WEDNESDAY 10TH DECEMBER 2008

The Speaker, Hon. Sir Peter Kenilorea took the Chair at 10 am.

Prayers.

ATTENDANCE

At prayers, all were present with the exception of the Ministers for Planning & Aid Coordination, Foreign Affairs, Justice, Health & Medical Services, Environment & conservation, Civil Aviation, Agriculture & Livestock, Infrastructure & Development, Education & Human Resources and Members for Central Guadalcanal, South Choiseul, West New Georgia/Vona Vona, West Guadalcanal, East Honiara, Central Makira, Savo/Russells, South Vella La Vella, Temotu Nende, Lau/Mbaelelea, East Malaita, East Makira, Temotu Vattud, Shortlands North West Guadalcanal, Malaita Outer Island, West Makira, and South New Georgia/Rendova.

QUESTIONS AND ANSWERS

Question No. 14 withdrawn

Public Services: Foundation Bill

15. **Hon. SOGAVARE** to the Minister for Public Service: When will the government bring to Parliament the Solomon Islands Public Service Foundation Bill?

Hon. TOZAKA: Mr Speaker, I would like to thank the Leader of Opposition and Member for East Choiseul for the question and I also thank him for our understanding in withdrawing Question No. 14.

Mr Speaker, the Foundation Bill proposal is in my Ministry's Corporate Plan for 2008 to 2010. Sir, work has started consultation with stakeholders including government lawyers and private lawyers, and senior officials. Further consultation needs to be done with Permanent Secretaries and Provincial Secretaries, and so I will bring this to parliament when it is ready.

At the moment, I have not yet briefed Cabinet about it, and so I am not in a position to preempt anything on the Bill, except to say here that this is an initiative of the last government, which we have accepted and is now in my corporate plan and it will be brought to Parliament as soon as it is ready. Thank you.

Hon. Sogavare: Mr Speaker, I rise to thank the Minister for informing the House on the progress of this particular Bill.

Provincial Capacity Development Fund

58. **Mr WAIPORA** to the Minister for Provincial Government and Institutional Strengthening: Can the Minister inform Parliament whether the government has established the Provincial Capacity Development Fund for discretionary development spending by the Provinces as CNURA's strategy to recognize provinces as governments?

Mr Speaker, before I sit down, the Honourable Minister has touched a little bit on this question, but I would like to specifically ask this question so that the Honourable Minister could elaborate more on this matter so that all Provincial Governments in the country know the plans. I thank the honorable Prime Minister for accepting my refusal for him to answer this question because I want the Honourable Minister himself to answer it. Thank you.

Hon. PACHA: Mr Speaker, I would like to thank the Member for West Makira for patiently waiting for his answers until this morning. The answer is yes. Furthermore a memorandum of understanding for the operation of the Provincial Capacity Development Fund (PCDF) has been signed by the SIG, the United Nations Capital Development Fund (UNCDF) in May 2008. The PCDF is co-financed by the Solomon Islands Government and Donor Partners such as RAMSI, the European Union, the UNCDF and UNDP.

Funding was released in the months of October and November as follows: Malaita Province - $1,903,184; Makira/Ulawa Province - $585,276; Western Province - $1,175,039; Isabel Province - nil; Central Islands -- $464,711, Guadalcanal Province - $1,207,108; Temotu Province - $341,356; Choiseul Province - $547,640; Renbel Province – nil and the total is $**6,223,314.**

The final release of the funding for 2008/2009 Provincial Government financial year is scheduled to be paid in January 2009. Provinces are required to provide a financial activity report to the Ministry on the use of the PCDF funds for the period ending 30th November 2008.

Before the final release of funds this report is due by 14th December 2008. Other related information is that PGSP has prepared a manual of operating procedures for PCDF. These procedures cover matters such as how PCDF funding can be invested. Training has been provided to staff of provincial governments by the provincial governance division of my Ministry in planning and budgeting procurement and contract administration. PGSP is also providing provincial advisors to assist provincial governments utilise the PCDF. Four of these are already in place with the rest expected within the first quarter of 2009.

All provincial governments will be reassessed for compliance with the minimum conditions of access to the PCDF funds in February 2009. This will determine which provincial governments are eligible for PCDF funding in 2009/2010. This will continue for the next five years.

Mr Speaker, a total of five provinces initially did not comply with the minimum conditions in 2008. However, three of them have made fast progress and are now qualified except for only two provinces, which are being encouraged to improve on their financial accountability to be able to get access to the fund.

With those few remarks, Mr Speaker, I once again thank the MP for West Makira for asking this question.

Hon. Sogavare: Mr Speaker, supplementary question. Can the Minister inform Parliament how much of this $6million is contributed by the Solomon Islands Government and how much is from aid donors, and how do we account for it in the 2008 Budget, the contribution of the Solomon Islands Government and also the contribution of aid donors.

Hon. Pacha: Mr Speaker, contribution from the Solomon Islands Government is $5.4million and donors contribute $5.4 million. Thank you.

Hon. Sogavare: Thank you, and I think the other part of the question is still not answered. How do we account for it, the Solomon Islands contribution in the 2008 Budget? Which head in the Ministry of Provincial Government's budget is this contribution come from?

Hon. Pacha: Mr Speaker, it comes under the development budget in the Ministry of Provincial Government.

Hon. Sogavare: Mr Speaker, I have the 2008 development budget book here, and I cannot find this fund in the development budget. Mr Speaker, can the Minister clarify a little bit more on that?

Hon. Pacha: Mr Speaker, thank you Leader of Opposition. Our contribution this year is $2.5million and that will continue. Additional funding will come in 2009.

Hon. Sogavare: Mr Speaker, this side of the house does not have any problem with the government giving money to the provinces to assist provincial governments as it is a good thing. Any scheme established is good. It is just that we want to know how we account for that money. The first answer we have was that it came from the development budget, but obviously, it did not come from there.

Now there are other ways to account for that money and probably a supplementary appropriation should come to Parliament, ad we will be discussing one next week. Will that $2.5million be reflected in that supplementary appropriation since it is not reflected in the 2008 budget?

Hon. Rini: Mr Speaker, our $5.4million comes under the development budget of 2008. It is under rehabilitation of provincial government offices and housing. That is SIG's contribution.

Hon. Sogavare: Mr Speaker, I think for transparency purposes, and we thank the Minister for directing us there, we see now that there is where the fund comes from. But this is specifically to feed a specific account established by the government for this purpose and we would have thought that if this is an ongoing thing, would it be most appropriate to actually put it there as a budget line every year so that we feed that account with contribution from the Solomon Islands Government. It is a good idea and this side of the House supports it.

Mr Speaker, can I have the government's view on that?

Hon. Sikua: Mr Speaker, as the Minister of Finance has already mentioned, the government's contribution of $5.4million is in the development budget for 2008 under consolidated funds, and it is a five year project and therefore it has that budget head 484-1179-5799 and SIG's contribution in 2008 is $5.4million of which another $2million is in the development budget as government contribution for 2008. And as a special project partnering with other donors like the EU, the UNDP, and AUSAID, I think the nature of this funding is that of a project and it is good for it to be under the development project, as a project to strengthen our provinces. Thank you.

Mr ZAMA: Mr Speaker, this fund will cover quite a wide range of activities and things - provincial capacity development. For the sake of transparency

international and accountability provinces ought to know and need to be guided where this fund will be spent and how it ought to be administered by the provinces or who is going to administer this fund.

Can the Minister categorically define arrears in the different provinces where this money would be used?

Hon. Pacha: Mr Speaker, we are organizing trainings for provincial representatives and they are well aware on how to use this fund and the reporting system. They are well aware of the minimum conditions of the fund because they would have proper training on it. Thank you.

Mr Zama: Mr Speaker, supplementary question. Out of the recipient provinces for this fund, Rennell and Bellona Province has been left out. Can you confirm the reasons as to why Rennell and Bellona Province has been left out?

Hon. Pacha: Yes, it is left out because it is yet to meet the minimum conditions, and so with the help of this training the Province will soon access this fund.

Hon. Sikua: Mr Speaker, I just want to add that our two good provinces of Isabel and Rennell Bellona are not yet in the fund. The Ministry of Provincial Government is not leaving them to struggle on their own. The Ministry is getting in, I understand, volunteers from the UNV to go and sit down with these two provinces and help them prepare so that they can access the funds. The Ministry is doing all it can to assist those provinces to access the funds, and not leaving them to struggle on their own. I think the Ministry is doing well on that score. Thank you, Mr Speaker.

Hon. Sogavare: Mr Speaker, just a point of order. I want to refer back to the Minister's statement and again this is taken in the 2009 budget, the same wording appears again there. The way it is explained to us is that it is the discretionary of the provinces. But the way it is explained now it is already fixed, the government determines where the funds will go. But the way it is explained to us it is discretionary. So the more appropriate way of showing this is to actually show it as a budget line in here, and how to use it will have to be discussed between the provinces and the Ministry.

The way it appears now is that it is no longer discretion but it is something fixed by the government saying this is how to spend the money, and so it is no longer a discretionary fund. I just want to make that point based on the statement made by the Minister in the first place.

Hon. Pacha: Mr Speaker, this is a discretionary fund. The government only determines the amount, but how they want to use it is up to the provincial governments concerned. Thank you.

Hon. Sogavare: Mr Speaker, I am pointing out to the Minister that it is not, it is no longer discretionary. It actually appears here as a budget line - rehabilitation of provincial government offices and housing. That is fixed and next year too. I am raising this to point it out to you.

Hon. Pacha: Mr Speaker, that is all what the government decides upon but the rest is up to the provincial governments.

Mr Waipora: Mr Speaker, if this fund is divided up between the provinces, how would you control it? Are you going to control it like the PDU of before or like the rural livelihood? How would the Ministry of Provincial Government account for that fund? If you want provinces to be satisfied with the funds, it is better for it to be shown in the provincial development budget because we have already heard that something has happened to two provinces.

Mr Speaker, I want you to categorically inform us how you will account for this fund? This is a very important fund for the provincial government as they have already wanted to get the RCDF and the other funds from us. Thank you.

Hon. Pacha: Mr Speaker, we do not have any problems at all with the provincial governments. They have agreed and are happy with all the arrangements of this fund, and so there is no problem and we are moving into the implementation part of it.

Mr Waipora: Mr Speaker, I would like to thank the Honourable Minister for answering this question. I must assure him right now on the floor of Parliament today that he would be having problems with this fund.

Communities: Planning and Investment Programming

59. Mr. WAIPORA to the Minister for Provincial Government and Institutional Strengthening: What steps has the Ministry taken to promote the participation of communities to planning and investment programming as well as promotion of accountability practices?

Hon. PACHA: Mr. Speaker, I thank my colleague Member for East Makira for his question and advance thinking. Currently, my Ministry is targeting through the PGSP all provincial government administrations, which includes finances, general administration, planning and budgeting and provincial assemblies. The idea is to focus capacity building for those who are responsible for rural communities before advancing on to the communities. Once we build up a body of knowledge closer to the communities, it becomes easier to involve and introduce to them training and planning investment programming as well as promoting accountability practices.

The idea of involving rural communities will be a medium long term target of my Ministry to follow on after five years of operation by the PGSP.

Hon. Sogavare: Mr. Speaker, can the Minister confirm that this is still being worked on. We do not have a sort of finalized system in place. It is still being worked on and will be worked on for the next five years.

Hon. Pacha: Mr. Speaker, this is a long term arrangement and will continue from now until such time that it will be looked into.

Mr. Waipora: Mr. Speaker, I want to thank the Honourable Minister for his answers, and I also thank everybody for listening to my questions this morning.

Hon. Manetoali: Mr. Speaker, point of order. Mr. Speaker, this is the highest law making body in this country, the decision making body in this country. This question, Mr. Speaker has been coming to this floor of Parliament the third time now. This is the third time this question has come to the floor of Parliament. If there is any provision whatsoever, Mr. Speaker, under the Standing Orders, I would ask for your discretion for this question to be struck out. Thank you, Mr. Speaker.

Mr Speaker: We do have provisions for not allowing repeating questions that have already been asked in the same Parliament Meeting. It is not the case at the present time and so we have allowed the Honourable Member to ask this question but obviously he is not in the House today, and under Standing Orders when Members are not available to ask questions in their name it is left to the next question day. So, we will have to defer this question until tomorrow, which makes me to advise Honourable Members that that ends question time, and we will now proceed to the next item of business.

BILLS

Bills - Committee of Supply

The 2009 Appropriation Bill 2008

Mr Speaker: Honourable Members, the House will now resolve into a committee of supply to continue with its consideration of the 2009 Appropriation Bill 2008.
Speaker leaves the Chair and joins the Clerk at the Clerk's Table. Speaker becomes ***Chairman***]

Mr Chairman: Honourable Members our consideration of the 2009 Appropriation Bill 2008 continues today, our third day in the committee of supply. We will go back to head 284, Ministry of Provincial Government and Institutional Strengthening.

Head 284 – Ministry of Provincial Government and Institutional Strengthening

Hon. Sogavare: Mr. Chairman, again the standing question to the Minister on item 0003-2091 and 2092 on overseas trip. How many trips did the Minister plan for 2009?

Hon. Pacha: Mr Chairman, the allocation there is small, and so we are proposing for only one trip.

Mr. Sogavare: Mr. Chairman, 0003-4127 - PAM Ward allowance for $167,000. Is this equivalent to the RCDF, and if that is the case can the Minister brief the Parliament on the accountability process of the use of that particular fund?

Hon. Pacha: Mr Chairman, yes, its usage is just the same as the RCDF given to Members of Parliament. Thank you.

Mr. Sogavare: The second part of the question is the accountability process. Can the Minister brief us on the standing arrangement of accountability of that particular fund? Not that the RCDF is any better but can the Minister outline to us how the ward members are accountable in the use of these funds in their wards because in my ward it looks like it is not being used properly.

