with people living in them. I believe a lot of these iron roofing will be removed.

Coming back to Rarotonga, we have two more buildings that we need to remove its iron roofing, maybe we can share those to people here who are in need of them.

That's the answer to your question Honourable Member. There are also other dwellings such as cooking shelters for churches that these iron roofing can be given to help them. However, I don't want to give these iron roofing only to discover that you have used them to fence your pigs. It is my wish that these iron roofing can be used properly for the need of our people. Thank you.

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

**MR V. TUPA:** I have a supplementary question Madam Speaker.

You explained Honourable Minister about your plans for these iron roofing so maybe our church can also make a request to you. During past years, Papa Iotia used to do this type of work for us but now he is not well. I have now taken over the responsibilities from Papa Iotia, so my question to you is, should I come to you to make our request for the iron roofing or do I go and see the Secretary of the Ministry of Culture.

**MADAM SPEAKER:** Thank you. I see the Minister of Culture.

**HON. G. ANGENE:** Thank you for the question Honourable Member for Matavera, Toti Tupa. Do you want some iron roofing for the cooking house? There are three of you Members of Parliament from Takitumu, and starting from you, the three of you get together and make a collection, one for this year and next year, you collect again for the other person. Then for the following year, you do the same for the next electorate.

To answer your question as to whom you should see, because I am the Minister of the Ministry of Culture, the Secretary will still come to me. However, this contract is under the management of CIIC so this is a good time for you to come and see me so I can negotiate with our Prime Minister who is the Minister for CIIC. Thank you.

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

**MR T. MAOATE:** Thank you Madam Speaker. Kia Orana to all of us in this afternoon.

My question is to the Minister of Telecommunication. As we have spent quite a bit of money on the Matua, I would like to ask the Minister to give an update of where we are.

This morning we tried to connect to the internet and we struggled to get on. I am aware that the Outer Islands are still having those issues. Can the Minister please update us about the Manatua project?

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

**HON. M. BROWN:** Thank you Madam Speaker and thank you to the Honourable Member for the query. A very good one too because I am happy to advise the House before the public release of the Media Statement that the Manatua Cable is on track to be commissioned on the 8<sup>th</sup> July, providing certain criteria is met of course.

But this commissioning of the cable is basically the Manatua Cable between our four countries being completed by the contractor and handed to the consortium. And of course then it will be up to each consortium member through their own company to then provide the service or sell the wholesale service on the cable to potential clients. And of course in our context Avaroa Cables Limited is the owner of our shareholding in Manatua Cable, that is our cable company.

And I know that Avaroa Cables Limited is in discussions and negotiations with the first client which will be Vodafone and those discussions are happening underway. And I am not in a position yet to confirm when that agreement will be reached but I am sure that as soon as it is done I will be advised and in the next one to know will be yourselves. But one thing I do know Madam Speaker is that the company has been doing some test on the cable and the initial is showing that it is performing flawlessly. So I am hopeful that we will have some good news to announce in the coming weeks. Thank you Madam Speaker.

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

**HON. T. PUPUKE BROWNE:** Thank you Madam Speaker. Kia Orana to all of us Honourable Members in the House today. Kia Orana to all our people watching Parliament on the livestream and listening on our radio.

I really wanted to direct my question to the Honourable Minister George Angene but he has gone outside maybe when he hears this he will rush back into the House. But in the meantime I want to ask the Prime Minister whether he received a response regarding the incorrect statement in the Cook Islands News. To give the Prime Minister sometime for his response and now that the Minister George Angene is back in the House, I will ask my question to him.

I want to inform the House, since I first became a Member in this House I have always been amazed at the knowledge of the Minister on the Bible. It is always easy and quick for him to provide chapters and verses from the Bible with the meaning. However, yesterday in my hearing it was out of tune the Bible verse he provided. I went and researched in our Hansard report to make sure I heard right as to the Bible verse that was provided.

In our deliberations on the Seabed Minerals Bill the Minister advised us that we should accept all these benefits because this is right for our people. I quote the Hansard; “the word of God says, concerning the blessings that we are receiving we should do the right thing for our people. Maybe you will ask me where to find this verse, the answer is in John 5 verse 39.”

