

**DAY 1: THURSDAY 18<sup>th</sup> JUNE 2015**

**TIME: 9:05am**

**I. GOVERNMENT ORDERS OF THE DAY**

**1. SUPPLEMENTARY APPROPRIATION BILL (No.2) 2014/2015 and  
APPROPRIATION BILL 2015/2016 (debate on second reading)**

**i. TOEOLESULUSULU Cedric Pose Salesa Schuster, Aana Alofi No.3:**

The Member noted that there were errors in the Finance and Expenditure Committee's report in terms of financial totals and missing report pages. He also stated that he believes there has been insufficient investigation into some of the issues raised within the report.

**ii. Mr SPEAKER – Point of Order:**

Mr SPEAKER reminded the Member that second reading debates are for the discussion of a Bill's general principles. Members are not to discuss the particulars of the Bill at this stage.

**iii. HON PRIME MINISTER:**

The Hon PRIME MINISTER noted that the "errors" referred to by the Member are simply "typing errors". Such errors are unavoidable in this technological day and age. He then stated that despite technological advances, the only reliable piece of technology is the "human brain".

**iv. Hon PAPALIITELE Niko Lee Hang, Independent Voters:**

PAPALIITELE, Chairman of the Finance and Expenditure Committee, informed the Member that the Bill has been returned to the Ministry of Finance for corrections.

**v. AVEAU Lepale Niko Palamo, Faleata East:**

AVEAU disagreed with the Hon PRIME MINISTER'S earlier comments and stated that the mistakes referred to within the Bill should not be overlooked. He stated that approximately SAT\$400,000,000.00 is unaccounted for. This is not a "mere mistake" and should be addressed accordingly.

**vi. Hon PRIME MINISTER:**

The Hon PRIME MINISTER stated that the mistakes in the report are not as grave as the previous Member has suggested. He stated that the report has errors on one page only, whereas in the past there have been Bills tabled with over 100 incorrect pages.

**vii. Mr SPEAKER:**

In response to this issue, Mr SPEAKER reminded the House that the Ministry of Finance are presently working to rectify these errors.

**viii. TOEOLESULUSULU Cedric Pose Salesa Schuster, Aana Alofi No.3:**

Thanked the Chairman for his explanation and requested that the corrected copy of the Bill (in English also) be distributed amongst the Members. This would be necessary for the House to make an accurate, just and fair assessment of the 2014/2015 supplementary appropriations.

**ix. PAPANII Faavaivaiomanu Taeu Masepau, Faasaleleaga No.2:**

The Member made reference to a Ministerial Statement made by the Hon PRIME MINISTER for a previous Budget. He stated that the Hon PRIME MINISTER informed the House that the objective behind each Government budget tabled, is that it will benefit all Samoan citizens. He declared his support for the Government's prioritization of funding allocation: 1. Health, 2. Education, 3. Poverty, 4. the Environment and 5. the reduction of taxes.

The Member continued by stating that after he examined the differences in expenditure and revenue, he noticed an increase in overall expenditure. He noted that this has been an on-going trend and challenged the Government to achieve financial "balance".

**x. Hon PRIME MINISTER:**

The Hon PRIME MINISTER stated that no Government can achieve a balance between expenditure and revenue. He offered the example of the road from Samusu to Lalomanu which was recently opened. He stated that if the Government were to take the Member's advice, the road project would not have been completed. A balance between expenditure and revenue is impossible to achieve. Although an appealing ideal, it is practically implausible and an attempt to achieve such a balance would effectively halt Samoa's economic growth.

**xi. Hon PALUSALUE Faapo II, Safata, Leader of the Opposition:**

Hon PALUSALUE stated that whether financial balance is an "impossibility" or not, many countries (such as New Zealand) work towards the attainment of a financial surplus.

**xii. Hon PRIME MINISTER:**

Referred to the Member's statement as being erroneous. He stated that New Zealand is still recovering from the financial effects of the Christchurch earthquakes in 2011.

**xiii. Hon PALUSALUE Faapo II, Safata, Leader of the Opposition::**

Stated that New Zealand has set this goal as its mandate.

**xiv. Hon PRIME MINISTER:**

Stated that the New Zealand Leader of the Opposition has set this as a "future" goal. However, this is unachievable in Samoa due to insufficient revenue streams. If Samoa were to achieve financial balance, necessary developments would not progress.