Hon. Pacha: Mr Chairman, it is paid as monthly fixed grants to the provinces, and so the provinces are accountable for these funds.

Mr. Sogavare: Mr. Chairman, this is ward allowances and the Minister's answer is that it is equivalent to the RCDF and so it is paid to ward members to be used in their wards. I am basically referring to the accountability by individual provincial members and not accountability by provincial governments. But this fund will be paid to them as the RCDF equivalent to provincial member. Are there any guidelines the Ministry has given to the province as to how provincial members should account for that fund when used in their wards? I am saying this because I did not see this actually shown in my constituency.

Hon. Pacha: Mr. Chairman, it is paid to provincial governments as fixed grant. The provinces have different rates on how this fund is disbursed to ward members and they will be accountable for it. It is just similar to the RCDF style.

Hon. Sogavare: Okay it is paid at different rates, but say for example for us in Choiseul Province, you are the Minister responsible for Provincial Government, can you tell us how much do individual members of the wards receive by way of ward grants?

Hon. Pacha: Mr Chairman, I will get that information and provide it to the Leader of Opposition.

Mr. Waipora: Mr. Chairman, the item on conferences and seminars course. In 2008 it is $2million, and in 2009 it has been budgeted for $2,233,658. I suppose some of this money will go to meet expenses that are still outstanding from the Lata Conference. I want the Minister to confirm this before I ask another question.

Hon. Pacha: Mr Chairman, funds for Lata is still there. This is allocation for 2009.

Mr. Sogavare: Mr Chairman, so can the Minister confirm to us that you have already paid the arrears of the Lata Conference, the recent Premiers' conference because it has been reported to us is that there are still a lot of debts left from the Lata Conference, and so where would those be accounted for if you have already paid the arrears?

Hon Pacha: We are paying the debts and we are waiting for things from Lata, but we are paying them.

Mr. Waipora: Mr. Chairman, still on the same head. Since it is $2,233,000 where will the next Premiers Conference be held? When the conference was held in Lata the allocation was $2,030,000. Now it has increased and so it could be a province that is much far. Where will the next Premiers' Conference be held in 2009?

Hon. Pacha: Mr Chairman, the next Premiers' conference in 2009 will be held in the Central Islands Province.

Mr. Waipora: Mr. Chairman, if it is at Central Islands Province then why is the budget more than Lata because Lata is far. What is the rationale behind this increase?

Hon. Pacha: Mr Chairman, it is only a difference of $200,000 and so we are ready for any increase in cost as we approach 2009.

Mr. Tosika: Mr Chairman, when I looked through the allocations there is one allocation that I would like to ask a question about, and this is the special supplementary grants for the provinces. What criteria are used here in allocating the money because it is not the same for all the provinces? Some provinces have bigger amounts and others have very small amounts. What criteria is used in allocating this special supplementary grants to the provinces?

Hon. Pacha: Mr Chairman, the grant is to take care of any shortfalls that might arise in the provinces.

Mr. Tosika: Mr Chairman, I am asking about the criteria used in allocating those funds. For example, Makira/Ulawa Province is allocated $230,841 as compared to Western Province with an allocation of $4million. What I am asking for is the criteria used in distributing this fund to the provinces because some provinces are getting more than the others.

Hon. Sikua: Mr. Chairman, you will see that Western Province and Choiseul Province are getting much higher than the other provinces. This is because of special projects they have submitted to government following the effects of the tsunami in both provinces. Those allocations given to the provinces are to cater for special projects they submitted following the tsunami of last year. Thank you, Mr. Chairman.

Head 284 - $58,930,974 agreed to

The sum of $1,285,563,157 being the subtotal of the Recurrent Estimates agreed to.

Mr. Chairman: We will now move on to the Budget Support Expenditure.

Head 372 - Ministry of Education and Human Resources -$41million agreed to

Head 376 – Ministry of Health and Medical Services - $60million agreed to

The sum of $101million being the total of the Budget Support Estimates agreed to

Mr Chairman: We shall now go on to the Development Estimates. We are progressing very well this morning.

Head 470 – Ministry of Agriculture and Livestock

Hon. Sogavare: Mr. Chairman, item 1141-5799. Can the Minister explain to us how the credit facility on cocoa development works? How do we implement that cocoa credit facility?

Hon. Riumana: Mr. Chairman, the credit facility, by the name is credit and it is basically for cocoa exporters to have access to credit schemes from the banks. The government will use the bank to distribute this fund under normal banking terms but at a reduce interest rate.

Mr. Sogavare: Mr. Chairman, so will this fund be paid to banks and used as collateral, security or equity. If it is to be a credit facility and accessed through the bank, will this amount be paid to the bank and in what form?

Hon. Riumana: Mr Chairman, beneficiaries can access these funds through loans from the normal banking requirements but at negotiable reduced interest rate.

Hon. Sogavare: Mr Chairman, can the Minister confirm if this is to subsidize the interest rate?

Hon. Abana: The Cocoa Exporters and Producers Association is just about to finalize the terms and conditions of this facility and therefore after this Meeting when the budget is passed they will bring the overall terms and reference on how to use the funds with the ANZ Bank. In fact, this Association was

established by the Leader of Opposition during our time, but money is not available for them.

Hon. Sogavare: So the government does not yet know how this fund is going to be used? The question we are specifically asking to the Minister is whether it is going to be used to subsidize the interest rate. If the ongoing interest rate is, say 12%, then they will be accessing this fund at 5%. Will this fund be used to subsidize the cost of money or would it be used as equity, which banks normally ask for or used as security collateral to assist them borrow money? Does the government have any picture as to how this allocation is to be used to assist our cocoa farmers?

Hon. Abana: Mr Chairman, it will be used as security for exporters, especially during high crop seasons when they need funds to buy more beans for export. Basically it will be used for security purposes of the exporters.

Mr. Tosika: Still on cocoa credit facility, you mentioned earlier on that there is an association, is it not possible for this association to create an account that looks after the association and pour in funds so that the association creates facilities for its members rather than giving it to the banks so that banks will have more say on it?

Hon. Abana: Mr Chairman, the facility is rightly owned by the association, but since we want accountability in terms of financial reporting and auditing purposes, I think it is best left with the banks but at a reduced rate of interest to our exporters. In that sense they can also have some sort of savings to use to their producers because they are linked up, the producers are linked with exporters. That is how they operate, and this is the Cocoa Exporters and Producers Association coming together under the recommendation of CEMA. Thank you.

Hon. Sogavare: Mr. Chairman, the honey program, I note that there is no allocation for it. What is the status of honey production in this country, and is the government continuing to support that particular industry, which is an industry that should be assisted? The government is not putting any assistance there. Can the Minister explain the status of that particular program?

Hon. Riumana: Mr. Chairman, I wish to thank the Leader of Opposition for that very important. Indeed honey is a very important industry to the Solomon Islands economy. However, there is an Asian bee that is currently putting the

industry at risk. The Ministry is trying to carry out research on this program funded by SPC. While that research is being conducted, it helps us focus our activities on priority areas of the government. Thank you.

Mr. Tosika: On cocoa subsidy. I think it is a very good idea to have cocoa subsidy, but again the question is how you are going to distribute this fund. In most cases when this type of funding exists in the Ministry of Agriculture, it is the people floating around town that are receiving the projects and therefore the real intention of government is not fulfilled. Some of them just buy buses and taxis and run them here in the city whilst others use it to build houses.

I think the intention here is good, but make sure that it goes right down to the people that we intend to help. The question is, how are you going to look after this fund so that it reaches the people we intend to help?

Hon. Riumana: Mr. Chairman, I wish to thank the Member for that very important concern. Indeed, it was in 2007 that people misused this fund to build homes and other properties. But in 2008 we have put in place a mechanism that diverts this fund right down in the rural areas. I am quite satisfied with the procedures and guidelines the Ministry has put in place to determine genuine cocoa farmers.

Mr. Chairman, it is the policy of the CNURA Government through the rural advancement policy to equitably distribute economical activities to rural people to equally participate in economical activities, and thus the cocoa subsidy this year will be addressed through provincial base. Each province will put in its target and then we will work on those targets to distribute funds proportionately. Thank you, Mr. Chairman.

Mr. Waipora: Mr Chairman**,** I want to thank the government for providing $2million for the rehabilitation of coconut, but you must do something that can be quickly done.

Last week the Honourable Minister for Agriculture was responding to a question asked that many applications for coconut rehabilitation were not yet given down to the provinces, and this is now December.

Mr. Chairman, I am making that comment but my question comes from cocoa credit facility. There must be something under the 2008 column because it was nil and it jumps from 2007 to 2009 before it was allocated $3million. My question is simply to know why it is zero in 2008.

Hon. Riumana: In 2008 it is zero because there is no budget for it and the allocation you see there is for 2009.

Hon. Sogavare: Mr. Chairman, just to get an explanation from the government, may be from the Minister of Finance on this cattle project under item 7509-0686 where last year it was funded by the Republic of China and this year it is taken up under the Solomon Islands Government with an $8million allocation.

I just want to find out whether that $11.4million is actually transferred to the Solomon Islands Government, and can the Minister confirm that we have only used $499,000 of that fund as appeared in the actual column of 2008. If it is actually transferred to the Government already, then where is that $11.4million?

Hon. Riumana: Mr. Chairman, we are working with a company in Australia whom we have been using to import cattle from. We have actually acquire the proforma invoice quotation from him and we are now working on getting a contract from him so that part payment is dispatched any time before this year ends through funds in the 2008 budget.

Mr. Abana: Mr Chairman to add on to the Leader's question, the bulk of this money is still with the Central Bank. We are waiting for this $8million when we pass the budget, and so that could complete the overall $24million to get capital in by April next year.

Mr. Soalaoi: Mr. Chairman, item 1143-5799 and this on the Malaita Commercial Pig production. I want to ask why this item did not appear as general because I think that is what all the provinces can do. Only cattle can be specific and some of us do not know how to run a cattle or how would you assist other province in terms of pig? For us in Temotu we can only produce pigs. This $1.5million is for Malaita Pig commercial production. With due respect, I am not asking why only Malaita, but I would like to raise a genuine concern. Pig farming is something every province can do, but cattle farming can only be done by a few provinces. We would want to apply for pig farming but there is no allocation for the others.

Hon. Riumana: Indeed pig is a very important commodity in many parts of the country, however, Malaita is a part of Solomon Islands and the people engaged in this project are Solomon Islanders and they will contribute to the economic development of this country.

Mr. Speaker, this project specifically targets Malaita Province because it is more organized. It has an association that is organized to go into piggery establishment, and this is why it is better for government to focus attention on people who have organized themselves and came up with a concept to develop piggery husbandry.

Hon. Abana: Mr Chairman, in addition to that to shed more light on how this project came about, I can remember very well the Leader of Opposition asking a question on $26.2million worth of projects submitted by Malaita Province. That came to Cabinet and Cabinet came up with the conclusion that the projects are referred to respective sector ministries and those were developed from those ministries and sent with the priority to the Ministry of Planning for budgeting purpose, thus what we have before us today.

Mr Chairman, other provinces are welcome to take on the challenge and therefore can come forward with projects to be taken on by respective ministries. There is no harm in doing so. Thank you.

Mr. Soalaoi: Mr. Chairman, I am not raising this question because of only one province. At the outset, I must thank Malaita Province for being organized. But my genuine concern still stands**.** I thank the Minister for Planning for that assurance. I think it is good to find out, I guess provinces are organized it is good to find out those who are ready and those who were already involved in it. If you go there you will see some organized things going on there. I guess that is also true in other parts of the country. Thank you very much.

Hon. Sogavare: Mr. Chairman, I just want the Ministry to just briefly inform Parliament of the work plan of Project 1615-5799 - rehabilitation of coconut in 2009.

Hon. Riumana: Mr. Chairman, rehabilitation is an ongoing program of the government to rehabilitate existing plantations to boost production for export. I think that is the main intention of rehabilitation. We have existing plantations throughout the country that are producing but not producing to its fullest because they are not being properly maintained. There are also plantations throughout the country that are aging and need to be replanted, and that is where rehabilitation target comes in. There are farmer who do not have driers or who do not have tools, and so through this project all farmers throughout the country will be assisted. Thank you, Mr. Chairman.

Hon. Sogavare: Mr. Chairman, thank you. In fact, this is a very good project as rightly pointed out by the Minister. We will face problem and at certain point in time we ran out of coconut for exporting. It is a good project. This project has been going on for quite a number of years now, and so whether the Ministry has already established those plantations so that we are going to rehabilitate, then it would make sense with these budgetary allocations.

This is $2million and there are many coconut plantations throughout the country and so you are talking about people who will be competing for this $2million. The question now is whether the Ministry has already established the extent of the size of this rehabilitation work. How many coconut plantations should be rehabilitated so that this sector is not seriously affected so that we run out of coconuts and we become senile and we cannot continue with this industry?

Mr. Chairman, I am just asking whether we have that kind of data with us so that it makes budgetary allocation more realistic and sensible.

Hon. Riumana: Mr. Chairman, I think the approach is based on province. As I explained earlier on it is based on provinces. We have a network of extension staff throughout the provinces and all these extension staffs will put in targets for their respective provinces and then we will work from thereon rehabilitating copra plantations. Thank you.

Mr. Waipora: Mr. Chairman, cocoa subsidy. What system are you establishing for this cocoa subsidy? How are we dealing with it? Because in West Makira there are lots of cocoa plantations and so we would have an interest in this. What is the system applied here so that I go back and tell my people about it?

Hon. Riumana: Mr. Chairman, that is very true. Makira is one of the highest cocoa producing provinces in Solomon Islands. That is one factor that will be considered in this cocoa subsidy, and that is why we are working provincial based. We have staffs in the provinces who will recommend to the Ministry.

