



MAJOR POLICY ADDRESS BY HON. PRIME MINISTER Dr. DAVID DEREK SIKUA MP – 18TH JANUARY 2008 ON THE OCCASION OF THE LAUNCH OF THE CNURA GOVERNMENT POLICY DOCUMENT

Honourable Speaker of Parliament, Honourable Chief Justice, Honourable Ministers of the Crown, Honourable Members of Parliament, Dean of the Diplomatic Corp, members of the diplomatic Corp, donor partners, Business leaders, church and civil society leaders, distinguished guests, ladies and gentlemen:

Introduction

I am grateful to you for your presence here this morning. Continued stakeholder and donor interest and support to Solomon Islands is critical to the on-going efforts by the government to address the development needs of the country. Therefore the government decided that it is important that all stakeholders are given what we think is the direction for Solomon Islands for the next two years and beyond, and what the priorities are - which will lay the basis for the mid to long term National Development Strategy.

The government has been going through a process of looking at what it can do in the remaining life of this Parliament. As we all know, there is much to be done at all levels of our nation, and in all sectors requiring a lot of resources. However, it is abundantly clear that we cannot possibly afford to do everything in the time left for this government. A process of prioritisation is a necessity in the planning for what is strategic and important.

The Permanent Secretaries to Ministries will be tasked to complete the Translation and Implementation guide to the government Policy document by the 25th January 2008. A donor conference is being called for the first week of February 2008.

For Solomon Islands to look forward, it must look back. A healthy dose of introspection will be helpful in identifying the key roots of the instability that has plagued us. Substantive forward movement is not possible without social stability. Social stability is not possible without political and economic stability. And so the government's focus must be on the key ingredients of building social stability. Of course leadership is the common thread that runs through

all this. And so leadership at all levels of our society must seriously take up the challenge to be constructive and responsible partners in this necessary task.

No society can be built on the foundations of hatred, animosity, fear, mutual suspicion, and a siege mentality. As a society it is important that we seek out meaningful ways to free ourselves from these negative bonds that have kept us back from seeking out the positives that can secure a future that will give our nation a foundation of mutual respect, understanding, sharing, and unity. It is easy to create hatred, fear, suspicions, but much harder to build a positive foundation for social stability and nation building. The regionalism that has been the underlying driver of much of our national politics has been used by some to pursue the politics of 'divide and rule'. 'Divide and rule' can no longer be an acceptable way for our national leaders, and all other levels of leadership, to exercise their leadership. These are choices we must make for ourselves and for the sake of our children.

Let us be very deliberate in leadership on what is acceptable and what is not. Let us be certain that we have a significant role to play in influencing others and providing guidance to the direction that the country will take. If the leaders can look some twenty or so years into the future and see what our Solomon Islands society can be at that time, it will heighten the urgency of taking corrective action now and laying the foundations for a stable Solomon Islands society.

The government's focus therefore, as of necessity, will be on building a "STABLE SOCIETY". This will obviously require a much longer timeframe and future governments will need to continue with it, beyond the life of my government.

The Bottom Up Approach to development is a key reference point in the overall government policy thrust. It seeks to ensure that the majority of our population that live in villages are given priority and the standard of living in villages can be improved. Under this approach, the basic elements that affect standard of living are the focus – food security, clean running piped water and sanitation, rural health services, schools and rural economic empowerment.

I was recently told that there is an expectation that under the Bottom Up Approach bags of cash will arrive in villages to be distributed. This is not what the Bottom Up Approach is about. We must be realistic about the great challenges facing us and the limited resources available to us to meet those challenges. Money alone is not the answer to our problems. The hope of easy money is a disabling disease. Trust placed in money is trust misplaced. Anyone who makes promises of money that will come to us without hard work is deceiving us. The Bottom Up Approach can only be meaningful with a lot of hard work by all of us at all levels of society. We must reject the notion that we can get big amounts of money overnight with no hard work. This kind

of self-deceit robs us of the energy and creativity we need to be engaged productively in our villages, towns, and in the economy. We must each take responsibility for our own lives and that of our families and work hard at it.

Background/context

It is important for any government to be in touch with the realities on the ground so that we do not run the risk that the direction set by the government ignores the realities people face. We must be clear that we want to build a robust and firm social infrastructure that will be able to sustain the dynamic pressures of modernism and globalisation on our society. Government must be focussed on the people. Government must not be focussed on itself. And therefore reform to our governance systems, processes and structures are necessary only so that government is able to be a positive and constructive agent in society. When government loses sight of this important mandate, there is no clear vision, direction and much less resolve and energy for reform. Solomon Islands cannot ignore the cry for serious and urgent reform. This cry is heard loud and clear right across our nation. Therefore let us embrace positive reform for our own good and that of our beautiful country.

Factors threatening social stability

The thirty years of independence could arguably be described as mainly the development of Honiara, the urban centres and the Honiara elite. Most of our rural communities have very little to show for the three decades. Development has been by the trickle down process. This neglect of the rural communities has contributed to pushing people out of their rural communities into the urban centres.