When I looked in my Bible for this verse this is what I found; “Search the scriptures; for in them ye think ye have eternal life: and they are they which testify of me.” I found it difficult to connect this verse to the Minister speech yesterday.

Secondly, “we will ask what did Judas say, let me feel if this is Jesus. Judas became aware that this is Jesus.”

**MADAM SPEAKER:** Honourable Member excuse me. Could you just look at Standing Order 92 please? We are to ask questions to a Minister or a person in relation to what they are responsible for regarding official connected or administrative as the questions on. It seems to me that you are talking about something personal, biblical is that correct? Is there a connection to his official responsibilities?

**HON. T. PUPUKE BROWNE:** I think so Madam Speaker and let me explain. Two things, it is about being accurate in Parliament. Secondly, we have all agreed in this House which is quite good that almost every Member of Parliament when they speak, they quote a verse and they back it up from the Bible.

My point is simply this, if you are going to quote a Bible verse then be accurate about it that is all. And I think 92 should assist me because it is all about all of us being accurate when we are quoting verses in the Bible. Just on that last phrase that I was talking about, it was actually not Judas it was Thomas. Thank you.

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

**HON. G. ANGENE:** Thank you Madam Speaker and the Leader of the Opposition for your point on the Word of God. I passed your Opposition Parliament room one day while you were having prayer and you were on your mobile phone with no respect for God.

The meaning of the verse I quoted for the sake of our people listening in and found in John 5 verse 39. I said before whoever sees something good and don't take it then it becomes a sin. And the meaning why I quoted John 5 verse 39 it means you should look for it instead of me telling you what it is.

**MADAM SPEAKER:** Thank you very much. Yes, we need to be asking questions that relate to the responsibilities, not your personal responsibilities but your administrative work responsibilities. I take your point that you think something was, Honourable Tina Browne you think something was quoted incorrectly and you are wanting it corrected. Just look all of you, just look at your Standing Orders on questioning that starts at 92.

That finishes our Question Time. We will now go to Presentation of Bills and that is on COVID-19 Economic Response Bill and I call on the Minister Mark Brown.

### **PRESENTATION OF BILLS**

**ACTING CLERK AT THE TABLE (J. DANIEL):** Long Title Reads: COVID-19 Economic Response Bill 2020.

### **BILL READ A FIRST TIME**

**MADAM SPEAKER:** Thank you, would the Minister please name the date and time for the Second Reading of the Bill?

**HON. M. BROWN:** Forthwith, Madam Speaker.



**MADAM SPEAKER:** The COVID-19 Economic Response Bill 2020 has been called for a Second reading forthwith. I call the Minister to move for the Second Reading of the Bill.

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

**That the COVID-19 Economic Response Bill 2020 be read a Second time**

**MADAM SPEAKER:** Honourable Minister, before you continue, can I just do a job please? For the presentation of Paper 58, I call the Minister for that.

**HON. H. PUNA:** Madam Speaker, I stand on behalf of the Minister of the Environment who is in Aitutaki on an official commitment and I am pleased:

**To present this Report on his behalf**

**MADAM SPEAKER:** Thank you very much, Honourable Prime Minister. We will now go to the Orders of the Day which is the Second Reading of the COVID-19 Economic Response Bill and I call the Minister Responsible to move for the Second Reading of the Bill.

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

**That the COVID-19 Economic Response Bill 2020 be read a Second time**

**MADAM SPEAKER:** You may continue, Honourable Minister.

**HON. M. BROWN:** Thank you, Madam Speaker. This Bill before the House today is one of the important pieces of Legislation needed to bring into effect the Economic Response Plan that our country has entered into.

Like the previous two Bills that we passed yesterday, this Bill is been put together in a very short timeframe to allow support to those in need. It's been the result of extensive discussions with various sectors of our economy including the Banks, including the Private Sector Task Force, including our donor Agencies and indeed all of our Government Agencies.

We recognise the need, Madam Speaker to deal with an unprecedented economic situation which has an immediate negative impact on our businesses and on employees as a direct consequence of the closure of our International border due to COVID-19. Government needed to take action very, very quickly, Madam Speaker and that is what we have done.