Mr. Zama: Mr. Chairman, I fail to find any line item for coconut subsidy. Cocoa and coconut rehabilitation has no allocation, rehabilitation of cocoa is only for $2million. There is a line item for cocoa subsidy, and so what is the government's plan?

Hon. Riumana: Mr. Chairman, I thank the Member for this very important question. There is no coconut subsidy simply because there are existing coconut plantations that need to be rehabilitated. There is no point extending further development unless the existing ones are rehabilitated. But our rehabilitation package here is also based on subsidy approach, and that is why all our farmers will participate in coconut rehabilitation.

In the case of cocoa, most cocoa plantations are not in existence at the moment because of the world market price, and this is why we have to seriously

address subsidy for the inclusion of new development of cocoa plantations. Thank you.

Mr. Zama: Thank you. That is a very wrong and narrow minded approach in developing the coconut industry. The rehabilitation of existing coconut plantations is limited in the sense that our population is growing at 3%. At the moment if the Minister cares to visit constituencies and provinces people and families are fighting over existing coconut plantations because they are just not enough to cater for everybody.

This is reality. The problem is that we are not going down attaching ourselves with people in the rural areas, and that is why I said this approach is wrong. I think we should put more money into planting new coconut plantations apart from rehabilitation because our population is growing. I think the government should be serious in putting more money into subsidy schemes. Thank you.

Hon. Riumana: Mr. Chairman, indeed the government is very concerned of its people. The CNURA Government has a rural advancement policy for people to equally participate in coconut plantation. It is also the first government to include rehabilitation of coconut alone. We are working because if we are to continue planting of new plantations then rehabilitation will be at risk. We have to start with rehabilitation first before developing new areas because we need to export right away.

In terms of developing new areas you have to wait for another 18 months before you can export whereas in terms of rehabilitation you do not have to wait that long as it is rehabilitation, production and export right away. I think the policy of the CNURA Government is much wiser than the Member's concern. Thank you.

Hon. Sogavare: This thing is getting very exciting now. In fact, to correct the Minister the GCCG has also talked about rehabilitating coconut plantations. That is an over statement that is wrong and also misleading in Parliament.

It is only our approach because we all have concern for our people. It is only our approach and probably the best approach, and I am always referring back to the comment by the Deputy Prime Minister that subsidy approach is much more appropriate because it is rewarding hard work. People work before they are given money.

This rehabilitation as it stands, people will apply and you would just give them. And the problem that the Member for West Honiara has been telling us

will happen unless we have strict monitoring processes to make sure those funds are actually used.

The subsidy scheme is a self checking mechanism. You should not be concerned about it because people must work first before they are given money. That is all this side of the house is concerned about. It is the best approach to use our meager resources of the government. That is all, Mr. Chairman, just to correct the statements we are making here because it is getting very exciting now.

Hon. Abana: Mr Chairman, this side of the House takes note of the statement made by the Leader of Opposition. In fact, we also have a submission for that, just that our hands are being tied up to this $40million allocated through the Ministry of Agriculture but we will surely consider that in our next budget.

Hon. Sikua: Mr. Chairman, just in addition to what the Minister has said in relation to getting some good data on our coconut and cocoa plantations throughout the country as expressed by the Hon. Leader of Opposition.

Mr Chairman, we cannot continue pour money into cocoa, and coconut rehabilitation or cocoa subsidy or rehabilitation if we do not know how much cocoa and coconut, the size, who is holding it and that sort of thing, all these data then it is important we should have such information before we can start to pour in money into all these subsidies and rehabilitation programs.

I have discussed with my good Minister for Agriculture with his extension officers throughout the country the need to have the data first so that we can properly allocate subsidy money and rehabilitation money both for cocoa and copra in subsequent years based on real data and of course who is doing what and that sort of thing. And so I want to assure the Hon. Leader of Opposition that that has been discussed between myself and the Minister for Agriculture and he will do something towards that effect to give us the data for use in later years in terms of cocoa and coconut rehabilitation and subsidies. Thank you, Mr Chairman.

Mr. Waipora: This is not a question but a comment. Agriculture would be very excited to carry out its program and it will go as far as planting how many plantations of coconut and cocoa it was. But we must be careful because we must take land. Land use development is very important for those of us in this country at this time as the population growth in this country is about 3.5%. We must not be one sided.

Minister of Agriculture, when you go out to your extension officers you go with lands officers. You should be working together because land use

development of this country at this time is on ad hoc basis and so we must make sure that kind of economic development that we want so much must be controlled. Land use development is very important. Thank you.

Hon. Riumana: Mr. Chairman, land use development is also part of the department in my Ministry and it is working closely with the Ministry of Lands.

Hon. Abana: Mr Chairman, for ease of reference of Members of Parliament and also the public, my Ministry has received submissions in terms of the spread of the cocoa and coconut projects. On cocoa, we will basically be looking at Malaita, Guadalcanal and Makira, and coconut rehabilitation will be for Western and Choiseul Provinces because of the destruction caused by the tsunami on their coconut plantations, and so we would want to start on that side first because the amount is small and so we would want to see the part we can get out of this $2million next year and likewise the same for the $3million subsidy. Thank you.

Mr. Tosika: Mr Chairman, in the light of comments made by the Minister of Planning, I think it is best that people are also aware because the allocation given here is very general and is open to everybody. I think a policy paper needs to be passed by Cabinet indicating areas where money is be allocated otherwise there will be an inflow of applications because it is not itemized according to provinces as you have indicated. Thank you.

Hon. Abana: Mr Chairman, I have just identified it, Member for West Honiara, and so we will correct that and it is with the Ministry of Agriculture, it is within the submission. We just want to keep it as simple as that.

Hon. Sogavare: Just a general comment. Although the opposite page listed all the non appropriated funds, I just want to ask about the TA component of the project Australian/RAMSI Economic Governance program. The entire amount is for TAs. Would the Minister be in a position to tell us how many TAs are actually involved here?

Hon. Riumana: Mr. Chairman, this is non consolidated fund and the Ministry is working with responsible authorities and the Regional Assistance Mission to include specific technical assistance to the Ministry in terms of policy and planning. Thank you.

Hon. Sogavare: I have no problem with that, that is good, but my specific question is how many TA's are involved in this particular project and attached to the Ministry in this particular project where $13million is allocated?

Hon. Abana: Mr Chairman, on the position now is one TA on full time but a number of them come in and out as and when required and this is where the funding is for.

Hon. Sogavare: Mr Chairman, I know this is an area that we have to tread very carefully. These are programs supporting government programs, these budget allocations are supporting government programs, and to what extent is the government being informed of their activities so that we are aware of what is actually happening. If one TA is for this $13million full time and others just come in and out, then I think as a country we have the right to know how many people are coming in and out funded under this $13million allocation.

Hon. Abana: Mr. Chairman, I take note of that sentiment, but it also includes equipments and activities carried out in this unit. As you know sometimes when they come in there is need to sit down and discuss with them some very important issues in regards to planning and policy in this Ministry and there are about 10 of them who normally come in at one time. That is why we have this $13million budget for them.

Hon. Sogavare: Mr. Chairman, I am just encouraging may be an active reporting process so that the Minister and the government are fully informed of what is happening. That is all.

Head 470 - $40 agreed to

<u>Head 472 – Ministry of Education & Human Resources</u>

Hon. Sogavare: Mr. Chairman, project item 1145-5799 - Queen Elizabeth School, what kind of school is this?

Hon. Wale: Mr. Chairman, this is allocation for land acquisition and preparatory work for one National Secondary School the government is going to build in East Makira. The Ministry is of the strong view that this will be an all girls' high school, and no boys insight.

Mr. Sitai: Mr. Speaker, I just want to thank the Minister for his response to the question and also to assist in giving the background for this important national project, if you can permit me to do so.

This is a national secondary school that will be built in East Makira Constituency at Star Harbor. It has been the wish of our people, which has taken us quite a while to get to this stage because of the requirements of Buckingham Palace protocols, a situation where Her Majesty's name is to be used for this school, and so she must grant her consent. After a long struggle Her Majesty granted her consent last year hence this project came to the attention of the government of the day, and so we now seek funds to begin the ground works and also to negotiate next year and onwards after the preparatory works are done, land surveyed and acquired, project is cost out and taken up, the government can secure necessary funds.

On landowners' side, I would like to inform Parliament that landowners support this project let alone the people of Star Harbor because of the spin-offs this project will bring, not forgetting education. If it is the Ministry's wish that it will be a girls' school, I am sure that will be considered and agreed to.

For our information also, the Province has already included this project under its Education Action Plan and so if there is no problem the provincial government will accept it. The landowners feel very strongly about it, if this is how we are going to contribute to national development then we are willing to do that. We only hope that Parliament allocating funds for this project we can proceed to its completion. Thank you Mr. Chairman.

Hon. Sogavare: Thank you very much for that clarification and background information to that girls' school. Mr. Chairman, my question to the Minister is on Project 7743-5799 - Tsunami Education Rehabilitation. Can the Minister confirm that only $3million of the $10million allocation for 2008 was actually spent in 2008? And maybe leading on to that to justify why we are asking for $10million when we have not really implement this project? Can the Minister tell us what are the problems why we have not fully utilized the $10million allocation last year, if that is the scenario painted here?

Hon. Wale: Mr Chairman, in fact $9million has been disbursed by November this year, but basically not much by way of work has happened for most of the year but work is starting. This $10million for next year is the second phase of the same program and so more work will go on there.

The total for education sector to address issues of tsunami rehabilitation for schools, centres and so forth has come up to about $108million in total. Donors are pitying in but this is our contribution this year and next year.

Hon. Sogavare: Thank you very much for that explanation. Just the way the budget is structured here on Project 7954- 5799 - Waimapuru Maintenance you are asking for $900,000 this year when you have not really used the $953,000 allocated to you last year. What is the problem here?

Hon. Wale: Mr Chairman, on the situation of Waimapuru again, no work has been done this year. They are slow in getting assessment reports done of the requirements, but that has now been completed and a supervisor has been appointed to oversee the work and tender documents are being prepared, and so work will start early in 2009. Basically this year is a waste and that is why $900,000 still shows for next year. It may be the case that a little bit more will be required and as a result we will need to discuss with Finance and see how that will be met if a little bit more is required on top of that $900,000. Thank you Mr. Chairman.

Mr. Tosika: Mr Chairman, I think one of the heads that people would like to hear and are expecting is when the Minister of Finance outlined that starting from next year there is going to be free education. Free education is here in the development budget for $5million. The fact is that under the education system there are many private schools inexistence and quite a number of them are asking parents to pay school fees and so forth. I understand too that the teachers of those private schools are paid for by the government. The question is, will this free education also affect private schools or only schools run by the government?

Hon. Wale: Mr. Chairman, the element of free education grant will determine it. There are a number of grants such as administration grants which goes to schools and remote area grants, and this is specifically to do with free education. The calculation we are doing on this free education grant is on the basis of cost estimate after study on the different categories of schools such as boarding schools, national schools that do not have any defined community around them, which means the students must swim, toilet and eat in the campus, and so it is much more expensive, they are the most expensive. Then you have the day schools, community schools, which are community high and community primary, these are the different categories that will be looked at and then a cost estimate will be made as to how much it costs to educate an individual child in those different categories. It will be on the basis of this costing that this free education grant is calculated. Because of that, what the Ministry is saying to education authorities and schools, including private schools is that if they agree

to receive this component, this free education component then they cannot turn around and charge fee on the other side. That is basically it.

The defining characteristic is you cannot send a child away from school because he/she does not pay the fee up to Year 9. Because next year will be the first year this is going to be implemented we will be expecting things will not be right but not very much but a bit in some places and this will be tightened up as we go along. But the broad thrust **o**f the policy I think is fairly clear and the mechanism is clear already in terms of the disbursement, reporting and accounting for the funds. The Ministry is now working on a public awareness campaign to properly explain this policy to the public, to the schools and also to the education authorities. Thank you, Mr. Chairman.

Mr. Tosika: Mr. Chairman, I am asking this question because a lot of schools when we are saying free education on fees, they will turn around and tell parents/guardians to give a contribution – they are turning around the fees into contribution, which is penalizing parents in terms of contribution. That is my comment on this.

Since this is going to start next year I want the Ministry to clearly explain this to the public so that we are all aware that this is the first time ever to be introduced in the country and that there are mechanisms in place to guide this policy. Thank you Minister for your answers.

Hon. Wale: Mr Chairman, this is an important policy of the government, and I think not just this government but previous governments. I know the Leader of Opposition made a comment to me at the Public Accounts Committee that it makes good politics, but no, it is not because it makes good politics but we want to pursue it. It is basic education, it is a commitment we have made in acceding to the Millennium Development Goals and one that this government intends to carry through with, and this will be moved up. Many societies have education right up to form 5 or form 7 and we will be looking into that. It is important that we look forward in how we support our children in education to position our country in the way it ought to be in the Pacific Community in the next 15 to 20 years. Thank you, Mr. Chairman.

Hon. Sogavare: Mr. Chairman, this side of the House fully supports this program, and we expect as the Minister said some problems in 2009, is a matter that we all should put our heads together to cope with. I think it is a problem of costing, and I think the concern raised by the Member for West Honiara is also true that clear instructions must be given to schools so that they do not unnecessarily penalize children that they say if they do not pay fee they must

contribute, and if they do not contribute they do not come to school. I think there has to be some clear instructions that it should not affect the rights of a child in attending school.

That said I want to ask the Minister on this first project 2221-5799 - USP Campus, Expansion Program to follow up on the thinking of establishing universities in Solomon Islands.

I understand that there are a number of universities outside that are actually interested in establishing here, like the University of Papua New Guinea, and there are also churches in here that wanted to establish universities too, and we have heard some views expressed by the Prime Minister on that. This USP Campus is to with the establishment of the University of the South Pacific in Solomon Islands. Where are we at on that, and what will this $3million be used for?

