



[PART 3 BEGINS HERE]

i. **AVEAU** asserted that the alternative means for income for those Samoans unable to secure employment are to work the land and sea for food. The actual focus here is on citizenship (as per the Bill) not on employment.

ii. **AGAFILI** was questioned on which subject majors were predominately chosen by Samoan students to which he noted the statistic that currently 60% of students in Samoa are Arts majors. He also noted that if it was the true case that Samoa was developed, unemployment would not be such a major problem.

iii. **AVEAU** stated that all Samoan Members of Parliament came from “humble beginnings”.

The **Deputy Prime Minister** again re-emphasised the fact that he has continued to state that the Bill’s objective is to create more local employment opportunities.

iv. **MUAGUTUTAGATA** asserted that the Hon Deputy Prime Minister did not come from humble beginnings as his family has always been a “business family” but he was made to assist in these businesses from a young age.

v. **AGAFILI** again noted the Bill’s intention and emphasised that despite the Bill being well-intentioned, the nation was still uneasy as to its effects. In reference to the apparent resistance displayed by Opposition members to the Bill the Deputy

Speaker quoted Psalm 1:1: *“Blessed is the man who walks not in the counsel of the wicked, Nor stands in the way of sinners, Nor sits in the seat of scoffers”*.

vi. **TUILEUTU Alavaa Voi, Member for Faasaleleaga No.3** expressed his gratitude to the Government for introducing the Bill as it seeks to promote the continual development and way forward for Samoa.

Proceedings were suspended at 1.05pm and reconvened at 1:45pm

Debate on the second reading of the Citizenship Investment Bill 2014 continued

vii. **FAIMALOTOA Iemaima Kika Stowers, Member for Gagaifomauga No.1** informed the House that her constituency have expressed their concerns over the Bill and have questioned whether the Government is selling Samoan citizenship. Amongst the concerns raised is that such an initiative may permit the entrance of terrorists into Samoa. The member stated she has emphasised the fact that the Bill is for investment purposes, not to sell citizenship. She noted that the Bill has been in its preparatory stages for many years and noted that consultations were carried out with the general public and relevant stakeholders. However, she also noted that members of her constituency insist that they do not support the ‘selling’ of Samoan citizenship rights to which they instructed her to object the Bill. The member recommended that the Special Committee thoroughly investigate the background of all prospective investors. This would include details as to his or her educational background and the means by which the investor acquired their wealth.

viii. The **Leader of the Opposition** informed the House that the issue is not in fact the “selling of citizenship” but rather the provision of an option to apply for Samoan citizenship as an incentive for foreigners to invest.

The **Hon PRIME MINISTER** informed the House that the Bill clearly outlines the specific procedure to be followed in granting citizenship to foreign investors and that the only change stipulated in the Bill is that the permanency of citizenship will be reduced from 5 years to 3. The Hon Prime Minister stated that he has made this point numerous times in the House.

The **Leader of the Opposition** clarified for the House the difference between “cultural protocols” and the “selling of citizenship”.

FAIMALOTOA in reply, stated that she is well aware of the Bill’s provisions whereas she is merely conveying the opinions of the members of her constituency. The member explained that she has already reassured her constituency that the Bill’s effects should not be feared. In closing the member voiced her support for the Bill on behalf of her constituency and reminded the House that issues which have not been addressed in the House may be done at the Committee inquiry stage.

ix. **TAEFU Lemi, Member for Falelatai and Samatau** began his address by raising several questions for members to consider such as whether there are many who wish to become Samoan citizens; and whether Samoa can be classified as a country which people would migrate to when seeking “greener pastures”. The member noted the size of Samoa and the lack of minerals and other similar resources. For example, phosphate is found in Nauru whereas much of Samoa remains undeveloped with very little to offer in its Exclusive Economic Zone (EEZ) for fishing purposes. Other factors the member put forward for consideration is that Samoa’s labour is not cheap, compared to the minimum wage of China. The

member continued by noting that organic produced developed by SROS have yet to be produced in mass quantities by large companies (both local and foreign).

x. **Hon FAAMOETAULOA** noted that this is one positive aspect of the Bill, that is, the ability for foreigners to invest in initiatives undertaken by SROS. The recurring barrier to the mass production of these goods (such as avocado oil and breadfruit flour) has been the lack of funding in the form of investment.

xi. **TAEFU** rose to reassure his constituency that all land in Falelatai and Samatau will not be affected by effects of the Bill. He also recommended that the Government restricts the number of eligible countries who are prospective investors and to make it a requirement that an application must first be lodged with the relevant Minister, approval of which would be at the Minister's discretion. The member suggested that the 'temporary citizenship' proviso be increased by a year or so with the qualification that a review will be undertaken after 5 years. Further to this, continued reviews of the Bill should be undertaken as to the effects of the Bill in addition to review those who have been granted investment and citizenship privileges.

xii. **MAUALAIVAO Pat Ah Him, Individual Voters Roll** noted that he recognises the fact that there has historically been inefficient development of Samoan lands. In the 1960s there were vast acres of lands which cocoa and coconuts were cultivated; however, this seems to no longer the case with the number of plantations decreasing across the island. He noted that the scheme which resulted in the establishment of Yazaki was also a means of attracting investors as a means to promoting employment in Samoa. The member did, however, note a concern he had with the Bill, namely that an increase in citizens and investors would

result in increased competition for local businesses which could have negative long term effects.