But that approach, Madam Speaker must also be tempered with a Legislative response that we see before us, a response that is temporary, it's proportionate and it's linked to the objective which it seeks to achieve and that is to help the interest of the Cook Islands community.

The main objective of this Bill, Madam Speaker is to assist otherwise profitable and viable businesses affected by the COVID-19 prices to avail themselves of the

government's credit initiatives, continue trading in a current business environment and thereby preserve their economic value and save the jobs of their workers.

In other words, Madam Speaker we have undertaken a rescue package to prevent businesses from going bankrupt and from people being sent home.

The first measure we have put in place in this Bill is for the protection of Company Directors. This is a measure that we have put into Legislation, it introduces a protection period for Directors of financially stressed companies and initially this period will be for a year from 1<sup>st</sup> March this year until 28<sup>th</sup> February 2021.

What this provision does, Madam Speaker is it suspends the Director's liabilities in respect of insolvent trading and provides Directors with a safe harbour from the duty contained in Sections 88 and 89 of the Companies Act. This will provide Directors of Companies in financial distress with the assurance that if they act responsibly and continue trading in good faith they will not be found to be in breach of these duties and because we are heading into uncertain times we have looked at a provision that allows this protection period to be extended for another year before the suspension of their duties and obligations as Directors can if required continue to the end of February 2022.

The second measure is to do with the business debt hibernation. This measure introduces a regime that allows eligible businesses to enter into a binding compromise and arrangement with their creditors in relation to their existing debt. This will allow businesses in financial distress a temporary break from creditors enforcement action.

After a three month initial protection period for businesses that need the eligibility criteria and file the required notice, a subsequent protection period of six months will be conditional on reaching a binding agreement with the businesses creditors.

This is a measure, Madam Speaker that is over and above the interest rate relief that is provided under the Economic Response Plan.

The third facility that this Act refers to, Madam Speaker is the Business Loan Facilities and Guarantees. This will allow the Financial Secretary, on behalf of the Crown to enter into loan guarantee or indemnity contracts to support businesses. This is established to provide the Financial Secretary with the ability to put into operation two key aspects of our Response Plan and these are the Business Continuity Credit Facility. These are low interest loans made available to those businesses who need money for working capital.

The second one is the Business Growth Loan Programme and these are geared towards those businesses wanting to expand or grow their businesses. Both of these programmes were appropriated in the Appropriation Act that we passed. This legislation enables us now to utilise those money that were appropriated. The Bill does specify, Madam Speaker that the two measures that are outlined that they require full disclosure of the loan terms and conditions prior to release. This Bill is crucial to the success of the 76 million dollars that we have put aside for the Economic Response Plan and to support our businesses access to the credit initiatives.

It is this support plan Madam Speaker that will allow our businesses to continue trading in the current business environment which is very very depressed and thereby preserve the economic value of these businesses and help keep people employed. The most important thing we can do now as a country Madam Speaker, is to ensure that money is going out to our businesses and to our communities. We cannot afford to let our companies fail because the consequences of that are far far greater and far more costly than what we are spending right now.

At the end of the day Madam Speaker, the preservation of all of the investment that's been put into our country of hundreds of millions of dollars is important. When we say hundreds of millions of dollars these are big companies and hotels, retailers, transport companies, rental companies all the way down to small companies, holiday homes, market vendors and your growers and fishermen who had invested in their machinery and fishing boats. Every single one of these businesses and every single one of these investments, Madam Speaker is at risk of lost and failure if we do not take these actions. Therefore, I urge all Members of the House to be of good courage. These are tough times that we have before all of us we only have to look on the TV around the rest of the world how bad the situation is in other countries.

So, I urged the Members of the House to support the provisions in this Bill and I lay this before the House. Thank you Madam Speaker.

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

**Seconded by the Honourable Tingika Elikana**

I propose the Question:

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

The Floor is now open for debate. I see the Honourable Wesley Kareroa.