Hon. Wale: Mr. Chairman, perhaps before I address myself on this question, I would like to give one point of West Honiara, which I did not properly answer earlier on. I think it is important in so far as free basic education policy is concerned that the support of communities and parents to school is not worn out. We are encouraging schools to continue fundraising and they will require parents to contribute and so forth but that is not a defining factor in terms of sending children away from school. Just to make it clear. Thank you.

I address myself to the question by the Leader of Opposition. In so far the USP Campus is concerned, as I mentioned in my contribution to the debate, face to face teaching will start. The Ministry has just finalized the tenancy agreement on this new building beside Mataniko where lectures will be held inside. Lecturers will come down from the Laucala Campus and based in Honiara. So our first year students in accounting, finance, management, Bachelor of Education and Economics will no longer go to Suva and so we will save some money on that. But that is not our primary driving determination on that aspect. They will be there for two years in 2009/2010 during which time construction for the fourth campus should be completed near the CYP.

My apologies for coming in a bit late this morning because I have been sitting down with the SICHE Council to iron out some issues in regards with this site. But we are hoping architectural plans are being discussed and workshops right now between the USP, the Ministry and also SICHE to look at how it should be held into the environment and looking to the future. When the second phase is completed at the end of 2010, we are hopeful that the facilities will be able eventually to hold up to 6,000 students. It is a small area but the designs and facilities will be good. This $3million will go towards architectural fees and initial survey works for the fourth USP campus here in Honiara. Thank you.

Hon. Sogavare: Mr. Chairman, thank you very much for that explanation. Project 472-4413-0686 - ROC Assistance to Training Awards, total project cost of $33.4million and we have allocated $16.7million last year, and as it appears there we have only used $9.9million of that one. Can the Minister explain to the House what is really happening there?

Hon. Wale: Mr. Chairman, those 2008 actual estimated figures are figures, I think, quite possibly of October 2008, and so are not up to date. The $16.7million as you will have noted in the media last month the last $6.7 million was paid over and this should cover all our costs of tertiary awards. The whole allocation is accounted for. Thank you, Mr. Chairman.

Hon. Sogavare: I thank the Minister very much for that explanation. On design of the new Ministry of Education and Human Resources office, Project 7746-5799, is that design already completed? As it appears there we can only go by what is presented in Parliament, and I would like to ask the Minister whether funds have been expended, and may be a more appropriate question is whether the design has already been completed?

Hon. Wale: Mr. Chairman, tenders have just gone out last week for architectural firms to put in their bids on this. Nothing has happened this year, I am afraid. It should have but it did not, I am sorry but it will definitely happen in January. And also the Ministry has realized that this is the same project for next year and none of that $165,000 was used, but Ministry has realized that this $165,000 is very low to get a credible kind of firm that is needed and because the requirement of the Ministry for an office building is much larger, it is the largest Ministry in terms of the budget and resourcing it consumes. But the Ministry is also proposing to SICHE to house this office and that some of the facilities will be used by SICHE. That is the concept being discussed with SICHE right now. Thank you Mr. Chairman.

Head 472 - $45,950 agreed to

Head 473 - Ministry of Finance & Treasury

Hon. Sogavare: Mr. Chairman, can the Minister explain to Parliament whether the report of the National Village Resources Survey was ready released for public use?

Hon. Rini: Mr Chairman, the report is completed but it is yet to go before the Cabinet before it is released to the public. Thank you.

Hon. Sogavare: Thank you for the explanation. Project 1148-5799 - Rural Equity, can the Minister brief Parliament as to how exactly this project will work.

Hon. Rini: Mr Chairman, since the passage of the Secured Transactions Bill by this House this year, we are going to try implementing it next year. The $2million is really for equity for people who would like to get credit from the banks. What is happening now is that there is an existing facility at the Central Bank for guarantee up to 80%, and the 20% equity is always a problem. When this scheme was implemented this year, this $2million is the equity to assist people who want to get credit from the banks.

On its implementation, we will start when we set up a registry office in the Ministry and we will also be drawing out the guidelines on how to implement this equity. Thank you.

Hon. Sogavare: Mr Chairman, I thank you for the explanation. The whole idea behind the equity scheme is to encourage the banks to actually lend their money. It is addressing one of the hiccups on the reason why banks cannot lend. I just want to get the views of the Minister in light of the fact that the government and the Central Bank have pursued a very tight monetary policy for increasing lending rates and actually mopping the access liquidity in the market to the extent of 69% of the liquidity being moped up. How does the Minister see the success of this program in 2009 when government policy is basically discouraging lending by banks? Thank you Mr. Chairman.

Hon. Rini: Mr. Chairman, as I mentioned in winding up the debate on the 2009 Appropriation Bill 2008, the banking system here is still in high liquidity. Even though the Central Bank has increase the liquidized rates, the banks are still very liquid. Only one bank has a little bit of problem at this time but the other two banks are high in liquidity. The Central Bank has also set up a special fund within the Central Bank and so if any of the banks are short of liquidity they can go to the Central Bank to tap that fund.

I can assure the Leader of Opposition that banks will continue to lend as there are more funds within the banking system. Thank you.

Mr. Waipora: My **c**omment is on rural equity. Some of these funds put by the Solomon Islands Government are not trusted by some of the banks. For example, this $100,000 fee, if you want to loan for something, I tried it once and they do

not trust it. I am telling the truth, I am not telling lies here. I want us to establish some strong, reliable and honest way before we can get through. I tried securing a loan for $100,000 under the PER but I was told that many Members of Parliament have come and they have been trying to get payment from the Treasury but it was not funded. It is just like that. That is just a warning to the Minister of Finance and to ask him to establish some others ways that can make the banks and financiers to trust us. Thank you.

Hon. Rini: Mr Chairman, this fund is not for guaranteeing of loans. If banks approve the proposals of borrowers, it is a good proposal but they lack equity they can come to the office and this will be paid out straight away to the banks as contribution for the equity by the borrower. Thank you.

Hon. Sogavare: Mr. Chairman, thank you for that clarification. On Project 1185-5799 - Drafting of WTO/GATT valuation legislation with an allocation of $1million. What is the government's plan there; is it recruiting somebody from outside to do that? Can the Minister explain to us how you are going to implement that program next year?

Hon. Rini: Mr Chairman, one of Customs current difficulties is the management of its valuation systems. Since Solomon Islands became a member of the WTO in June 1996, the migration to WTO valuation was an obligation, which we did not honour. This allocation here is for engagement of an outside consultant to come and carry out the review and drafting of the legislation so that we can comply with the WTO systems in Customs. This allocation is for hiring of an outside consultant to come and draft our legislation. Thank you, Chairman.

Hon. Sogavare: Mr. Chairman, just for the Minister to explain the rehabilitation of Customs Building where you are asking for $800,000 for 2009. In fact, $1.2 million was allocated for that project in 2008, and as is presented here there was no work done in 2008. Can the Minister confirm what is actually happening and justify the allocation of $800,000 when you did not use $1.2million allocated to you?

Hon. Rini: Mr Chairman, I think the actual was not printed when this budget went to print, but work has started already. This $1.2million allocated for this year has been disbursed and that $800,000 for next year is for completion of this work. Thank you, Chairman.

Head 473 -$14,200,000 agreed to

Head 474 – Ministry of Foreign Affairs & External Trade

Hon. Sogavare: Mr Chairman, Project 6319-5799 - Suva Chancery. As it appears there only $449,000 of the $1.1million allocated for 2008 has been used and there is no allocation next year in the 2009 budget. Can the Minister confirm what aspect of the work has been done with this $449,000 and why is there no budget allocation for 2009 for the Suva Chancery?

Hon. Haomae: Mr Chairman, the Suva Chancery is now in operation and is covered under the recurrent budget.

Hon. Sogavare: u Mr Chairman, thank you. I am asking that $1.1million was allocated in 2008 for the Suva Chancery and only $449,000 has been used from that allocation and there is no allocation for next year. I just want the Minister to clarify whether we are building one building there, and the question I asked is why there is no allocation for year 2009 and what is this $449,000 this year used for?

Hon. Haomae: The $449,436 covers the residence and office facility in Suva. Next year, most expenditures like rentals and so forth will be covered under the recurrent budget. Although the allocation in 2008 is $1million but that is the actual amount expended for the purpose of acquiring the properties. Next year everything will be recurrent and so it will be covered under the recurrent budget. Thank you, Mr. Chairman.

Hon. Sogavare: Mr. Chairman, thank you for that explanation. Canberra Chancery, Project 7957-5799, what is that $6million for?

Hon. Haomae: The provision is to commence the design of the Canberra Chancery. Tender design has already been concluded in December 4, 2008 and is now with the architects. The construction work is planned to start when the tender construction is concluded. It is envisaged that actual construction will start in October 2009. Thank you, Mr. Chairman.

Hon. Sogavare: Thank you very much, Mr. Chairman, Project 7958-5799 with an allocation of $500,000 next year for VIP Lounge, the total project cost is $2million and you only used $64,000 this year. What aspect of the project is funded with that $64,000 and what is the status of that particular project that you are asking for $500,000 for next year?

Hon. Haomae: Mr. Chairman, the provision is to cater for the design and construction of a new VIP Lounge at the Henderson International Airport. The lounge will not be within the terminal but it will be where the old VIP used to be; it will be a building of its own.

The Ministry is in receipt of three submissions but our Ministry's tender board is not satisfied with the quality of the designs and the proposals. The designs are not appropriate for a VIP lounge. Therefore, they are going to recommend adjustments to the successful bidder for the design. Thank you.

Head 474 - $6,950,000 agreed to

Head 276 – Ministry of Health & Medical Services

Mr. Tosika: Mr Chairman, provincial housing for health officers. How many houses are going to be built under this$3million and which provinces will these staff houses be built?

Hon. Koli: Mr. Chairman, so far six provinces have been covered with 12 houses.

Hon. Sogavare: Thank you for clarifying that one to us. My question is on the first Project 2247 - Support to people with disabilities. Why is the government not continuing with this program of supporting people with disabilities?

Hon. Koli: Under my Ministry there is a body called the CBR or community based rehabilitation. There are some CBR officers attending courses within my Ministry and they normally go around taking care of people with disabilities by giving them wheelchairs, providing treatment and providing them easy access to proper sanitation. The allocation here is very vital to them. .

Hon. Sogavare: Mr. Chairman, we have no problem with that, in fact that is the very question why we asked because there is no provision in the 2009 budget to provide all those things you are talking about, Minister.

Hon. Koli: Mr. Chairman, it is under physiotherapy in the recurrent budget. Thank you.

Hon. Kengava: Mr Chairman, Project 475-5120-5799 Health Sector staff housing in Choiseul. I know there is no funding for this in 2009, but I just want to know

how many houses have been built under this project and whether those houses have been completed?

Hon. Koli: Mr. Chairman, funding for this is already finished as we are seeing there. Eight houses have already been built in Choiseul Province. Thank you.

Hon. Kengava: Thank you for the answer. But I think the Ministry must go and inspect those houses again. I received a copy of a letter by the Premier of Choiseul a month ago, complaining about the quality of the building, and so I urge the Ministry to go and inspect those houses again. Thank you.

Hon. Koli: Mr. Chairman, I take note of that concern.

Hon. Sogavare: May be the Minister can just lump up the answer to this question, and this is to do with all those projects lining up from 7726, 7727, 7728 and 7730. As they appear there nothing really has happened in 2008, although those projects have been provided for, and now you asking almost the same amounts next year for those projects. The projects are rural health clinic renovation and upgrade, Grove Mini Hospital for $2million, Gizo hospital site work and National Referral Hospital upgrading. Can the Minister brief us on the status of those projects and justify those same allocations for next year as the way they appear nothing really has happened in year 2008.

Hon. Abana: Mr Chairman, all these projects are ongoing. The delay here is the planning and design of those projects. The Ministry has already contracted out the works and construction will start early next year. So we have to roll over these projects because of the delay in design work and engaging of contractors to construct the projects. That is basically the delay and therefore we see the importance of rolling them over to next year. Thank you.

Mr. Tosika: Mr Chairman, how were these projects contracted? Is that done in consultation with the Ministry of Infrastructure or do you have your own team that approves contractors working on the projects? The MP for North West Choiseul has raised a valid concern and that is why I am raising this question because a lot of time bids were awarded to contractors that they know or their wantoks? How did you deal with the contractors?

Hon. Abana: Mr. Chairman, all these projects go through the Central Tender Board of the government and therefore tenders are awarded to contractors

approved by the Central Tender Board, and so there is no direct dealing between the Ministry and the contractors. Thank you.

Head 476 - $16,500,000 agreed to

Committee of Supply is suspended for lunch break

Head 479 – $1,500,000 agreed to

Head 480 – Ministry of Forestry – $15,000,000 agreed to

Head 481 – Office of the Prime Minister & Cabinet – $4,200,000 agreed to

Head 483 – Ministry of Police, National Security & Correctional Services

Hon. Sogavare: Mr. Chairman, sorry for coming in late, but some of the heads we wanted to comment on have already passed and so it is accepted.

Mr. Chairman, those projects from the Buala Police Post to the Fire Fighting equipment, logistics and infrastructure. The way these are presented there would seem to me that those projects were not implemented in year 2008, and the Ministry is asking for nearly $10million to cover the same projects. Mr. Chairman, can the Minister explain what is happening to those projects?

Hon. Manetoali: Mr. Chairman, in regards to the Buala housing, the contract is for construction of three police houses on Buala, which has been signed and mobilization payment has been released. Construction work should start any time now. The additional $800,000 allocated in 2009 is to enable the construction work to be competed in 2009.

