

**DISCLAIMER**

This Report provides a brief of the Proceedings of Parliament of Tuesday, 19<sup>th</sup> December 2017. While all efforts have been made to provide an informative brief, this information must not be relied upon as an alternative to the official Hansard record of proceedings of Parliament. If you have any specific questions about the Proceedings of Parliament on Tuesday, December 2017, you should consult the official Hansard or seek assistance from the Office of the Clerk of the Legislative Assembly.

**Tuesday 19<sup>th</sup> December 2017**  
**9:00am**

**DAY 1**

**I. GOVERNMENT ORDERS OF THE DAY - Reading of Bills**

**1. Supplementary Appropriation Bill (no.1) 2017/2018 – first reading**

**Hon SILLI Epa Tuioti, Minister of Finance and Member for Faasaleleaga No.1 East.**

The Hon Minister moved a motion for the Supplementary Appropriation Bill (No.1) 2017/2018 to be first read; the motion was seconded and approved.

- The Hon Minister moved a motion for the Supplementary Estimates (No.1) 2017/2018 to be tabled; the Deputy Clerk placed a copy on the table.
- The Hon Minister of Finance then moved a motion for the Supplementary Appropriation Bill (No.1) 2017/2018 to be second read; the motion was seconded and approved.

The Hon Minister provided an explanation of the Bill's contents and objectives. He noted that the budget theme of *Equity* and *Fairness* continues, with the Government committed to maintaining the fiscal target of a budget deficit within 3.5 percent of the national GDP. In pursuit of this target, all additional expenditure requested under the Budget was noted as being fully funded via additional revenue sources, in addition to the reallocation of savings. The Supplementary Budget was therefore asserted as being "self-funded". It was also asserted that the Government did not have to loan monies to finance the budget; therefore, the fiscal deficit remains unchanged.

Hon SILLI also reported that the economy had experienced positive growth of 2.4 percent in the 2016/2017 financial period. This growth was attributed to the strong growth within the commerce and agricultural sectors, in addition to other initiatives and industries such as manufacturing.

The Minister also reported that a review of the 2016/2017 Budget had indicated that the 2016/2017 budget deficit was 2.1 percent of the national GDP, which was noted as being well below the 3.5 percent fiscal target. This positive result was attributed to an improved revenue collection which was 3.5 percent higher than 2015/2016 financial period. Tax collection was also noted as having increased, with an increase of 3.3 percent. Other revenue, including fees and charges were noted as having increased by 1.1 percent. The Hon Minister also noted that the Government's operating expenditures had declined for the third consecutive year. It was also stated that the Government was continuing to invest in several infrastructure projects, such as the reconstruction of the Faleolo terminal building and runway; new roads and bridleways; the submarine cable and hydro power plants—which were stated as continuing Government efforts to improve public services.

The Minister stated that these achievements were examples of good governance in the management of government resources, in addition to the strengthening of the “whole of government” approach to enhancing the efficiency and effectiveness of service delivery.

### ***The Supplementary Budget***

The Hon Minister presented the key parameters of the First Supplementary Estimates to the House. It was noted that additional revenue requests amounted to an estimated total of SAT\$24.4 million. Hon SILLI stated that these expenses were funded through a combination of new and additional revenue totalling SAT\$23 million and a reallocation of current budget resources of approximately SAT\$1.4 million.

### ***Summary of Revenue***

New and additional revenue totalling SAT\$23 million included:

- SAT\$12.75 million from partnerships with the World Bank through the Joint Policy Action Matrix. The Hon Minister stated that the Government's commitments under the JPAM had been fulfilled, which resulted in the payment of this amount to support the 2017/2018 budget.
- SAT\$9.6 million was to be sourced from excess on-lending repayments.
- SAT\$688,957 is expected to be acquired from VAGST generated as a result of additional expenses under supplementary spending.

The total funds expected as a result of the reallocation of existing budget resources was SAT\$1.4 million:

- **SAT\$481,000 from the Statutory Vote**  
Savings accumulated to date on the foreign exchange appropriation under “statutory expenses.”
- **SAT\$100,000 from the Ministry of Agriculture**  
Funds remaining from the implementation of the Agriculture Show held in October of this year.

- **SAT\$696,024 from the Ministry for Commerce, Industry and Labour**  
Appropriated funds for the lease of the Yazaki facilities at Vaitele. Since Yazaki has officially closed, these funds were stated as being available for reallocation.
  
- **SAT\$152,085 from the Ministry of the Prime Minister and Cabinet**  
Funds for positions that the Ministry of the Prime Minister and Cabinet which had not been utilised as allocated under the First Supplementary Bill.

**Summary of Additional Expenditure**

Total additional expenditures requested under this supplementary budget were stated as amounting to SAT\$24.4 million, which include the following:

- **SAT\$12.4 million for the Statutory Vote**
  - SAT\$14,400 for telephone allowances for Judiciary members. These are mandated benefits and are now included as part Judiciary salaries.
  - SAT\$65,089 additional funds required under the **External Debt Servicing Interest Payment**.
  - An additional SAT\$2 million required under income tax refunds.