**xv. Hon PALUSALUE Faapo II, Safata, Leader of the Opposition::**

The Hon Member stated that contrary to the Hon PRIME MINISTER'S assertions, balance between expenditure and revenue is a possibility once unnecessary spending is reduced.

**xvi. Hon PRIME MINISTER:**

The Hon PRIME MINISTER corrected the previous statement by stating that such a belief is a mere "dream". In reality, it is unachievable. New Zealand, contrary to Hon PALUSALUE's assertions, has set this down as a *future* goal.

xvii. **PAPALII Lio Faavaivaio manu Taeu Masepau, Faasaleleaga No.2:**

Noted that the budget has allocated approximately SAT\$72 million to infrastructure. He requested that the Government allocate a portion of these funds to infrastructure work needed in his constituency.

xviii. **Hon MANUALESAGALALA Mati Tuigamala Enokati Posala, Safata, Minister of Works, Infrastructure and Transport:**

Reminded the Member that developments are being carried out in Faasaleleaga No.2. These developments (such as road works) are in progress, in addition to Cyclone Evan recovery efforts.

xix. **PAPALII Lio Faavaivaio manu Taeu Masepau, Faasaleleaga No.2:**

The Member acknowledged these developments but noted that he was referring to specific developments for his constituency alone.

xx. **Hon PRIME MINISTER**

Stated that prioritizing the allocation of funds is first dependent upon the benefits it will incur for the whole of Samoa. The second consideration is the needs of each individual constituency. He offered the example of Aleipata Itupa i Luga and Aleipata Itupa i Lalo and the completion of the roads which benefit all road users, not just those of Aleipata.

xxi. **PAPALII Lio Faavaivaio manu Taeu Masepau, Faasaleleaga No.2:**

Referred to renovations of the Faleolo airport and noted that Savaii is in need of an international airport and wharf. He noted that Savaii is not being utilised properly, despite its greater land mass than Upolu. He stated that the Government should look at establishing more industrial zones in Savaii.

**xxii. Hon PRIME MINISTER**

Reminded the Member that the current flight service between Savaii and Pago Pago is an “international flight service”. He then advised Members to encourage business owners to relocate to Savaii. If more businesses were to relocate, this would encourage the use of the existing wharves. He then stated that he had already encouraged Polynesian airlines to provide flights between Upolu and Savaii. However, the underlying problem is that there is not enough demand for such a service to be profitable.

**xxiii. LEVAOPOLO Talatonu, Gagaemauga No.2:**

LEVAOPOLO noted that these services are already available but are not in great demand by the public.

**xxiv. Hon PRIME MINISTER**

Sought to elaborate on PAPALII’S statement by stating that there is an international airport in Savaii but is unable to accommodate 747 airships.

**xxv. PAPALII Lio Faavaivaiomanu Taeu Masepau, Faasaleleaga No.2:**

Spoke about *Bumble Bee Foods* (a San Diego-based company now with a branch in Upolu) and why it did not choose to set up in Savaii. He stated Savaii does not have the necessary resources (particularly an appropriate wharf) to support the company’s needs. For this reason, the Member believes it necessary to develop the existing international wharves and airports in Savaii.

**xxvi. Hon PRIME MINISTER**

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Noted that the Government had hoped *Bumble Bee Foods* would set up in Savaii for cost-efficiency purposes, however, Upolu was chosen due to its shipping services and wharves.

**xxvii. PAPANII Lio Faavaivaiomanu Taelu Masepau, Faasaleleaga No.2:**

Requested that if possible, similar businesses be set up in Savaii as a means of providing employment opportunities. Further to this, the Government should also look at developing Savaii's tourist attractions to entice more tourists to Samoa.

**xxviii. Hon PRIME MINISTER**

Advised the Member that his earlier recommendation that the Government balance expenditure and revenue would not allow for the developments he is requesting to be carried out in Savaii.

**xxix. PAPANII Lio Faavaivaiomanu Taelu Masepau, Faasaleleaga No.2:**

The Member requested that two Air New Zealand flights operate to Savaii, once a week. He stated that this would provide necessary flight services and employment opportunities for Savaii locals. Furthermore, Savaii's hotel services should also be improved.

**xxx. Hon PRIME MINISTER**

Sought to emphasise the impossibility of achieving financial balance and at the same time enacting developments in Savaii.

**xxxi. Hon PALUSALUE Faapo II, Safata, Leader of the Opposition:**

Recommended that the construction of the Aleipata airport be halted in favour of establishing an airport in Savaii.