One factor is health - neglected and inadequate health services cause people to leave their villages and seek their livelihood in Honiara and the provincial capitals. Some communities still do not have ready access to a health centre, or a health centre where there are qualified and experienced health workers. A recurring complaint is that our clinics do not have the medicines – Panadol hem finis!

The absence of clean water supplies and adequate sanitation means that the quality of life for many communities is sub-standard, and therefore even a crowded squatter existence in Honiara is deemed a better option.

Another factor is education. Education has for many families been the vehicle of hope. Parents have, rightly, identified education as the way out of the poverty trap. In contrast to this aspiration has been the reality that access to education for many children is obstructed. For some, they have no school to go to, for others they may have to travel distances or live away from home. If they do go to school it has generally been poorly resourced and run down. Many classes do not have a trained teacher, irregular teacher attendance and

the regular closing of school means that children receive a sub-standard education. Limited opportunities at the secondary level have also denied many of our children the bright future they deserve, and condemned them to a life without the necessary knowledge and skills to develop their potential.

The nature of our education system is partly to blame also. In some ways our education system has alienated our young from their rural contexts and from traditional wisdom. The goal of the education process has for many been a job in Honiara. For the majority that miss that goal, the education system has not prepared them well for alternative meaningful and sustainable lifestyles.

The lack of economic opportunity is a major disadvantage for the rural communities, especially for young adults. Extremely limited employment opportunities and negligible investment in provinces means that employment is essentially found in the urban centres.

The limited economic opportunities are exacerbated by inadequate infrastructure. Many communities are still isolated without a means of communication. Some communities only see an irregular shipping service once a month. Banking services are still remote for most villagers. Access to capital – an essential for any business development is not readily available to village based businesses. The cost of doing business in most rural settings is prohibitive.

Our land tenure system, which is a safety net for our society, is also a constraint to economic development. The epidemic of land disputes may be subsiding but it is still easier for many villagers to “try their luck” for a job in Honiara rather than launch into an agricultural development project.

All these factors are compounded by a high population growth rate. Our population will double within one generation. The population pressures are marginalising some families and for the first time in our history we are discovering we have landless families in our society.

Ironically, the factors pulling people away from the villages and into Honiara or urban centres are for many an illusion. While Honiara has, relatively, better health services, education only delivers jobs for a few, and there are only a limited number of new jobs being created.

Living in Honiara is a two edged sword, yes it has better access to services but also a higher cost of living and is a cash based society. The vulnerability of families in Honiara is producing real poverty. The real poverty in Honiara has shown itself to be a catalyst for social disorder and chaos. The poverty in Honiara can no longer be simply dismissed. For most of these communities they can no longer just leave Honiara and create a livelihood in the village of their origin.

In addition Honiara is the feeding trough for corruption. The growing inequality of income distribution is partly fuelled by serious corruption. The increasing disparity between those that have and those that do not have - is a serious risk to stability, particularly when the in-equity is caused by corruption.

Recent Auditor General's Reports into corruption in the Solomon Islands Government confirm the assertion that corruption is occurring on a grand scale. Corruption into land dealings is particularly serious because of the long-term injustices that it causes.

Corruption in the forestry sector has meant the exploitation of one of our major resources to the extent that it is almost depleted and we have very little to show for it. It has caused major social disruption and fuelled the cargo cult mentality. Our generation will be condemned by future generations who will never enjoy the beauty and benefits of our natural growth forests.

Our dependence on logging revenue is a major risk that threatens economic stability. When the logging is finished government finances will be significantly reduced.

The fisheries sector is not free of corruption either. This is one of our most valuable resources. Corruption has deprived us of significant benefits from the fishery resource.

Corruption and the abuse of government resources have undermined government's ability to deliver services to our people.

This list of negatives may seem overwhelming. However I believe that our nation has a lot of wonderful characteristics that provide hope for the future and give us reason to tackle our challenges with determination.

Our most valuable asset is our people. Our diverse people are the reason and focus of our efforts. The qualities of being peace loving and long suffering provide a good foundation to build a nation. Our young people will be able to build a strong nation if we invest in them adequately.

The self-sufficiency of the subsistence community is an asset that must not be overlooked or undermined. We have a degree of self-sufficiency that provides an important protection from risk of vulnerability.

Our nation is rich in resources, land and sea. If we manage them with prudence we can be a prosperous nation. The proper management of our resources is central to providing a stable society. This must begin with government.

Government must be a constructive partner with the private sector in the development of our nation. For private investment to grow there must be

investor confidence. Investor confidence is tied to political, economic and social stability.

Public Policy responses

1. Governance Reform

Therefore the government will embark on a series of reforms that are aimed at ensuring greater effectiveness and efficiency in its delivery of services, minimisation of corruption and waste in public resources, and timely reporting on government finances. The integrity of the government's revenue and expenditure control systems are critical to ensuring the people have trust in government and that money will be spent consistent with Parliament's approval. Better and timely financial reporting by all Ministries and agencies will ensure that Parliament and the people are kept informed of how public resources are being managed. And whether such expenditure reflects stated government priorities and are consistent with Parliament's approval.