**MR W. KAREROA:** Kia Orana Madam Speaker and to all of us in the House. Firstly, may I be allowed to give my regards, not for my people because they cannot hear me? I would like to send my condolences to those covered by the dark cloud, I feel sorry for them especially at times when Parliament sits somebody passes away. So I would like to say some words to comfort those families who has lost love ones during the last previous weeks.

Now coming back to the Bill before the House, I know I am incompetent to methodically read through the provisions of the Bill because I am just only a fisherman. But let me use my knowledge and understanding in being a fisherman to apply to this Bill especially concerning the small to big businesses.

I know sometimes when you go fishing, sharks will attack your fish and I liken the shark to be tax collectors. When we look at this Bill it appears that Government is returning some support to business as well in the private sector too. So if you see you are facing some difficulties with your business there is a provision that we can see that Government can help us. And when I look at this Bill it does not show what the percentage of the interest is if you borrow some money to keep you afloat with your

business during this time. For the repayment of the loans it hasn't been stated so you and the bank can discuss how. I stand to be corrected if what I am saying or understanding is wrong.

I know even the local airline I am working for is going through the same difficulties and we are being supported by Government. Two of my employees are being paid by Government under this support scheme. I helped to get them paid by Government and as for me I am not being paid.

In relation to Clause 9 stating of the Purpose of Business Hibernation, I understand and liken it to coconut crabs that hibernates for three months, they will rest for six months and during that time their shell will soften and change and three months after that they are fat. I think it relates to this business debt hibernation and I think they are good things. So I give my support to this Bill and because of the shortness of time I do not have enough information that I can share. Sometimes my team calls me a reserve speaker as I have to trigger them to share their views. That is all I have Madam Speaker. Thank you.

**MADAM SPEAKER:** Thank you very Honourable Member. We will take a break and come back at 3.00.p.m.

**Parliament adjourned at 2.28 p.m.**

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

**MADAM SPEAKER:** Honourable Members please be seated. Parliament is resumed.

The Floor is open and I see the Honourable Terepai Maoate. We are on the interrupted debate on the Second Reading of the COVID-19 Economic Response Bill 2020 and you have the Floor.

**MR T. MAOATE:** Thank you Madam Speaker and greetings to all of us this afternoon. To this Honourable House and to our people listening on the radio – greetings to you all.

I will not be talking for long as I want to concentrate on this Bill. As explained by the Honourable Minister of Finance, we can understand all the points he has spoken on but there are just a few minor things that I want to ask for him to explain. I believe this Bill is drafted and constructed to benefit our people. As we all know that when we entered through this period of the COVID-19 the Government has given its assistance to our people which was the Economic Response Phase I.

I believe there are some of our people that are yet to receive their entitlement but the Ministry of MFEM those people can claim for their entitlement support. And in the Appropriation Bill that we have just passed is the Economic Response Phase II allocation of \$64 million, this is for supporting our people during this bad time.

The Minister has given the explanation of the 4 steps of the Economic Response and this include small businesses that are in dire strait and the hibernation debt. I think I dwell on the matter of loans.

I support this Bill but in regards to the loans I want to warn our people to be careful. If you have a debt you need to consider this properly and get some people to advise you that knows a lot about finance. This is not a grant you are required to pay this money back in the near future. And we don't know the whole situation with this disease. I have read in the newspaper that the Prime Minister and Deputy Prime Minister of New Zealand they are not supportive of opening their border for people to come to the Cook Islands.

But we know that all of us in this House we would want for New Zealand to open the borders because we will benefit this taking place. So I ask the Deputy Prime Minister to talk to your counterpart in New Zealand for this to take place.

I would like to ask the Minister of Finance to tell us whether those who will be borrowing or loaning money whether they will be given a rest period of not paying for the loan maybe for 6 months or one year. But for those of us whose businesses is still going strong and I know some will be able to bear this burden. And to use this funding to support them in building or maintaining their business for example hotel accommodations.

So I would like to ask these hoteliers to go into this so that their business will be supported. In Aitutaki there are some businesses who through this system can be supported but there are some of them that will struggle. So to the people of Aitutaki your three Members of Parliament when we return home are available to come and talk to us about this matter. Thank you Madam Speaker.