**xxxii. PAPANII Lio Faavaivaiomanu Taeu Masepau, Faasaleleaga No.2:**

Recommended that the Government apply for a development loan to ensure that these services are developed.

**xxxiii. Hon PRIME MINISTER**

Noted his appreciation that the Member openly acknowledged that it would be necessary to apply for loans to fund the requested developments.

**xxxiv. Hon LEAUPEPE Toleafoa Apulu Faafisi, Aana Alofi No.1:**

Made reference to the Leader of the Opposition's previous statement: "...[i]f Tautua takes the Government. To this he asked, in which century would such a scenario occur?"

**xxxv. Hon PALUSALUE Faapo II, Safata, Leader of the Opposition:**

The Hon Member replied: "...next year".

**xxxvi. PAPANII Lio Faavaivaiomanu Taeu Masepau, Faasaleleaga No.2:**

In terms of transportation, the Member requested that overtime for sailors and those employed in this sector be made available. He stated that often work hours are in excess of 13 hours at a time, but workers are only paid for 9 to 10 hours. He believes that priority should be given to this sector as without their services, transport between Savaii and Upolu would not be possible. He further stated that sometimes priority is given to Government Ministers on the boats when they visit Savaii.

**xxxvii. Hon PRIME MINISTER**

The Hon PRIME MINISTER clarified that the Government does not require that ships delay their voyages while awaiting Members to return from development assessments on the island.

**xxxviii. PAPANII Lio Faavaivaiomanu Taeu Masepau, Faasaleleaga No.2:**

Recommended the Government charter a ship for their Savaii visits. This will enable the remainings ships to carry public passengers.

**xxxix. Hon PRIME MINISTER**

Stated that there is no reason to charter a ship to transport Government officials if only ten members, for example, are travelling at any one time. It would not be cost effective.

**xl. TOEOLESULUSULU Cedric Pose Salesa Schuster, Aana Alofi No.3:**

Reminded the House that corrected copies of the Supplementary Appropriation (No.2) 2014/2015 Bill had still not been distributed. He then commended the developments to the main road from Apia to the airport at Faleolo; however, noted that there are areas which still require improvement.

He then commended the development of many school buildings but noted that the overall school curriculum required improvement. Another example offered is that the salary for teachers had been increased yet the quality of teaching remains poor. He offered an example from his village of Satapuala, and stated that 25 students had gained University entrance but only two students had graduated. He

stated that the reason for this was the poor quality of teaching provided in secondary schools. School fees are also a contributing factor.

**xli. Hon MAGELE MAUILU, Faasaleleaga No.1, Minister for Education:**

Reminded the Member that the success of one's education is inclusive; it involves teachers, parents, families and religious leaders. A child's development is not solely dependent on a teacher's teaching ability; strong support must be available from the child's parents and family. It is for this reason that there are initiatives such as "Literacy Week" as an attempt to engage parents in their children's learning. Samoa's literacy rating is at present average and requires improvement. The Hon Minister recommended that Members read to students within their constituencies to encourage reading and learning. This could be an additional means of personally improving education outcomes amongst the school age population.

**xlii. TOEOLESULUSULU Cedric Pose Salesa Schuster, Aana Alofi No.3:**

The Member raised the issue of medical services provided by the National Hospital. Despite the facility's major facelift, the public continue to complain about delays in receiving medical attention.

In terms of water and electricity, the PRIME MINISTER noted that by 2017 Samoa would operate using renewable energy. The Member stated that renewable energy should not be a priority, but rather that the Government should ensure that water and electricity costs are kept to a minimum.

The Member stated that approximately 23,000 Samoans are in paid employment out of total a population of 180,000. This translates to only one member per household being in paid employment. He noted that many households in Samoa are struggling to make ends meet given the low salaries offered by employers. He

recommended that the Government prioritize the provision of additional employment opportunities in addition to raising salaries for Government employees. He stated that according to the Ministry of Commerce, Industry and Labour, SAT\$11 million is allocated for its annual work projects and SAT\$8 million is allocated to employee wages and salaries. If these statistics are correct, the remaining amount is insufficient to achieve work objectives.