In regards to the Marau Police Station, the amount of $1,450,000 has been allocated this year to start the construction of five police houses here and a office building in 2009. The contract has been awarded and signed and mobilization payment has been released. The additional $1million allocated in 2009 should enable construction work to be completed in 2009. Arrangements are being made to have the land surveyed and demarcated.

In regards to Auki police housing, Mr. Chairman, the construction of seven police houses at Aligegeo on 4 hectares of land has been delayed as the land is yet to be leased despite assurance from the Commissioner of Lands that priority would be given to have the land formally leased. A MOU is being prepared to be signed by the landlord and the Ministry so that construction could start on the land whilst work is carried out to have the lease formalized.

The project is ready to be put on tender. The amount of $1.5 million is allocated for 2009 for the project.
In regards to the King George police post, the project is to construct four police houses and an office building. Project implementation has been delayed as the land for the office building is yet to be sorted out and land for the police houses yet to be formally leased. The Republic of China is yet to release funds for the project and $1million allocated for this project in 2009.

Mr Chairman, in regards to Police Housing, funds provided by ROC in 2008 have been used for rehabilitation of Police Houses at Naha, Malu'u, Atori and Yandina. The distribution of $1.7million, that is the Solomon Islands Government $800,000 and ROC $900,000, in 2009 would be decided by the Police Executive.

In regards to the Fire Station Headquarters, the site for the fire station headquarters is in the vicinity of the Department of Infrastructure Headquarters seaside. The design of the fire station is currently in progress and the project would be tendered out once the Ministry of Planning and Aid Coordination approves the project. The project, however, would require further funding in 2009 to enable the construction of the fire station to proceed. I think that is all.

Hon. Sogavare: Mr Chairman, in regards to the KGVI Police Post why is the Republic of China not releasing the funds?

Hon. Manetoali: In regards to the KGVI police post, one of the difficulties is the land.

Hon Sogavare: I am specifically asking for funds that the ROC is supposed to be giving and the Minister has said that ROC is yet to release the funds. Are there any specific reasons as to why ROC did not release the funds?

Hon. Manetoali: Mr Chairman, I do not have any idea as why ROC has not released the funds yet.

Hon. Sikua: Mr Chairman, could the honorable Leader of Opposition repeat his question again.

Hon. Sogavare: Mr Chairman, can the Minister explain why that project was not implemented in 2008 so that funding that ROC is supposed to have given is not yet released. The question is, why is it not released?

Hon. Sikua: Mr Chairman, as the Minister has alluded to, the release of funds depends on the land that the police post at KGVI is going to be built on. Of course, we are looking at the land just opposite where they used to sell betel nut but that has been given to somebody and we were looking at the possibility of compulsory acquisition. We also looked at moving to the school area on the other side of the road but we are not in favour of that. Then there is the issue of looking at the piece of land being offered by the SDA Church at Betikama. I think it is just a question of settling on where to site the police station before the funds are released. Thank you.

Head 483 - $13million agreed to

Head 484 – Ministry of Provincial Government and Institutional Strengthening - $7,000,000 agreed to

Head 485 - Ministry of Lands, Housing and Survey

Hon. Sogavare: Mr Chairman, just a general question. I would like to know the direction in which the Ministry is taking on land reform in the country, which we have seen legislation circulated around for Members of Parliament to look at. Where exactly are we heading on land reform?

From the policy statement of the government, it is actually picking up the idea of coming up with the reform that was started off by the Grand Coalition for Change Government, and now we are seeing another legislation coming up that looks at setting up tribunals to adjudicate land disputes, which is basically reorganizing or restructuring the way land disputes are handled by the court.

I am raising this because that legal reform is in fact addressing land disputes, how to handle land disputes whereas the reform that was driven by the Grand Coalition is to address the causes of land disputes.

Can the Minister just inform Parliament on the line of approach we are taking? Are we addressing land disputes or we are addressing causes of land disputes?

Hon. Magga: Mr Chairman, I do not seem to hear the question properly, but in regards to land reform one of the things the government wants to pursue is reducing land disputes once the land reform policy is fully implemented. I do not seem to get the question right and so can you repeat the question again?

Ho. Sogavare: My question is probably heard by the Prime Minister and this is in relation to the land reform project that you are asking $1million for and also I

think there is another $2million for setting up of provincial centres of this land reform project. And what I am asking now is, in fact, all of us have probably lived through this issue of land disputes, which is a problem that hinders development and so it needs to be properly addressed. I think so far how this country has been handling the issue of land in Solomon Islands has been focused only on addressing land disputes.

The land tribunal system that was circulated is another way of just addressing land disputes. The thinking of the Grand Coalition at that time was to address the cause of land disputes through the reform that we were suggesting. I am just asking the Minister's view and to inform Parliament on the thinking of the government now. Where is the focus of government now? Are we addressing land disputes or are we addressing the causes of land disputes?

Hon. Sikua: Mr Chairman, the Tribal Lands Settlement Bill is now with the Ministry of Justice and Legal Affairs. A draft is now available and is now being circulated for consultations with all stakeholders.

The way I see the Bill is that I think it is addressing more the settlement of land disputes whereas the Leader of Opposition has alluded to that there will be a panel of chiefs that sit on land disputes with the view of settling disputes on any particular piece of land once and for all. I think that is what that Bill is trying to address, and that is the issue of ongoing land disputes by anyone with a piece of land where we look at a panel of chiefs from that area to come and sit down and consider submissions.

Like I said, the Bill just come out, the draft has just come out this week and maybe with your indulgence, Mr Chairman, ask the AG to elaborate more on whether it also addresses the causes of land disputes as requested by the honorable Leader of Opposition. The AG might be able to assist us more on this.

Attorney General: Mr Chairman, I am yet to fully study the draft but the intention is really to deal with land disputes and improve the system of dealing with land disputes. The causes would be a different issue that would require a different kind of reform.

Hon. Wale: Further to that, I think in terms of the two objectives outlined by the Honorable Leader of Opposition, they are not mutually exclusive. Attempting to address land disputes is a short, immediate short to medium term objective. The government has not abandoned the efforts of the land reform, it is a mid to long term objective. There are, in fact, some nuisances of what ought to be part of this framework on land reform, which needs to find a little bit more clarity, and the government has directed that there ought to be a land reform commission

overseeing the work of the director of land reform and the office within the Ministry of Lands. This Bill has come out for wider discussions and it is not supposed to exclude or abandon the efforts of land reform. Both of them will just go ahead but one is an immediate short to mid –term objective and the other one is into the long term. Thank you, Mr Chairman.

Head 485 - $4,000,000 agreed to

Head 486 – Ministry of Development Planning and Aid Coordination

Hon. Sogavare: Mr Chairman, this side of the House has no problem using resources to go directly for development in constituencies. Our only concern and as you would probably share with the wider community as well and appropriate institutions in the country like the Auditor General's Office is the proper accountability of these funds.

Mr Chairman, I want the government to brief Parliament as to what it is doing in response to a motion that was passed on the floor of this house on how to properly administer or come up with standard administrative strategies to properly administer funds that are paid directly to Members of Parliament for constituency development.

Hon. Abana: Thank you Leader for that statement. I think the government has well received the motion that was passed on the floor of Parliament. The government is yet to take any position but we are considering that. I think it is the responsibility of all Members of Parliament to account for the disbursement and use of these development funds that we need to report back to our donors, especially the Republic of Taiwan on how we use the funds.

We are still waiting for the review of these funds as well, and with that I kindly ask all of us to retire the usage of the funds. We are just waiting for a handful of you to come up and we should have the review on these funds. But yes, this side of the House is serious about that motion and will come up with a proposition on that soon. Thank you.

Head 486 - $21,100,000 agreed to

Head 487 – Ministry of Culture and Tourism

Hon. Sogavare: Mr Chairman, Project 1230 – 5799. The Minister said that we have to wait until the development budget is discussed before we can raise questions to him, and so I am standing up now to ask question to him.

Yes, on that particular eco-tourism grants, have we actually identified where this fund will go to next year or what is the work plan of the Ministry in implementing that allocation of $2million on that particular project?

Hon. Gukuna: Mr Chairman, I thank the Leader of Opposition for his question. Out of these funds we have assisted 36 projects. In the strictest definition of the term 'eco –tourism; there was only one project that was classified as an eco-tourism project. Part of this depends on submissions.

When we have this fund we realize that last year there were about 18 projects that were half funded and we have to make a decision to try and complete those projects and put them into operation, and as a result some of the money was used to complete projects that were half funded last year. We thought that that is a better use instead of leaving those projects half standing with no use. As a result of that assistance five projects that were half funded last year are now in operation.

In addition to that we have also come in and tried to rehabilitate operations in the Western Province affected by the tsunami, and we assisted 15 projects in the Western Province. We think it is important to give a hand otherwise there would be a lot of difficulties putting the operations back on stream. That was the basis of that decision.

In addition to those assistances this year, we have also tried to develop three war relics projects in Honiara on something to do with preservation of war relics. We also assisted one nature tours. Eco-tourism as I have said is one, inbound tours 3, and again accommodation and resorts there were a few projects last year that were not completed to a stage where they can be useful, and so we assisted 8 this year. Having helped projects that were half funded last year, we hope that funding next year will concentrate more on new products development which we would like to do this year but we could not, and so next year hopefully we will direct assistance with the funding that is in the budget to projects that are entirely eco-tourism or products oriented.

Hon. Sogavare: I thank the Minister for that explanation. My question is on the first Project item 1114 - New Heritage Centre with a total cost of $8.2million. In the 2008 budget, the way it was presented there only $4million was spent last year on that project. Can the Minister just brief Parliament on the status of that particular project and what is this $1.2million going to be used for on that particular project.

Hon. Gukuna: In the budget last year there was an allocation of $4.2million for a new heritage centre. As a matter of fact that amount has been carried forward in

the last three budgets. This year we realized that we will never start the project and so what we did was going through the procedures and we did some reallocations of that fund. Out of that fund, one of the responsibilities that we have to do this year but we did not have funds for it was to try and promote tourism in this country through promotions and advertisements.

In the budget of this year we were asking for some funding but we could not get it, and so we used some of that money for promotions advertisements and for drawing up of some prospectus on trying to promote tourism in this country. We used part of that, and as I said it was a reallocation where we went through the Ministry of Planning, was approved and then we went ahead and disbursed funds. Part of that fund also went for training. As you know, this year we are doing a lot of training, and so we used part of that money for training.

This year we are putting $1.2million to try and kick start this new heritage centre. Again we really need to do something about this because it has been in the budget for the last four years and this year we thought that we must start it off next year, especially given the upcoming Pacific Festival of Arts in 2012 where we will need some kind of centre, a respectable centre and that is why we allocated $1.2million to start off work. In fact, we tried doing something this year but we had some difficulties drawing that money. Somehow when it was reallocated it was a bit easy for us to draw it for some other activities. But we will give it again our shot next year. We have actually tried going as far as the design stage of this centre, but still we could not get funding for it. And that was one of the reasons why we put some of these funds to use by reallocating them and hopefully next year we will try and ask for some more money to really try and start this heritage centre. Thank you.

Hon. Sogavare: Thank you Minister. So this is to build some kind of centre. Where are you going to build this centre? Where is the site for this?

Hon. Gukuna: The site we are looking at is the Arts Gallery this time. There is also another thing that complicates this and that is when we try to consider that site we realized that the site down to seaside was already given to different people, which is adding on the complications to that site, and so we are trying to contact the person whom we understand has the title of that piece of land. So it is the same site the Arts Gallery is located in at this time. Thank you.

Hon. Sogavare: Mr Chairman, can the Minister explain the last project, item 1194 – Balalai World War II Relics.

Hon. Gukuna: Yes, we have also been trying to work on the Balalai thing but it was also very difficult. We made funds available this year and we tried our best to push this project but we only went as far as going down there, but some overseas people are deeply involved in this. In fact one of them rang me up and sort of threatened me, but I told him that I am not worried about him because this is not his project but our project. I was really amazed to know the amount of involvement that he was in with the Balalai relics, which is not an easy thing but we tried our best by allocating $500,000 for it. We have made some community awareness in Balalai, but we are not giving up yet, we are putting some funds into it so that we can push it through. There is a lot of conflict within the communities, which is making things very difficult. But we think that maybe next year we will work on it and hopefully put up a museum in Balalae. It is very rich in war relics and we think it would be a big mistake if we ignore it. Thank you Chairman.

Head 487 - $4,700,000 agreed to

<u>Head 488 – Ministry of Commerce, Industries and Employment</u>

Hon. Sogavare: Mr Chairman, Projects 2120 to 7533 – those projects have allocations for 2008 and they also have some allocations as well in 2009. Can the Minister explain to Parliament, what may, if any, problems that the Ministry has encountered in implementing those projects in 2008? It would appear as though they were not implemented and now we are asking for the same allocations in 2009.

Hon. Hilly: Mr Chairman, for all the heads that have allocations in 2009, let me start from the bottom going up. On the Trade Disputes Panel Office, the present office is situated in the area of the Post Office and so we are trying to build a new office space for them.

On national measuring testing, we are trying to upgrade equipments for testing equipments and instrument like scales and things like that so that when foods are weighed in the shops customers are not cheated.

On Suava port development, this project has come on quite well. The information I have here with me on the current situation of this project is that consultation is going on with landowners. Engineering work and site visit has been done and the Ministry and Malaita Province will determine the actual site of the jetty. Architectural drawings are currently being drawn up and project implementation should start early in 2009.

In regards to the Noro Industrial development, work is going on, not as fast as we would like it to be but work has just been tendered out, and the Tender Board is yet to sit to consider the bids for the laying out of Noro, and hopefully work should start early next year.

In regard to Bina industrial development, the problem there is with land, how to acquire land, and I think the latest on this project, I am going to ask the AG to brief Parliament on it because he is also involved in the project.