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

**MRS S. NAPA:** Kia Orana to us all Honourable Members in the Name of our Lord. Just a few point that I want to raise before the House. I can see that this is a good Bill to support businesses in our country during this tough times. I was not planning to stand for this Bill because I received some messages from some business people in my constituency.

So it is only appropriate for me to stand to raise their frustration because there are businesses who are paying taxes and superannuation contributions every year. They are not able to pay the 30 percent required amount and they have submitted their application for assistance. Today they are still waiting for the response to their application especially those that was submitted in March, April and May.

They have discovered those in small businesses like planting, fishing and selling foods and goods at the local market they were paid with some funds to support their small business. But those with small village shops they are still waiting. There are some recently receiving funding support in the villages and I would like to ask for an explanation as to why this has happened.

They are asking how come that some people have been given in the first phase and also they will qualify for assistance in the second phase. I am therefore standing before the House and asking the question on behalf of these people whether they will still be paid.

I return to the Bill on the second part because I am aware that some owners are not sleeping well worrying as to how they will pay their employees and to continue their work so their business will keep afloat. When I look at this Bill there is an allocation given to support these businesses because they are trying hard to keep their business operating and also to survive by diversifying. So they can receive some income into their business to pay for their employees.

So, to all of our people listening in to our Parliament sitting. As to what we have heard explained to the House if you need any support for the Phase II Economic Response who need to register your business through the Ministry of Justice for you to receive an entitlement for a support from the Government. If my explanation is not true or correct maybe someone else in this House can help to explain to the people.

My understanding even if you have already registered your business at the Ministry of Justice you need to register it again. This is all that I can contribute to this Bill and to ask our people if you have any problem please go and visit your Member of Parliament. Maybe see the Ministry of Finance and discuss with them as to what support are available and how you can go about this to be eligible to receive it. So that your business will remain operational to serve our people.

With all my colleagues you have spoken earlier I stand to give my support to this Bill.

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

**HON. G. ANGENE:** Thank you Madam Speaker and greetings to all of us in this Honourable House and all our people listening on the radio and watching on livestream on the intention and spirit of this Bill.

May I convey my greetings to my constituency and those who are listening? Kia Orana to my people of Tupapa-Nui of peace. You, my people of more than 500 that I am carrying today and for those who did not support me, I will include you in my greetings. Also from me the Member of Parliament for Tupapa/Maraerenga like what the Bible says, God is allowing his rain to fall on the good and the bad and so also with the Member of Tupapa, he supports those who support him and those who do not support him. I believe that you have supported me so that I can bring all your thoughts and what you want to be into this House. So thank you my people for allowing me to stand for you, to speak for you, to run for you, to write and do whatever you need me to do.

Madam Speaker, with regards to this Bill before the House, Tupapa/Maraerenga starts from the CICC Church in Avarua and finishes at Karekare. There are more than twelve businesses in this Constituency and I believe in this Bill that is before this House this will suit these businesses and I do believe that they will support me of what I am going to say to give my support to this Bill.

I cannot go against this Bill, my people are listening because I don't see anything that goes against me so I believe that this Bill will be debated well and the benefit will come back to our people.

Our Prime Minister and the Deputy Prime Minister and all of those who have worked together since 2010 because there are certain things that is brought before this House if

I am not happy with it I won't give my support and I want the House to know that my people put me here to speak for them. But in most cases I have always been supporting the Government.

Madam Speaker, Members of this House elected to this House by the people we know how a business is run. We will support this because it will benefit us. I am not a business man but I can read all the print in this Bill.

Madam Speaker and our people listening in, and those who watched the TV one night, someone mentioned that the people who should be representatives in this House are the ones who can speak English and who can write. I want to assure you that that is wrong because I believe that person is directing that statement to me.

You may have qualifications but to cut a tree down you can't. Madam Speaker, for me today, I went through a lot of things and a lot of learning and I ran on this field at *punu kiore* but I want to assure all of us where I have come from you cannot get there but where you are heading I will get there. If you are a lawyer, I have been working under a lawyer for over 24 years. I have also worked at the Police Department for 24 years and the last place I worked at is in our prison for 32 years and I received some qualification in that Department BAM – Bachelor of Action Man. That is where I discovered all the clauses in this Bill and the definitions of the words in this Bill.