**xliii. Hon FONOTOE Nuafesili Pierre Laufo, Anoamaa West, Deputy Prime Minister.**

The Deputy Prime Minister stated that despite these statistics (which are correct), the majority of Samoans work on plantations and other cash crops. Furthermore, they receive overseas remittances to assist with their financial needs. The Deputy Prime Minister noted that funding allocated for personnel wages and salaries is a large amount, but defended this by stating that it is necessary. There must be a sufficient number of Government servants to carry out the Government's development initiatives and work objectives. All of which are aimed at benefitting the country as a whole.

**xliv. Hon FAAMOETAULOA Lealaiauloto Ulaitino Faaletumalii, Gagaemauga No.3, Minister for Natural Resources and Environment:**

The Hon Minister clarified that the increase in employee salaries is due to the large number of contractors now operating in Samoa.

**xliv. Hon PALUSALUE Faapo II, Safata, Leader of the Opposition:**

Advised the Hon Minister to read the report to which the previous Member was actually referring to.

**xlvi. Hon PRIME MINISTER**

Stated that the statistics on employee wages and salaries include only those who have registered with the National Provident Fund (NPF); he noted that many are not registered with the NPF due to business owner's negligence. The Hon PRIME MINISTER stated that the number of unregistered employees was high.

**xlvii. TOEOLESULUSULU Cedric Pose Salesa Schuster, Aana Alofi No.3:**

The Member recommended that the system used for the collection of taxes be improved. He referred to the Minister for Natural Resources and Environment's comments regarding contracts being "bogus".

**xlviii. Hon FAAMOETAULOA Lealaiauloto Ulaitino Faaletumalii, Gagaemauga No.3, Minister for Natural Resources and Environment:**

The Hon Minister noted that if monies allocated for projects should not be used for personnel. He sought to correct the Member's comments by stating that there is a lot of funding received by overseas donors in support of Government projects. However, these funds cannot be used for personnel as that is the sole responsibility of the Government.

**Proceedings were suspended at 10:45am for Morning Tea**  
**Proceedings resumed at 11:28AM**

**xliv. TOEOLESULUSULU Cedric Pose Salesa Schuster, Aana Alofi No.3:**

The Member stated that more than SAT\$8 million is allocated for the MCIL. However, a quarter of that amount is utilised for the Chief Executive's salary. It should, however be noted that there are between 13 and 14 Corporations within

this Ministry alone, which leaves minimal funding for the Ministry to achieve its work objectives.

The Member noted that additional national revenue could be attained if we invested in the development of our local athletes. It would result in more athletes receiving overseas contracts. Also, sports facilities are not being properly utilised, for example, baseball fields. The Member recommended that these sports be encouraged and developed in Samoa. He emphasised that developments such as these may increase Samoa's revenue. In comparison, he stated that the maintenance of several Government buildings (Fiame Mataafa II and Tui Atua Buildings) were costly (approximately SAT\$1 million) with no financial returns.

The Member then queried the Committee who scrutinized the Financial report as to the total amount of loans Samoa currently has with overseas organisations and the like.

**i. Hon PAPALIITELE Niko Lee Hang, Independent Voters:**

PAPALIITELE advised the Member to refer to the Cisco statistics statement sheet for 2011-2015.

**ii. TOEOLESULUSULU Cedric Pose Salesa Schuster, Aana Alofi No.3:**

Asked whether a limit has been imposed on how much the Government may borrow for upcoming financial year. He stated that SAT\$5 million is allocated to the Board of Directors; the Member sought clarification on this as it is a large amount of money allocated to only a few members who work on a part-time basis.

**iii. LEALAILEPULE Rimoni Aiafi, Faleata West**

Noted that there is SAT\$5 million reserved for the Youth Commonwealth Games, whereas \$60,000.00 has been allocated for the Board of Directors.

**liii. Hon PAPAIIITELE Niko Lee Hang, Independent Voters:**

Noted that the corrections to the report have already been dealt with by the Committee; he stated that the Samoan report is incorrect whereas the English version is correct.

**liv. Hon PRIME MINISTER**

Stated that the English copy is the accurate copy.

**lv. TOEOLESULUSULU Cedric Pose Salesa Schuster, Aana Alofi No.3:**

Stated that if in fact SAT\$5 million has been allocated for the Youth Commonwealth Games, how much has been allocated for the Board of Directors?

He also requested that the Government develop the roads in Satuimalufilufi which are dirt roads but are frequently used by the Ministries such as the Police. The Member also requested that the Government improve the water catchments within his constituency.