Attorney General: Mr Chairman, there is an order made by the magistrate on an application I made in Auki when parties could not agree on a forced consent. I proposed it and so the court has made an order for directions that was already signed, which I have given to the Ministry of Commerce to send to the parties so that they carry out specific actions. I think if they follow the timeframe set out in the order, I cannot remember exactly the date, but it should be completed by now and the matter should now be in the hands of the Magistrate to make a decision on the appeal against the decision of the acquisition officer. That is the latest on Bina.

Head 488 - $9million agreed to

Head 489 – Ministry of Communication and Aviation

Hon Sogavare: Mr Chairman, Project 1235 on airfield upgrading, I assume that this is for tar sealing of airfields. Which airfields is the Ministry tar sealing in 2009?

Hon. Lonamei: Yes, we are going to start off with Seghe and then Gwanaru'u in Malaita. Those are the airfields earmarked for tar sealing.

Mr Kengava: Mr Chairman, I want information from the Minister on accounting code 489-1236-5799 – Provincial Airfields. Can the Minister inform us whether this funding will cover feasibility studies for new airfields?

Hon. Lonamei: Mr Chairman, the allocation here is mainly for engineering surveys and costing. The actual costing of airfields, if this allocation is not enough, will come in the supplementary of next year.

Hon. Kengava: Just to inform the Minister that the Choiseul Bay airfield at Taro is very small and with the development of Choiseul Bay Township, a growing population and business, I think it is time now that we should be looking at

building a new airfield on the mainland that can take bigger planes. I am asking this question just to remind the Minister about the situation in Taro so that he is not surprised if he sees a paper requesting feasibility study for a new airfield for Choiseul on Choiseul Bay mainland. Thank you.

Hon. Lonamei: Mr Chairman, the Ministry already has plans for an airfield for Choiseul Province, which must go in line with the new capital of the Province. The airfield must be located somewhere near to where the provincial capital is going to be relocated to. That is already in the plan of the Ministry, Mr Chairman.

Hon. Sogavare: Mr Chairman, I want the government to confirm whether we still stick to the program of building three airfields this year and another three next year, and this year is coming to an end. Are we still committed to building three airfields next year? If not, is there any change in policy then the government should inform us. There is no harm in letting us know if it is having difficulty implementing its political intentions so that this side of the House stops pursuing the government on its policy intentions. This year is coming to an end and the three airfields that were supposed to be constructed this year are not done. What is the program next year, and I see that you only have $2million there. The Minister touched on this very briefly earlier on, but maybe specifically on the government's policy of building three airfields next year. Or has there been any change in policy?

Hon. Lonamei: Mr Chairman, with the funds allocated this year, the Ministry has done most of the work like surveying work, engineering work, and the costing work for this year will be taken up in the supplementary of next year. We need to have in place most of these costing work before the actual cost can be shown in the budget.

Like for the Seghe airfield, we thought that work on the airfield would not have reached the amount it reached but when it was completed the cost was $3million. That is for Seghe alone.

Mr Chairman, most of the funds you see in the budget this year is absorbed into survey work, engineering work and costing of the airfield.

Hon. Sikua: Mr Chairman, in terms of government policy in so far as tar sealing three airfields this year and three next year so that we have six tar sealed airfields and also constructing three airfields this year and three next year so that we have three new airfields at one time, as the Minister has mentioned technical work is taking time, and so I just want to assure our colleagues on the other side of the

House that we will keep to what we say in our policy and hopefully that can be accomplished in 2009, and may even flow into 2010 before the life of this House is over.

What I am saying is that the government would like to keep its policy as it is at this stage and if there is need for us to review that then we would inform our colleagues on the other side of the House at a later time when a realistic review can be made. Thank you, Mr Chairman.

Head 489 - $14million agreed to

Head 490 – Ministry of Fisheries and Marine Resources

Hon. Sogavare: Mr Chairman, Project 1515 – rural fisheries enterprises, which has an allocation of $6million in 2008. As it is presented there, nothing really is moving and so can the Minister explain to the house where are we at in the allocations for 2006 and what is this 2009 allocation going to address.

Hon. Leni: Mr Chairman, this allocation is ongoing every year to support our rural fisherman in getting things like canoes, outboard motors and eskies. Last year we have an allocation of $6million. However, with the kind of information that came out in the newspapers, this year's allocation is also $6million. Applications coming in so far have been through the screening process which finished yesterday. Therefore, short listing should be done by Friday when we should know who is qualified to receive funding for projects. But this year we have done a bit of improvement. What we did is putting bulk orders to producers/suppliers. Orders were placed on three companies that produce fibre glass canoes and suppliers that supply outboard engines and eskies. We are going to standardize it to one fiberglass, one medium sized esky and one 15hp engine. In that way we think we can spread out the allocation to fit about 107 projects for one year. The orders for those are already there and as soon as fishermen find their names are listed in the approved list, they can go straight to suppliers and collect their orders of one fiberglass canoe, one medium sized esky and one 15hp engine. We have understanding with the Ministry of Finance and Treasury to put payment straight to suppliers so that we do not find ourselves going into what has happened last year and previous years. Thank you.

Hon. Sogavare: Mr Chairman, the 40hp engines were approved by the Ministry and not this side of the House. The question is this, Mr Chairman, we are approaching the 15th of December and as we understand it, that will be the cut off date for payments. Are you saying that you are going to implement the whole

$6million? Are you assuring this House that the full $6million allocation of this year will be fully utilized? If not, then how, Mr Chairman?

Hon. Leni: We are 150% sure that we are going to use up this $6million because payment voucher and everything have already gone down to Treasury and invoices collected from suppliers are now being compiled. The process of payment has gone in advance to the Treasury. The delay is on us in screening and putting up the final list of approved names.

Mr Chairman, yes, we know that we can use up this fund before the 31st of December. I think the Treasury will close on the 15th for processing of payments, but we have understanding established already with the Ministry of Finance and the Treasury. Thank you.

Mr Waipora: Is it possible for an easy way out in dealing with the applications. The applications from here in town have to go back to Kira Kira for endorsement by the Fisheries Officer there and the Provincial Secretary before they are brought back here to Honiara for me to endorse and then before it goes to the office there at the fishing village.

Mr Chairman, although this might sound funny to you, but this long process is a concern. Our constituency came up with 20 fisheries projects, which were all sent to Kirakira and when the applications reached Kirakira the fisheries officer there wrote back to me telling me to pay $50 each for the project applications. That is what he said; the letter is there at my house.

Sir, I want that long process to be cut short because how could the applicant travel from home to Kirakira to go looking for the PS and the fisheries officer and come to the Member and then finally to the Ministry. That long process must be re-looked into. And this concern not only applies to fisheries projects, but every project of the government of Solomon Islands. I do not want too much bureaucracy in it so that the process is much quicker. I am saying this about myself but I know that all of you my other honorable colleague Members are also facing the same problem, you are finding the process a bit difficult too. I want the government to look into this long process. Thank you.

Hon. Leni: Mr Chairman, that is a very good concern. But when we short cut on the process you complain too. When we want the process to be transparent you also complain too. Therefore, I just cannot understand what kind of process you will accept.

Mr Kengava: Mr Chairman, just a comment. I think the concern by the colleague MP indicates that all the ministries must come up with a standard way

of applying for projects. I think a good process is the livelihood funding and therefore if all the ministries can do the same, people will be accessible.

Like in my province I remember signing only one form for somebody because many of them did not know where to get application forms from but livelihood fund is being given to Members of Parliament and accessible to our people even in remote constituencies like North West Choiseul.

It is good that we are discussing a problem, which is an administrative problem but, I think, we need to come up with a standard way of applying for projects in all the ministries because most government ministries have grants for rehabilitation, forestry, fisheries and so forth, and yet accessibility to these projects by our people is the problem, they do not know how to go about it as officers down in the provinces are not working. I think the livelihood project process is a good one. This is just a comment.

Hon. Leni: The Ministry of Fisheries is also thinking along that line where this project should be put through the Rural Development Ministry, but that thinking has been objected to by some Members of Parliament. I think there are better ways of doing it. What we want to see is for this project to reach our rural people. And so it is just a matter of Members of Parliament working closely with fisheries officers and provincial members in our constituencies. If that is properly done I think we should go through the process quite easily and good for all of us. Thank you.

Hon. Sogavare: Thank you for those comments and suggestions. Mr Chairman, I would like to ask about Project 1241. Now we have a new one, Project 1199 and so maybe the Minister can explain to us what has happened to the pump boats so that we now have pole and line boats. Can the Minister explain to us because there is zero allocation for pump boats, which is now a new approach to this particular project?

Hon. Leni: Mr Chairman, that is a good question by the Leader of Opposition. We now have three pump boats in Solomon Islands doing trial fishing at this time. We are yet to receive any reports from the trials, the government is yet to receive whether it is good or not. Since they are still on trial and we still have not received any reports, we will provide allocation for put pump boats in the supplementary appropriation of 2009. In the meantime there is also good prospect to use small pole and line boats, and so we want to get two of such boats this year. When we get two of such boats they will also be put on trial as

well. I hope that we should get both of them in the 2010 budget because that will be in the report for trial with the pole and line boats and the pump boats.

For your information if all goes well we should by 2009 January launch three pump boats that are on trial at the moment. I am sorry if things do not work out as quickly as you would expect but things are going very smoothly with the pump boats trial fishing. By next year, I hope, a better story will be heard from reports coming from the Ministry. Thank you.

Head 490 - $12million agreed to

Head 491 – Ministry of Public Service

Hon. Sogavare: Mr Chairman, can the Minister brief Parliament on the status of that only one project of the Ministry of Public Service, the new office block?

Hon. Tozaka: Mr Chairman, that project in the 2008 development budget has an allocation of $1,048,286 which is for architectural and drawing. The Central Tender Board has approved the Kramer Ltd to do the drawing. The drawing work is now 80% complete, and Kramer has assured us that detail drawings would be submitted before the end of this month, December. Kramer Ltd has also worked on the documentation for tendering for the construction stage of this project.

The allocation for 2009 is $3million, and this for commencement of construction work. Additional funding will be sourced from the Ministry of Finance as and when needed during construction stage. The building is expected to be completed by 2010. Finally the building would be constructed within the Ministry of Finance compound to be closer to Finance and the Prime Minister's Office. Thank you, Mr Chairman.

Head 491 - $3million agreed to

Head 492 - Ministry of Justice and Legal Affairs

Hon. Sogavare: Mr Chairman, again only one project there. Can the Minister brief us on the status of that deal – SIPEU land deal.

Hon. Kaua: Mr Chairman, the land is now before Cabinet to look into it.

Head 492 - $1,500,000 agreed to

Head 493 – Ministry of Home Affairs

Hon Sogavare: Mr Chairman, the total project approval is $1.2million and $600,000 was allocated this year to continue with this project. Can the Minister brief Parliament whether work is still continuing on that project because you are asking for another $1.2million, exactly the same amount that was original planned for this project? Can the Minister brief Parliament on the progress of that particular project?

Hon. Tora: Mr Chairman, the allocation there is for construction of the first two provincial disaster management staff houses that will be built in Kirakira in the Makira/Ulawa Province and another one to be built at Tinggoa in Renbell Province. This year $600,000 was allocated but work did not start because the funds are inadequate, and that is why we are asking if we could be given additional funds.

The estimated cost of one of the houses is about $600,000 and this is quote from the Ministry of Infrastructure Development. One of the difficulties faced is transport, which is a cost determining factor of this project. Thank you.

Hon. Sogavare: Mr Chairman, the Minister said that they are going to build two houses, one in Makira and another one in Tinggoa and he also informed the House that the cost of one house is $600,000. That is exactly the cost of one house that was given allocation for this year, but why didn't you build one of the houses this year?

Hon. Tora: Mr Chairman, we must also take into consideration that sometimes land negotiation takes time. Land is not readily available so that we rush into building the houses. Land is one of the problems that is causing the delay. But for the information of the house, land for those two houses is now available and ready, and so hopefully by January next year work should kick off. Thank you Mr Chairman.

Head 493 - $1,200,000 agreed to

Head 494 – Ministry of National Unity, Reconciliation and Peace

Hon. Sogavare: Mr Chairman, we are pleased to see a good allocation for this Ministry. I want the Minister to explain to us Project 7121, ROC assistance towards the Truth and Reconciliation Council. Can the Minister explain whether this is the same as the Truth and Reconciliation Commission?

The Minister started to explain it when we asked a few questions in our consideration of the Recurrent Budget, and so he could further elaborate on his answers when questions were put to him regarding that program. Can we ask the Minister to brief Parliament on this particular project? Thank you.

Hon. Iduri: Mr Chairman, before I explain the program activities covered under the $5million allocation under this project, there are a number of typographical, if not misprinting that appear, that I would like to correct.

Mr Chairman, some of the accuracies did not appear in earlier versions, some that appear then were requested during the process to be corrected and were taken note of. However, unfortunately some new ones have appeared in this final document.

These are Projects 494-7121-0686, donor should be SIG and not ROC; this is for the Truth and Reconciliation Commission and not Council as it appears there. The figures $1million as total project approval should be deleted and replaced with zero and the amount $906,630 should also be deleted and replaced with zero. Only $5million, in my view, under the 2009 Budget Estimates should remain since this is a new project.

Hon. Sogavare: Can the Minister briefly inform Parliament of the work plan of the Ministry on how to use this $5million?

Hon. Iduri: Mr Chairman, I am sure we all know that the establishment of the TRC is an important government priority program in line with government policies to achieving policy objective of 'Completed truth and reconciliation process that establishes what happened during the years of conflict, an opportunities for reconciliation at all levels of society and the concerns of victims have been properly addressed'.