The **Hon PRIME MINISTER** again noted the “Frankie” (supermarket chain) example referred to on Thursday 19th February and reiterated the fact that it is acceptable for foreigners who set up businesses in Samoa to marry Samoan citizens and therefore reside permanently in Samoa.

xiii. The **Leader of the Opposition** commented that there is a growing trend whereby many shops, both urban and rural are now owned and operated by business people of Chinese decent.

The **Hon PRIME MINISTER** reminded the House that many of the Chinese business owners are married to Samoans. He then stated that hatred towards business owners who display “Asian features” is racist.

The **Leader of the Opposition** replied that not all of the shops which the Prime Minister has referred to are not owned by Samoans.

The **Hon PRIME MINISTER** replied that if one travels past Moataa, there are no Chinese-owned business.

The Leader of the Opposition stated that the Government is attempting to seek employment opportunities for the less fortunate in Samoa.

The **Leader of the Opposition** urged the Prime Minister not to make the discussions in the House personal and to refrain from mentioning his family.

xiv. **MAUALAIVAO** referred to the reduction of the temporary citizenship period from 5 years to 3 and suggested that the provision be amended to a 3 year period for one to obtain temporary citizenship and 5 years for permanent citizenship. The member stated that attracting more foreign investors into the country will aide land development, as has been noted in recent statistics, cash crops are decreasing in both quantity and quality.

xv. **LEVAOPOLO** noted that the previous member is one of the most successful business people in Samoa and personally queried whether the member would accept the construction of an extravagant hotel next to his own hotel.

MAUALAIVAO stated that he would support the construction of a hotel near his business premises as it would serve to see both companies grow.

LEVAOPOLO also questioned the member as to whether he would be able to compete with an investor who provided lodging for SAT\$75.00.

Mr Speaker instructed the member to refrain from answering the question, to which the member did provide an answer; that he would find this acceptable as competition cannot be stopped.

xvi. **MOTUOPUAA Aisoli Vaai, Member for Vaisigano No.2** voiced his support of the Bill but not the strategy used to implement it. He made a comparison with other jurisdictions and how they have used citizenship grants to attract investors (for example, Tonga). However, the member implied that investment in such small countries, is in itself, unattractive to potential investors. He used Fiji as an example

where investors flock and Samoa is still at the stage where we are attempting to attract investors. The member stated that Samoa should model its potential development schemes on those utilised by Singapore as its size is comparable to that of Samoa. He did however note that the purpose behind Singapore's scheme was for the development of education.

xvii. **MOTUOPUAA** described to the House the rule of Lee Kuan Yew and compared it to the current Prime Minister's almost 30 year in Parliament. He then noted that investments are either for the short or long term but with the crucial issue being that of location. However, investment in Singapore for educational ventures was a success and Singapore has over the years developed substantially.

The **Hon PRIME MINISTER** noted that there is a difference in the example offered, as Singapore was aided by Britain whereas Samoa gained independence and in effect, what was left behind by the Germans.

MOTUOPUAA stated that prestigious educational institutions such as Harvard and Yale there are many Singaporean graduates. The member reiterated the point that he was attempting to put across, that being that education would be a positive investment option for the country as a whole; therein lies the solution for Samoa's development.

The **Hon PRIME MINISTER** asserted that Yazaki came to Samoa for the same reasons and that Samoa has the capacity to train its own people.

xviii. **Hon MAGELE** noted that there are 5 countries which excel in education, 4 of which are Asian in addition to Finland. It has been identified that

the secret to their success is that they do not rely on 'rote learning' as a measure of intellectual success; they promote interactive learning. Samoa is attempting to follow this mode and envision that in 20 years, similar results will be realised.

MOTUOPUAA reiterated the fact that education should be the core focus for development.

The **Hon PRIME MINISTER** stated that the clarification offered by the Minister for Education is also Cabinet's response.

The **Deputy Prime Minister** commented that school curriculums in Samoa have improved immensely but education is almost redundant if there are no jobs to receive our children upon their graduation.

xix. **MOTUOPUAA** stated that UPY students who attended Tuesday's sitting will become lawyers, accountants, computer technicians and enter other similar professions; however, it should be noted that investors would more than likely create 'factory-type' jobs in Samoa.

The **Hon PRIME MINISTER** stated that any company would require a management division or 'executives' to oversee administration. Most boards have a management team which require lawyers, accountants and the like. The scope of various employment opportunities is not limited as has been suggested by the Member for Vaisigano No. 2.

**Proceedings were suspended for afternoon recess at 3:35pm
and resumed at 4:03pm**