Maybe I can translate it into English, it's not maybe, and I will translate. The title says Parliament of the Cook Island Order Paper and I think the remainder of the terms used in this you will not understand but I will understand when I read it in my English language. My forefathers comes from Scotland but I followed by grandfather's language Angene from the island of Atiu. I remained with my traditional language the Cook Island language. That is the reason why the Honourable Prime Minister appointed me as the Minister for Culture because I speak the Cook Islands language. Maybe it is possible in the near future that everything that is written in the foreign language to be translated into Maori not because I don't understand English but because of my status as a Minister of Culture and also Minister for the House of Ariki and also Minister for BTIB.

For the remainder of the day, let us be living in peace and surrounded by the love of God. Oh teach us to read our days and that we know how to follow your instructions, Amen.

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

**HON. T. PUPUKE BROWNE:** Thank you Madam Speaker. The Minister Responsible for this Bill is correct in saying that this is part or should be part of the other COVID-19 related Bills that we looked at earlier in the week and last week.

This Bill as I understand, it is simply legislating the actions or the measures that have been put in place to assist us during the COVID-19 period. Today is a new day. Yesterday's little disagreement is gone by us and we should leave that behind and we should move forward. We all made a commitment that we are all in this together and in line with that saying we have no objection to this Bill. It is designed to accommodate particularly those businesses that have suffered enormously as a result of COVID-19.

For example, when I look at the definition of a stressed company it saddens me because it does in reality demonstrate the hardship that some of the businesses particularly tourism related business are experiencing.

One of the definitions provided in Section 8 is that if as at 29<sup>th</sup> February 2020 you were trading as a solvent company and then during the protection period you are trading as an insolvent company. What it means and the protection period is defined as from 1<sup>st</sup> March 2020 to 28<sup>th</sup> February 2021, one year and of course the hope is and the wish is that things would be back to maybe half normal.

If however, it doesn't the Minister has the discretion to extend that protection period for another two terms of six months. And so we hope that the worse scenario is two years and we would not hope for that we would hope one year and one of the reasons that I think this is a very beneficial Bill for our people of the Cook Islands because what we are actually doing here is helping those industries or those businesses that have been giving us or providing or assisting us with our revenue in addition to us hopefully having the borders open.

In other words this is not the answer to all our problems, this is part of the answer to our problems. I am pleased with the sections with regard to the hibernation of the debts because we all know as business people that if you don't have any money you are going to have some problems with paying your creditors and creditors will be suing you in Court which will incur further cost because you won't be able to afford a lawyer. So hibernating the debt for a period of time is beneficial to what we are hoping to achieve and in that hibernation I see there are provisions in there for making certain arrangements with creditors. And of course because of our theme our Logo We are all in this together, we hope that creditors are also going to be accommodating.

I know now that there are many Landlords who have been very accommodating as far as tenants are concerned, tenants most of them who are foreigners and some Landlords have allowed them to continue to occupy their premises with no rental paid and that's part of the measures that we should be encouraging.

Part 4 of the Bill talks about the business loans and the guarantees that Crown will provide. I am sure that the business sector especially will be very pleased with this Part. It is designed to provide perhaps a lesser interest rate to businesses.

These are definitely hard times for about 70 percent of those that live in our country and we in the Opposition wish to support Legislation that ensures that the measures that we are putting in place drip down to the large businesses and also the sole traders. And so on behalf of our side of the House, we support this Bill. Kia Orana e Kia Manuia.

**MADAM SPEAKER:** Thank you very much, Honourable Member. I see the Minister Responsible for the Bill the Honourable Mark Brown.

**HON. M. BROWN:** Thank you, Madam Speaker and thank you to the Honourable Members for their support for this Bill which will go towards helping our people. There were some queries raised by some of the Members and I would like to take some time to respond.



The Member from Amuri/Ureia was inquiring about the type of rates that would be available to the business continuity credit facility. This is a loan facility to provide working capital to businesses who are struggling. This is a four-year loan with a grace period of two years. I should say there is a compulsory repayment after 24 months and if the loan is repaid in that first year then the rate is one percent but if it is taken to the four-year period it is three percent.