**lvi. AGAFILI Patisela Eteuati Tolovaa, Palauli i Sisifo, Deputy Speaker:**

The Deputy Speaker restated his maiden speech in the House in 2012, the theme being to look to the past with gratitude while looking at the future with faith. He noted that he encourages the Government to take on loans when necessary for national development purposes. This is due to the fact that today's economy relies on loans from international organizations. He then acknowledged the efforts of the

Ministry of Finance in attempting to distribute existing funds as opposed to taking on board additional debt.

He recognised the efforts of the Government within the last parliamentary term such as the establishment of hospitals in outer villages and the improvement in infrastructure. He also noted his recognition of the Ministers for Education and the Ministry's efforts in improving teacher qualifications to the degree level. Also, he noted his gratitude of the Minister for Agriculture citing the 6 containers that were scheduled for export in the upcoming months.

He then queried the Minister for Works as to the development and appropriate usage of the Salelologa market, stating whether the space would be better used as a Conference facility.

**Ivii. *Hon LAUTAFI Fio Selafi Purcell, Satupaitea, Minister for Public Enterprises:***

The Hon Minister stated that the Salelologa Market is administered by the Samoa Land Corporation which is currently in his portfolio. He acknowledged the idea put forward by the Deputy speaker but stated that currently, negotiations are in place to renovate the upper level of the market as lease space in addition to a convention centre.

**Iviii. *AGAFILI Patisela Eteuati, Palauli i Sisifo, Deputy Speaker:***

The Deputy Speaker made reference to the coastal structure management plan by the Government, which outlines developments for his constituency. He stated that some of these developments have been completed except for the seawall. He also reminded the Minister for Works that the roads within his constituency need

development. Furthermore, he suggested that a scheme for “sea-points” should be implemented, as similar to air points for flight mileage.

**lix. LEALAILEPULE Rimoni Aiafi, Faleata West:**

Recommended that instead of a sea points scheme, certificates should be granted after 3 paid trips are taken from Savaii to Upolu and vice versa.

**lx. Hon MANUALESAGALALA Mati Tuigamala Enokati Posala, Safata, Minister for Works, Infrastructure and Transport:**

The Hon Minister made note of the recommendation but stated that the Government has concerns as to the scheme’s execution. He stated that the Government’s objective is not just to increase national revenue but to ensure that all customers are treated equally.

**lxi. AGAFILI Patisela Eteuati, Palauli i Sisifo, Deputy Speaker:**

Recommended that the borehole at Sagone be closed to ensure that water supply from the borehole inland supplied the village. He stated that the concurrent use of these boreholes has created interruptions to the constituency’s water supply.

**lxii. Hon MANUALESAGALALA Mati Tuigamala Enokati Posala, Safata, Minister for Works, Infrastructure and Transport:**

Replied by stating that the boreholes have yet to be shifted but they will be, due to complaints from villages.

**lxiii. AGAFILI Patisela Eteuati, Palauli i Sisifo, Deputy Speaker:**

The Deputy Speaker acknowledged the Minister for Health’s favourable response to their request for bedding and vehicles for the hospital at Fualalo. He then raised

the issue of the supply of coconut and cash crops while acknowledging the stimulus package programme that seeks to promote the farming of coffee and coconuts.

In terms of the Committee report, the Deputy Speaker acknowledged the efforts of the Chairperson and Committee members, noting that their allocated tasks were not an easy feat. He also acknowledged the Education Committee for its report and site visitations to his constituency and others.

**Ixiv. TUSA Misi Tupuola, Falealili:**

Noted that as a result of the change in electoral boundaries, there are now two constituencies; however he considers them to be a single constituency. He then acknowledged the efforts of the Minister of Finance for preparing the budget. He then acknowledged the Prime Minister and stated that for the last parliamentary term, he has not been required to ask him directly to assist his constituency. This has been because Cabinet has met the needs of his constituency at all times. However, he noted that there still need to be improvements made to several school facilities. He also requested more male teachers for their schools; other teachers include those specialising in the Samoan language. He further requested assistance with the procurement of a school bus.

The Member then acknowledged the Minister for Agriculture, noting his efforts in his constituency, particularly after the 2009 Tsunami. He then addressed Cabinet and acknowledged their collective efforts in ensuring that the work enacted through their portfolios were to achieve Samoa's development objectives.

**Proceedings were adjourned at 12: 35pm**  
**Parliament will resume on Monday, 22<sup>nd</sup> June 2015 at 9:00am**