Pre-establishment activities are like this. With the passage of the TRC Act in August 2008, the Ministry is now embarking on the process of establishing the Commission. While the Commission by legislation an independent body, the Ministry bears the responsibility of translating the Act into the operations of the Commission; setting up the TRC secretariat office, and to facilitate the appointment of the National Selection Committee and its operations. Since October 2008 to December 2008, the Ministry has started and completed some of these pre-establishment activities.

We are now in the first phase, we have already issued letters for selection and they are now in place and then they will warm up and we are working towards the second phase of the Commission to be in place by March 2009. The

Commission proper should be in place, with full operation at that time. Thank you.

One of the Ministry's main tasks is also to formulate the TRC Action Plan and Indicative Budget for the operations of the Commission and initiate donor support.

Hon. Sogavare: Mr Chairman, I thank the Minister for his explanation and we will welcome receiving a copy of that indicative program.

Head 494 - $10million agreed to

Head 495 – Ministry of Mines and Energy

Hon. Sogavare: Mr Chairman, a very important aspect to get the Gold Ridge Project going is the reallocation of the people; Project 1244-5799 for which $1millon was allocated for that, the indication there is that nothing was actually incurred in 2008 on that particular project. Can the Minister brief Parliament on the status of the reallocation of people from the mine site? Thank you.

Hon. Huniehu: Mr Chairman, an imprest has been raised amounting to $500,000 to cater for tasks under this project. Total funds to date raised under the project is $541,444. It should be completed by December 31st 2008.

Hon. Sogavare: Mr Chairman, can we get confirmation from the Ministry that he will need the entire $1million to complete this project?

My concern is that we approaching the 15th of December, the cut off date, and whether the Ministry will have enough funds to complete this project. If not then, why are we not making any allocation in 2009 to complete the project?

Hon. Huniehu: Mr Chairman, I think work would have been completed and that is why there is no further allocation in next year's budget. Thank you.

Mr Waipora: In our discussion of the Recurrent Budget, I was asking a question about the Huro hydro project. I was given the answer that I will see it in the development budget, and so the development budget is here.

For your information, Huro Hydro Project has now taken 27 years for us to study – feasibility study. The study was carried out and they only construct the one at Buala, but not Huro. With those feasibility studies carried out on Huro, what are they still doing about it? Are they still measuring water drops or what are they studying?

Hon. Huniehu: Mr Chairman, I would like to assure the Honorable Member that a ministerial team has visited Huro Project this year, and that project is now in the pipeline and under process. I would like to say that the Ministry is developing plans to develop Huro and Rualae and a few other hydro power projects in the country at the same time. The Ministry has carried out further investigative studies and also meetings with people at Rualae together with Huro. The idea at Rualae is that the Ministry would develop a hydro dam there and allow a grid to run up to Bina or Su'u and down north road and provide electricity for all the villages along that road and to open new economic development frontiers. Thank you.

Hon. Sogavare: Thank you for that explanation. I just want to ask the Minister about the second project because it has no allocation in 2009. This is Isabel mobilization and tendering fund. I assume this is for this mineral there, the St Jorge. Has that mine been tendered out already? Can the Minister explain why we did not continue to pursue that project in year 2009?

Hon. Huniehu: Mr Chairman, this fund was never approved. Work cannot progress until the High Court decision is served. It is expected to be resubmitted again next year in next year's supplementation appropriation if legal matters are cleared. We hope the High Court should pass a decision on the Isabel mine in the very near future. Thank you.

Hon. Sogavare: Mr Chairman, can the Minister brief the House on two other projects - 1255 and 1256 – Tina/Ngalimbiu Hydro Scheme and support to SIWA to purchase a back up generator for a total of $2,500,000 and the other one for $1.5million. What has happened to those two projects in 2008?

Hon. Huniehu: Mr Chairman, the unreliable distribution of water to the Honiara township experienced today is primarily due to frequent power outage causing excessive stress and malfunction to water pumps and distribution pipes. A back up generator will help ease this stress on the main source pump at Kongulae and ensure reasonable distribution of water to areas it is servicing. This is a short term measure in addressing the current problem until major work is done on the entire system. Thank you, Mr Chairman.

Hon. Sogavare: Mr Chairman, which project is the Minister explaining?

Hon. Abana: Mr Chairman, the project on Tina/Ngalimbiu Hydro Scheme is SIG's support and contribution to the World Bank. The entire project is a long-term undertaking to assist SIEA with its service delivery of reliable and cheaper electricity power. This is SIG funded component to prepare the groundwork particularly in terms of land acquisition and negotiation.

Hon. Sogavare: Thank you very much. So has work on that negotiation started already, and where are we at now on that?

Hon. Huniehu: With the Tina Hydro Power, the present government is engaging the World Bank on a technical service with the Solomon Islands Electricity Authority, and as soon as they are here in two or three weeks time they will accelerate negotiations and putting up the master plan to develop the Tina Hydro Project. This process will be more evident in the coming year. Thank you.

Mr Waipora: Mr Chairman, the Solomon Islands Water Authority Act, is this only for Honiara or also for Provincial Headquarters too. I am asking because at the moment SIWA is only known here in Honiara, I think at the beginning of the establishment of SIWA, they went around the provincial centres saying that they were going to take over the running of water supplies. I am not sure but may be it changed during the drafting of the bill and when it became an Act. It would seem to me that SIWA is only concentrating its services here in Honiara and not in the provincial centres.

Hon. Huniehu: We will take those comments, Mr Chairman.

Head 495 - $5,650,000 agreed to

<u>Head 496 – National Judiciary</u>

Hon. Sogavare: Mr Chairman, Project line 1249 to secure magistrates housing in Kirakira and Lata with an allocation for $884,000 in 2008, the way it is presented there nothing really has happened in 2008, but we are asking for another $750,000 for 2009 to implement that project. Can the Minister just brief Parliament on the status of that particular project?

Hon. Manetoali: Mr Chairman, I will assist in answering this question. In regards to Lata, construction of the building has just started and for Kirakira there is no land and so there is no building.

Mr Waipora: I am surprised with the Minister of Police and National Security, and I wonder whether he has seen Kirakira? There are two houses there and so what he should be doing is send his staff to go and talk with the provincial government there on repairing of the houses and that is all. Two houses are there already.

Hon. Manetoali: In regards to the first question whether the Minister of Police has been to Kirakira, I have not been to Kirakira but information that reaches me from that department is that land is not available to build the building there in Kirakira. And so I will ask the Member for West Makira to help out in giving land so that the department can build the houses. Thank you.

Mr Waipora: Mr Chairman, if they need magistrate housing, there are two good houses already there. It is just a matter of negotiating with the provincial government there and money is available, then what are you fussy about since it is there already. Two houses are there. If the Minister of Police and also the Minister for Justice go there and negotiate, housing will be available. Thank you.

Hon. Wale: Mr Chairman, we are arguing over something that is not right. There have been discussions between the Ministry and the Province. There was preference for a new house, additional to the two already there. Discussions are going ahead and something will happen in the new year, either to upgrade what is already there to become better or build a new one but they will find agreement and get on to it in the new year and so it is good to have a provision in there to get it done next year.

Mr Waipora: Mr Chairman, if you want land starting from the airport to Kirakira, land is there, it is available there and so it is just a matter of going over to the provincial authorities and talk with them. I know they will come up with land that is between the airport and Kirakira, which is provincial land for expansion of the provincial headquarters. I was there as a Provincial Secretary of Makira Province two times and that is why I am telling you this. Thank you.

Hon Abana: Mr Chairman, the government very much appreciates the sentiments made by the MP for West Makira, but we would like to ask you as an experienced person serving Makira Province to help the Ministry obtain land for the houses because that is one difficulty the Ministry is facing at this time so that next year we get this project going. Thank you, Chairman.

Mr Waipora: Mr Chairman, if you want my help, I am always available.

Hon. Tora: Mr Chairman, I also want to say that I am also a man from Makira but when I applied for a piece of land to build our constituency house in Kirakira but it was turned down. Thank you.

Hon. Sogavare: Mr Chairman, this is for police house and so it is a government house. I think building of private houses would not get approval.

Head 496 - $2,100,00 agreed to

Head 497 – Ministry of Women, Youth and Children's Affairs

Hon. Sogavare: Mr Chairman, Project 7749 – National Centre for Youth, Women and Children which has an allocation of $500,000 in 2008, this year, again from how it is presented here you have not spent anything or whatever it is that was supposed to be funded this year on this particular project did not really eventuate. Can the Minister inform the House of what is really happening there? Also for the allocation in 2009 of $3million, what is the Ministry going to use that money for? Thank you.

Hon. Tom: Mr Chairman, the aim of the project is to build a national centre for women, youth and children to ensure better access to services for women, youth and children provided by the government. The centre will also provide a permanent home for my Ministry, the Ministry of Women, Youth and Children's Affairs. Although some progress has been made in terms of preparatory work, our biggest challenge has been identification of a suitable piece of land that can accommodate the national centre concept, which we have developed in partnership with our stakeholders. However, we are happy to be working with the Honiara City Council about the possible acquisition of land, which is currently housing my Ministry's Women in Development Division.

Hon. Sogavare: Mr Chairman, Project 7748 - Planning Projects, the allocation in 2008, this year is $1.3million but you only spent according to how it is presented here about $111,000, and now you are asking for $1million this year. What aspects of the project have been funded in 2008, and what are you going to do in 2009 with this $1million allocation.

Hon. Tom: Mr Chairman, so far funds committed is $955,367,000. This is an ongoing project and its aim is to strengthen the planning and implementation capacity of the Ministry and to ensure the Ministry is properly focused on its

plans to implement government policy for the three sectors of women, youth and children.

You will note that an allocation of $1.3million was allocated to the same project in 2008 while the Ministry made good progress this year to implement the various components of the project, due to the late start of implementation a number of components within the project could not be completed, hence the allocation of a further $1million for 2009.

The amount will also go towards new activities which further support the objective of the project. In 2009 funds for the project will go towards the following activities:

(1) Completion of the CEDAW report,
(2) Completion of the National Youth Policy,
(3) Convening of the National Youth Parliament,
(4) National youth award, which will become an annual event
(5) Development of the legislative review framework for the Convention on the Rights of Children and its implementation
(6) Completion of the periodic report on the Convention on the Rights of a child.
(7) Children forum advocacy and awards for children. This is ongoing
(8) Development of a national policy on gender base violence and child abuse.

Mr Waipora: Chair, I want to ask the Minister about this musical youth empowerment project. The first question is, do you have in your Ministry a standard form like the rural livelihood project so that youths can come and get the forms and apply for it? How many youth groups have already received assistance from this amount of $385,999? How many youth groups? Do you have a standard form so that when youths from my constituency come to me I will tell them to come and get application forms from your Ministry?

Hon. Tom: Mr Chairman, it mostly depends on proposals given to us. A huge demand for this particular project has necessitated the need to have it as an ongoing project. The aim of the project is to increase the capacity of young people and to empower them to fully utilize their potentials in the area of music and other performing arts where needed.

The $1million allocated to this project in 2008 has been fully exhausted. Funds were allocated to the following activities:-

- Solo Idol competition,

- Support to the Music Federation through its revitalization music marathon and workshop for recording artists.
- Support to 58 youth groups for recording of music albums.

Mr Waipora: Mr Chairman, I heard you reading out those things, but you are talking about what the Ministry of Youth is organizing. What I talking about is young people coming to me asking for assistance to help their group. They would like to apply for money to help them. Like in the Ministry of Rural Development there is a standard form that interested applicants can apply for funding, and this is the Deputy Prime Minister's Ministry.

What I am asking for is whether there is any standard form in the Ministry that youths can apply for assistance. It is your Ministry that should be helping the youths. I was listening in to what you were talking about, may be I am wrong, but you are listing programs that were initiated and will be taken up by the Ministry.

Hon. Sofu: Mr Chairman, I think it is very clear that any ministry of the government has a standard form, but I would like to inform Parliament that it is the responsibility of Members of Parliament to go to the ministries and check whether there are any application forms in the Ministry. That is our work. The forms are there and will be given to us if we go to the ministries concerned or even if could write a letter to the Ministry responsible for the projects that we are seeing here.

Hon. Sogavare: Mr Chairman, I need to correct the Minister for Infrastructure. The work of Members of Parliament is full time employees of National Parliament to be either as a member of a standing committee or a Minister. We are not project managers, and people are complaining about Members of Parliament involving in projects. This thing should be initiated by people themselves, Mr Chairman. I think the Minister should just properly answer the question by the Member for West Makira. It is a straight forward question, it is not a hard question, we are not trying to get the Minister off guard. It is a straight forward question that you just give us the procedures of how to access the assistance. It is simple as that.

Hon. Tom: Mr Chairman, we find that standard forms do not work given the accessibility of youth groups in isolated areas. We, therefore, encourage youth groups to apply but adhere to selection criteria that are in place. Just to let you know that this Ministry is a new ministry that has just been established and so we take note of that question. Thank you.

Hon. Sogavare: Mr Chairman, having said all these, this side of the House fully supports the work of the Ministry as we expressed during the Meeting of the last Parliament. When allocations for this Ministry were discussed we said that we will not have any problem if allocations to this particular Ministry are increased. It looks like there is a bit of increases this year to about $8million or something like that. That is a big improvement. Everything we are saying here is all in the best interest of getting that Ministry to take care of the welfare of almost more than half of the population of this country, and yet the resources that are put into that particular Ministry do not reflect the seriousness of may be all the governments that have been in power. We fully support the work of this Ministry.

Head 497 - $5,200,000 agreed to

Head 498 – Ministry of Rural Development

Hon. Sogavare: Mr Chairman, I just want to get confirmation from the Minister and maybe the government too on Solomon Islands Government contribution to RCDF which has actually increased two times. This year already we have been paid $100,000 and I think we are having another one through a supplementary appropriation that is yet to come to Parliament.