There was also queries about some of the applicants that have yet to receive approvals for their current applications and of course there are criteria to be eligible for the business grant facility that was started in March this year for example sole traders and so forth and one of them is firstly of course to register with the Superannuation and with the RMB and of course there is a need to demonstrate a loss of income a drop of 15 percent in your business to be able to qualify.

So out of the 1,007 entities that have applied for business support, Madam Speaker 858 grants have been paid out and there is only a limited number that have yet to be approved and many of them only applied in the last month in June and these number about 30. So the majority of those who have applied for support and qualified for that support, Madam Speaker have received the government support.

But this Bill here today is one of the components of the Economic Recovery Plan an important component to allow this money that we have allocated in the Appropriation to go out to businesses and individuals and it is a short term measure that we are putting in place in anticipation that our economy will start to recover within the year, if not within the two years.

But as we have said it will take a different, it will look a lot different from what it used to be.

If we look at the travel restrictions and the COVID infections in a lot of our markets that our tourist came from they are still struggling in a very bad way. The USA and Europe in particular I do not see any travel coming from those countries for at least two years.

The Australian Prime Minister has indicated that he doesn't see Australian travellers commencing at least until the beginning of next year. So from a tourism perspective our real opportunity exists only with our close partner, our family Aotearoa, New Zealand.

I am very happy to report to the House, Madam Speaker my discussions this morning with the Deputy Prime Minister Winston Peters focussed around the border restrictions and relaxing the travel between our two countries. Prime Minister Arden described New Zealand as a safe haven in this COVID infested world. We also are a safe haven, Madam Speaker.

So it makes sense in my discussions with Deputy Prime Minister Winston Peters he echoed the sentiments that a bit of common sense should be applied when looking at the situation between New Zealand and the Cook Islands in terms of our travel restrictions.

New Zealand is at level 1 and they have no community transmission. We have no cases at all of COVID-19. We are now entering into our third week of arrivals from New Zealand without the need to go into fourteen- day quarantine. We are confident in the New Zealand Health Authorities assurances and confident in our own Health Authority's assurances in our lifting the restrictions and thereby not having any need for 14 days quarantine here.

Therefore, it makes no sense why New Zealand should still impose a 14-day quarantine period on people travelling from the Cook Islands to New Zealand. Currently the only people coming into our country come from New Zealand through Auckland and the only people going out of our country go out through Auckland.

I am very pleased that Deputy Prime Minister Peters has seen the logic behind our request and has asked his officials to speedily look at a way when we can start the process of lifting the restrictions to New Zealand. I am not talking about just tourist here. The first matter of priority that I raised with him was the issue of medical referrals. Urgent medical referrals had been allowed to go back to New Zealand directly to the hospital without any quarantine requirements.

However, we are now getting a backlog of medical referrals requiring elective surgeries that need to go to New Zealand to hospitals and clinics for appointments and for medical procedures. I am talking about people who need a hip replacements and people who need eye surgeries and people who need cancer treatments and so on.

In most cases, these people are accompanied by family members not by medical staff. So, the unnecessary requirement for their accompanying family members to spend 14-days in quarantine just put in added burden on these people.

The second case is the growing backlog within our courts and the need for judges to be here to adjudicate over in particular jury cases. The current requirement would mean that judges themselves would need to undergo a 14-days quarantine period in New Zealand or return which in our view is totally unnecessary.

The third area where it is now starting to cause concern for us is the area of contractor's, specialised skilled people and business people. Again the burden of having to spend 14-days in quarantine on return back to New Zealand from a COVID-19 free country is making these travel arrangements very, very difficult for business for contractors and is affecting the future performance of our projects.

We haven't even started on the tourist traveller who is looking to get away from the New Zealand winter wanting to use their airline credit and their accommodation credit here in the Cook Islands before it expires.

The Government has been working diligently behind the scenes Madam Speaker to find ways and look at ways to ensure we minimise the risk of transmission particularly when you come into Auckland airport. And one of these that we have suggested and looks very promising for us is to have a dedicated arrival gate at Auckland airport just for Cook Islands arriving passengers so that we do not mingle or there is no interaction with passengers arriving from other countries.