The Provincial governments are closer to the people and must be given adequate capacity to deliver services. The focus of Provincial governments must be kept clearly and firmly on the villages. The government will by 2010 determine an appropriate formula for revenue sharing between the national government and the provinces. Such reform will bring with it added obligations and responsibilities on the Provincial governments.

The Rural Constituency Development Fund (RCDF), in the way that it has been managed to date, has had a disproportionate impact on our society, its leadership and on governance. We must find better ways in our efforts to channel resources directly to the constituencies. There is a role for Members of Parliament in the identification and planning of development in their constituencies. But the mechanism for the administration of development funds must be at an arms length from MPs. The government is considering various options as platforms for the administration of the RCDF.

The government will establish by legislation by 2010 an Independent Commission Against Corruption (ICAC). There will also be a National Audit Office that will report directly to Parliament through a National Audit Standing Committee of Parliament. These reforms will strengthen our capacity to effectively fight corruption. Corruption is rife in our midst and we must take responsibility for it. If we do not take serious steps to tackle corruption now, it will overwhelm us and seriously undermine any future efforts to build an equitable society. Corruption directly takes resources away from the villages we want to deliver services to. We must commit ourselves to fight it in public offices, in corporate offices, in our schools, churches, in the village, in tribes, everywhere we find it.

2. Political Stability

Political stability is essential to building a stable society. Respect for constitutional government is the bedrock for building a rules based society. The processes by which we select leaders and the manner in which leaders have conducted themselves since independence clearly point to the need for reform. This year is thirty years since we gained independence, and it seems there is more political instability today than there was when our founding fathers signed for independence.

The government will enact legislation that will regulate the conduct of Members of Parliament through a Party Integrity Bill. Such legislation will give greater recognition to political parties as important players in policy formulation and entrust them with responsibilities for the discipline of their members. The legislation will also ensure an MP seeks, through a bye election, the approval of the electorate if he or she should decide to cross the floor of Parliament without the political party.

There will also be reform in the process by which a Prime Minister is elected. The current process has created too much room for instability, corruption and violence. The government will study a number of options and will engage in dialogue with the community with a recommendation for constitutional amendment.

The government will reform the electoral system to ensure the majority will of the electorate is reflected both in the general elections and in the formation of government.

These reforms will give the political parties a greater role in governance, and therefore their capacities will require some investment.

The federal/state government reform remains an important direction for the government. The further decentralisation of government functions and powers will be the test of the workability and affordability of various structures that will be core to the federal/state government framework.

Parliament's ability to hold the executive to account has been undermined in recent years. The independence of Parliament from the executive must be protected and enhanced through reforms that will ensure the executive takes Parliament more seriously.

The government will also enact anti-sedition legislation that will eliminate the propensity to threaten national unity through seditious or other actions that incite disharmony and disunity.

3. Socio-economic stability (Social stability stimulus package)

National reconciliation remains the country's most strategic priority. The government will enact a Truth & Reconciliation Commission process by June

2008 and the process is expected to commence in 2009 and conclude in 2010.

The rehabilitation of tsunami victims in the Western and Choiseul Provinces is also an important priority for the government. We must turn the tragedy of the disaster into an opportunity for development and improved living standards.

The government's village focus will be meaningless without serious investment in the Millennium Development Goals. The government will endeavour to deliver in villages:

- Clean piped running water and sanitation by 2010;
- An adequately supplied health post within an hours walk of every Solomon Islander by 2010; and
- Basic education to year 9 for all Solomon Island children;

The excessive harvesting of our forestry resource must be brought under control. The government is committed to reduce the harvest rate to within sustainable levels. The government will make a substantial investment in reforestation, and encourage family owned smallholder plantations on logged-over customary land.

The government will embark on the "100/100 plan" – 100 Kilometres of new roads to be constructed each year; 100 Kilometres of existing roads to be sealed each year. Not only will this initiative create jobs for Solomon Islanders, but it will also open up and connect people and opportunities for economic activity.

The government will work to double tourist numbers each year. Tourism represents a potential major revenue earner for the country, and requires substantial investment.

Urban poverty was a key driver to recent violence in Honiara. Reform is required to address this as follows:

- TOL land in Honiara settlements will be regularized;
- Water and electricity services will be made accessible to these settlements
- Land reform can no longer be ignored. Land is important for investment. Further, corruption in land dealings has been an ingredient in the mix for social instability and a contributory cause of urban poverty.

Conclusion

Friends, donor partners, distinguished guests and my fellow Solomon Islanders - let us not be overwhelmed by the challenges we face. The hope for a stable future for Solomon Islands lies in our ability and willingness to find common purpose and cooperate. Please join the government in this

worthy endeavour. I commend to you the CNURA Solomon Islands Government Policy document.

Thank you.