I want to get it clear from the Minister whether what we are saying now is that we are increasing. Is that a fixed thing or is it a one off? Why we are saying that is, maybe not for this $150,000 that will come in the supplementary appropriation but this $100,000 that has first come when the Member for Temotu Nende asked a question to the Deputy Prime Minister, his answer to this House is that yes, this is a permanent arrangement, but it looks as though it is not reflected in here. What it effectively does is that it actually increased the SIG contribution to RCDF to $650,000 if those two increases are permanent. It is not reflected in here and so maybe the Minister can explain to us whether those two times increases are one off payment or are they permanent arrangements?

Hon Fono: Mr Chairman, it is not featured in next year's budget, however, it depends on the government next year if it sees it fitting it can put it in the supplementary budget. Thank you.

Mr Waipora: Mr Chairman, I just want to say that the government has done a very good thing for setting up the livelihood program. The CDO's, some of them are doing good work, however, there is one thing I see and that is the CDO open

bank accounts and they are signatories to those accounts themselves. I am not sure whether that applies to only Makira province but they open up bank accounts with the ANZ Bank and they sign themselves. When project funds are paid into the accounts, may be Treasury paid funds into those accounts. May be this is not the policy of the Ministry of Rural Development, but the Honorable Deputy Prime Minister should explain to us what is happening because my CDO and the one for East Makira have opened bank accounts and they are signing cheques to those accounts themselves. Thank you.

Hon. Fono: Mr Chairman, the CDO bank accounts is not a policy of this government, and so I think it could be the former government that encourages them to do that. However, the criteria approved by this government for payment of rural livelihood funds is that PVs are raised from my Ministry to Finance and Finance raises payments to the suppliers or third parties, which are the beneficiaries, beneficiaries like working capital for cash trading of cocoa or copra or timber and all that. But for Finance to raise payment to CDO accounts is not the criteria under which this current government operates the rural livelihood funds.

Hon. Sogavare: Mr Chairman, just to correct that too that it was never the policy of the last government too to ask CDOs to open bank accounts. I just want to put the records right. It is a rural livelihood that never existed in our time too. That is just to put the records right.

Hon. Kengava: I think this is just a comment for the Ministry to look at, especially on the disbursement of the rural constituency livelihood funds. I think there are two things that need to be looked into very carefully for improvement, I believe. One is that I think there is need to be a closing date for application so that facilitation of payment of approved projects can be done earlier so that accessibility of funds by the people is much quicker. Right now, I think, the Ministry is experiencing a lot of people going to the Ministry, going to the Treasury and fighting for money from the same fund, the consolidated fund, and this is a problem. I think the Ministry should look at those two things. There should be a closing date for the funds and also how to access funds from Treasury needs to be looked at too because everyone go there and fighting from the same basket.

I know some people from my area have been here for almost three weeks now and are still to access the fund because of excuses like 'not yet, cheques are not signed yet'. That sort of thing, which is a normal thing at the Treasury, but

doing that to our people who really come from the provinces to get the money, is not so good.

I think an efficient way of funding, closing date for applications, and all the application must not be given out by the Ministry, may be through provincial offices so that we are not confused. Otherwise one man comes with a form and another one comes with the same form and we become confused. I think this is something we need to improve on. Thank you.

Hon. Fono: Mr Chairman, I take not of the very important points raised by the Deputy Speaker. Since we only operate this program this year, we will make improvements to it next year. But I can assure the house that the actual balance here was the amount of sometimes in June/July. So far more than $30million has been paid out, and towards the end of this year or after these funds were committed, for transparency and accountability purposes, we will publish all rural livelihood projects funded under each constituency in the media. But I take not of the very important sentiments raised by the Deputy Speaker. Thank you Chairman.

Head 498 - $80,000 agreed to

Head 499 – Ministry of Environment, Conservation and Meteorology

Hon. Sogavare: Mr Chairman, I do not know whether I had the wrong book because mine is blank, all the projects I got are all non appropriated funds. Mr Chairman, may be I will ask a question on non appropriated funds anyway.

There are two projects there for preparatory assistance for the Ministry of Environment Conservation and Conservation and National Resources Management. I do not know the level of consultations between the Ministry and those funding these projects, and whether the Ministry has any form of control in the implementation of this non appropriated fund. Thank you.

Mr Chairman: Before the Honourable Minister responds, the various projects appear opposite the last page of Head 498. The names of projects under the Ministry of Environment and Conservation appear there. I think it is just a misprint.

Hon. Lilo: Mr Chairman, thank you Honorable Leader of Opposition for asking that question. He is actually asking a question outside of the Appropriation Act, but I can answer it. The non appropriated funds for conservation and national resource management are all funded by UNDP. But I can answer that.

Hon. Sogavare: Although it is non appropriated funds, all these projects are pursuing government policy, and the Solomon Islands Government must know how these projects are going on.

This probably gives rise to the question of how much consultations do we have between them and us? I did not ask this question in all the other Ministries that we have passed, but may be this one because I cannot see the projects, and thank you, Mr Chairman for showing it to us, but may be for the interest of this House, we will get the Minister's response to that questions, as I feel it is in order.

Hon. Lilo: Mr Chairman, yes, I totally agree with the Leader of Opposition, and I think he deserves to have a good response on his question.

Mr Chairman, this is a project funded by the United Nations Development Program and it basically aims to promote conservation and resource management in various areas of the country. For the time being we are beginning with some of the selected areas, and that is assistance to Tetepare Indigenous Association in the work they are doing in the conservation on Tetepare Island in the constituency of South New Georgia, Rendova and Tetepare. I do not know whether the MP is aware of that project, I think he is outside, but they are doing a very good job there. We are also doing some preliminary work in Makira, not in West Makira but Central Makira and so it is quite unfortunate for the MP for West Makira that he has to miss out on this particular work. But I think the whole idea of this project is to ensure that we find alternative ways of promoting conservation and sustainable development instead of large scale development posing pressure and destruction to our environment.

There is a very good combination of the kind of development option that is being offered through this program, and I will urge all MPs that have an interest on conservation and resource management to write to us expressing their interest, and find your place, and I know that in Choiseul, the MP for East Choiseul and Leader of Opposition is keenly interested to do a lot of conservation work over there. But he was just talking about them and not writing about them, and so I am encouraging him to write to us so that we start doing some work in there. Thank you, Mr Chairman.

Hon. Sogavare: Mr Chairman, in fact I really acknowledge the good work this Ministry is doing. The areas that we identified as conservation areas in Choiseul, I went there myself when I attended the Lauru Land Conference and actually visited those sites that conservation is going on, and see amazing results there.

Mr Chairman, in places where fish have not been there before, a lot of fish are there now. I mean it works out very well.

Mr Chairman, I would like to ask a question concerning two projects; coral triangle and endangered species, which are Projects 1200 and1211. Both projects originally are supposed to cost $500,000, and I am not sure whether those projects actually kicked off this year. But we have the same allocations again for 2009 for those two projects. Can the Minister explain to Parliament those two projects?

Hon. Lilo: If you look at the line there, there is no allocation for those two projects in 2008 but only in 2009. These are fairly newly projects.

Coral triangle initiative is all about protecting this particular triangle that we have. There are six countries that are part of this triangle, starting from the Philippines, Indonesia, Timorese, Papua New Guinea and Solomon Islands. We are part of a coral triangle that the whole marine ecosystem of the whole world depends on this particular triangle.

Like what Marine Biologists used to say that fishes give birth to fishes here and then move on to other places, and then they come back, go out again and come back again. There is need for us to protect this particular coral. And as you know coral is a living thing and it grows and therefore it is a good place for our fish to grow out of. That is part of this project

On endangered species, of course, it looks very dangerous on what an endangered species is but it can cover so many species like dolphin, for instance, crocodile, etc. But the particular attention we have here is the study of dolphins in Solomon Islands. As you know a particular dolphin is a species s governed under what is called CITES (Convention on International Trade on Endangered Species) and every year before issuing of any license or permit you have to conduct what is called a verification study to ensure the non detrimental factors that relate to the habitation of dolphins are not disturbed. This allocation here is for that purpose so that next year survey on dolphins inside the country can be carried out to find out whether or not their population is not disturbed by the way we harvest them or other industrial activities carried out in the country like the tuna industry is not posing any disturbances on the population of dolphins or something like that.

These are two new projects and we hope to start off them next year. Thank you, Mr Chairman.

Mr Waipora: Mr Chairman, on endangered species, what I was going to ask is what the Honorable Minister as already explained to us. So my question is, where does the government stand? You are protecting the environment but you

are selling fish and you are selling dolphin? Where is the government's stand? Thank you.

Hon. Lilo: Mr Chairman, the guidelines that we have to follow are there. The position of government is still the same, and that is that we have legislation there that we have to follow and at the same time there are international obligations that we have to meet.

There is only one thing that we have to meet under those international obligations, and that is for us to verify that all other factors that will cause detriment to the population of dolphins in the country do not exist before we can trade on dolphins. That is what we have to review every year, and once we meet those requirements there s nothing that should stop us. The abundance of our dolphins is fairly at a reasonable level and that we can continue to trade on dolphins.

Dolphin is not a banned species under CITES, no. It is an allowable species for trade but it is those factors that we have to make sure that we comply with, and that is factors that do not affect, that does not cause disturbances and detriment to the livelihood of dolphins in the country when we do harvesting and other activities relating to the export or trade of that species.

The position is still alright, MP for West Makira otherwise you are worried for nothing about it, it is still okay. Thank you Chairman.

Mr Zama: Mr Chairman, the Minister still fails to justify those two allocations of the coral triangle and the endangered species. He went explaining the coral triangle but those two allocations are purposely for what, what are you trying to do? It still does not satisfy the explanations you made.

Hon. Lilo: Mr Chairman, these allocations are for what I have already explained to the house. What we are trying to do is promoting awareness in our communities, gathering information as to the status of corals in our country and making awareness to our people so that they are aware that coral is an important thing to us. For people to be aware that we need to protect corals so that human lives are not affected if they are ignored now. That is what we are trying to do here.

On endangered species, I have also explained it, unless you want to be included in that group. But, Mr Chairman, the whole purpose is for us to conduct a survey, finding out that the level of harvesting we are doing, like inside the country there are people who are harvesting it for customary use on the teeth and also for consumption. We want to find out whether such activities are posing any threats to the livelihood of dolphins. That is what we need to find

out because we are involved in this particular trade. If we are involved in that trade then what we are doing is not affecting the population of dolphin inside our country etc.

You go to Australia or New Zealand, it is very hard for you to find dolphins around there. For us here, it is still in abundance. That is what I mean this allocation is for. Thank you, Mr Chairman.

Hon. Sogavare: Mr Chairman, just to get the Minister's confirmation. In fact the issue of crocodile was touched on during the last parliament meeting when we talk about the area of conservation. Can the Minister confirm, there are many complaints now from many places that crocodiles are starting to kill people and animals? Are we going to wait for the completion of this study before we establish whether crocodile reaches the stage that it is no longer an endangered species? In fact they are endangering human beings now.

Ho. Lilo: Mr Chairman, crocodile is something that is of concern to all of us. We have been receiving reports that in some of our islands families are still eating their meals when a crocodile just came up opening its mouth, and so it is a real threat.

Based on the information survey we have been receiving, we are of the opinion that something has to be done and we are coming up with a paper that will go through cabinet looking at options of whether to kill them. Some were saying that they should be shot dead straightaway whilst some are saying that we should get into the business of trading like exporting or farming or options like that. These are options that will go to Cabinet and obviously information will be made known by everyone.

But this allocation is part of that project so that we look into how we can deal with some of these species. They are endangered but at the same time are posing threat to human lives, and that is what we need to look at. Thank you, Mr Chairman.

Head 499 - $2,650,000 agreed to

The sum of $372,150,000 being the total of the development estimates agreed to

The sum of $1,758,713,157 being the total expenditure agreed to

<u>The Schedules</u>

Column 1, 2 & 3 agreed to

The Schedules agreed to

Clauses 1, 2, 3, 4, 5 & 6 agreed to

Clause 7

Hon. Sogavare: Mr Chairman, I was going to remind all of us, Mr Chairman, this is a challenge not only for this government but for every government that has ever rule on the use of contingencies warrants. With reports coming from the Auditor General's Office continuing to remind us of the use of this particular facility, which continues to remind us and the Public Accounts Committee is tired of seeing reports from the Auditor General's Office.

But as much as we understand, Mr Chairman, nothing should hold the government down when it comes to delivering of services to our people. There are rules to follow and so when it comes to using this facility as much as possible they are for emergency purposes, any other use, call Parliament so that we meet, we approve funds before using of funds so that we should stop reports that are always coming from the Auditor General's Office reminding Members of Parliament that we have not been following rules when it comes to the use of contingencies warrants.

That is my comment, Mr Chairman, otherwise we support this provision as it is a standard provision every time every year.

Hon. Rini: Mr Chairman, that is a very, very important comment made by the Leader of Opposition, the government will take note of that comment. Thank you.

Clause 7 agreed to

Parliament resumes

Mr Speaker: Although I do not see the provision for the third reading of this bill in today's order paper, I have been approached that the Minister wishes to do that. Is there any obvious objection?

Hon. Sogavare: Mr Chairman this side of the House has no objection whatsoever for the Minister to move third reading of this particular Bill.

Hon. Rini: Mr Speaker, I beg to report that the 2009 Appropriation Bill 2008 has passed through the Committee of Supply with no amendments.

Bills - Third Reading

The 2009 Appropriation Bill 2008

Hon. Rini: Mr Speaker, I beg to move that the 2009 Appropriation Bill 2008 be now read the third time and do pass.

The Bill passed its second reading

Hon. Sikua: Mr Speaker, I beg to move that the House do no adjourn.

The House adjourned at 4.25pm