These are just some of the things Madam Speaker that we are in discussions with to put in place to provide an assurance to the New Zealand Government that travellers from the Cook Islands are not at risk to New Zealanders. And I am very pleased Madam Speaker that Deputy Prime Minister Peters shared my sentiments in our discussion today and we look forward to ongoing discussions with officials to find a way to allow firstly those essential personnel that we want exemptions lifted for but then eventually on a progressive process we start to open and allow those returning back to New Zealand who are here for holidays to go back without having to undergo quarantine.

I must stress these are only small steps that we are looking to take Madam Speaker and only with New Zealand initially. I hope to be able to report back to this House or to our public in general the progress that we have made as a result of these discussions. In the meantime, I look forward to the progress of this Bill through the Committee Stage of Parliament. Thank you Madam Speaker.

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

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

**Motion agreed to**

**ACTING CLERK AT THE TABLE:** Long Title Reads: An Act providing for temporary measures to ameliorate the effects of the outbreak of Covid-19 on the business community of the Cook Islands including provision for Government business loan facilities guarantees and indemnities.

**BILL READ A SECOND TIME**

**MADAM SPEAKER:** Thank you and Parliament is resolved into the Committee of the Whole to go through the Bill.

**COMMITTEE OF THE WHOLE HOUSE**

**MADAM CHAIRMAN:** I will go through two clauses and I seek leave to be able to take the Parts of the Bill to the end. I have leave.

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: Preliminary Matters.

I put the Question:

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

**Motion agreed to**

Part 2: Directors of Stress Companies.

I put the Question:

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

**Motion agreed to**

Part 3: Business debt hibernation.

I put the Question:

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

**Motion agreed to**

Part 4: Business loan facilities and guarantees.

I put the Question:

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

**Motion agreed to**

Part 5: Miscellaneous.

I put the Question:

**That Part 5 stands part of the Bill?**

**Motion agreed to**

Long Title: An Act providing for temporary measures to ameliorate the effects of the outbreak of Covid-19 on the business community of the Cook Islands including provision for Government business loan facilities guarantees and indemnities.

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 amendment**

Parliament is resumed. I call the Minister to report to Parliament.

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

**That the COVID-19 Economic Response Bill has progressed through the Committee Stage with no amendments**

**MADAM SPEAKER:** I put the Question:

**That the Report be agreed to?**

**Motion agreed to**

I call on the Minister for the Motion on the Third Reading of the Bill.

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

**That the COVID-19 Economic Response Bill be read a Third time?**

**MADAM SPEAKER:** I call a Seconder for the Bill.

**Seconded by the Honourable Tingika Elikana**

I put the Question:

**That the Bill be read a Third time?**

**Motion agreed to**

**ACTING CLERK AT THE TABLE:** Long Title Reads: An Act providing for temporary measures to ameliorate the effects of the outbreak of COVID-19 on the Business Community of the Cook Islands including provision for Government Business Loan Facilities, Guarantees and Indemnities.

**BILL READ A THIRD TIME**

**MADAM SPEAKER:** Honourable Members, that completes the First, Second and Third Reading of the COVID-19 Economic Response Bill 2020. I thank everybody for the good work done today and I will now call on the Leader of the House to move a Motion.

**MR T. ELIKANA:** Thank you, Madam Speaker. Madam Speaker, I rise to move a Motion:

**That this Honourable House adjourn until 1.00 p.m. on Wednesday, 8<sup>th</sup> July 2020?**

**MADAM SPEAKER:** Thank you, can I have a Seconder for the Motion please.

**Seconded by the Honourable Patrick Arioka**

I put the Question:

**That the Motion be agreed to?**

**Motion agreed to**

**MADAM SPEAKER:** Honourable Members, that completes our Sitting for today and I will ask someone to say our closing prayer please?

**CLOSING PRAYER**

**MADAM SPEAKER:** Parliament is adjourned till 1.00 p.m. on Wednesday, 8<sup>th</sup> July.

**Sitting adjourned at 4.05 p.m.**