**2. Immigration Amendment Bill 2017 - first reading.**

The Hon. Prime Minister, TUILAIPA Auelua Fatialofa Lupesoliai Lolofietele Neioti Aiono Galumalemana Dr. Sailele Malielegaoi, moved that the Immigration Amendment Bill 2017 be read a first time; the motion was seconded and approved, and the Bill was first read.

**3. Crimes Amendment Bill 2017 - first reading.**

The Hon Minister of Justice, FAAOLESA Katopau Ainuu, moved for the Crimes Amendment Bill 2017 to be first read; the motion was seconded and approved, and the Bill was read a first time.

**4. Casino and Gambling Control Amendment Bill (No.2) 2017 – first reading.**

The Hon Minister for Public Enterprises, LAUTAFI Fio Selafi Purcell, moved a motion for the Bill to be first read; the motion was seconded and approved, and the Bill was read a first time.

**5. Alienation of Customary Land Amendment Bill 2017 – first reading.**

The Hon Minister of Natural Resources and Environment, FIAME Naomi Mataafa, moved a motion for the Bill to be first read; the motion was seconded and approved, and the Bill was read a first time.

**6. Asian Infrastructure Investment Bank Bill 2017 – first reading.**

The Hon Minister for Finance, SILLI Epa Tuioti, moved a motion for the Bill to be first read. The motion was seconded and approved, and the Bill was read a first time.

**7. Income Tax Amendment Bill (No.3) 2017 – first reading.**

The Hon Minister for Revenue, Hon TIALAVEA Fea Leniu Tionisio Hunt, moved a motion for the Bill to be first read. The motion was seconded and approved, and the Bill was read a first time.

**8. Immigration Amendment Bill 2017 – second reading (Certificate of Urgency).**

The Hon Prime Minister moved for the Bill to be second read; the motion was seconded and approved and TUILAIPA proceeded to clarify the Bill's contents and objectives. The Hon Prime Minister stated that currently, members of the European Union (EU) had difficulty obtaining the relevant permits to travel to Samoa. He further stated that the proposed amendment would benefit Samoan citizens when travelling to EU member countries.

Hon TUILAIPA recalled the EU's invaluable contributions to Samoa, such as \$60 million to fund the Ululoloa water serviced most households within the Urban area. The Hon Prime Minister noted that the enactment of the tabled Bill would help bolster Samoa's profile amongst tourists and increase employment opportunities for our children in the future. He also stated that Japan had also begun to show interest in implementing a 90 day exemption for Samoan visitors. He further stated that similar legislation was enacted in Fiji two years prior, and Samoa was now only getting on board. In regards to concerns raised by Members regarding terrorists, asylum seekers, refugees and the like—he stated that this would not be a problem to Samoa. Other benefits mentioned by the Hon Prime Minister included intermarriage, and an increase in remittances sent to Samoa for individual family development.

**i. OLO Fiti Afoa Vaai, Member for Salega.**

OLO urged the Government to tread carefully, stating that rarely do Samoan citizens have the opportunity to travel to EU countries. However, he asserted that this exemption would encourage an influx of EU citizens to Samoan shores. He stated that despite the amendment's importance—we must not discount the reality of the existence of refugees. He also stated that the 90 day period was too long.

**ii. FAUMUINA Wayne Fong, Member for Urban West.**

The Member for Urban West encouraged the Government to take away the need to acquire permits to travel between Samoa and American Samoa. He stated that increased inter-island travel could positively impact on our economy.

- The Hon PM stated that historically, no permits were required for travel between Samoa and American Samoa. He then stated that a Samoan traveller who had travelled to American Samoa sans permit (as they were unaware that a permit was required) was fined \$20,000--the Government then took action and paid the fine. For reasons such as this, the Government has decided that if American Samoa insisted on requiring permits from its residents—Samoa would do the same.

### **9. Immigration Amendment Bill – consideration in detail.**

- Clause 2 – Approved.
- Clause 3 – Approved.
- Clause 1: Short Title – Approved.
- Commencement – Approved.

The Bill progressed without amendment.

- The Hon Prime Minister moved a motion for the Bill to be read a third time. The motion was seconded and approved, and the Bill was third read and passed the Assembly. The Bill will become an Act of Parliament upon assent by the Head of State.

**Proceedings of the Assembly were suspended at 10:45am.  
Proceedings reconvened at 11:29am.**

### **10. Alienation of Customary Land Amendment Bill 2017 – second reading.**

The Hon Minister of Justice, FAAOLESA Katopau Ainuu, moved that the Crimes Amendment Bill 2017 be second read. The motion was seconded and approved; the Hon Minister then clarified the contents and objectives of the Bill. He stated that Members appeared to be receptive of the Bill during Monday's Pre-Sitting Briefing; therefore further in-depth clarification did not seem necessary. The Minister did however state that there were only 2 ways in which a person could appear for the courts—either for civil or criminal purposes. In summary, the Bill was stated as proposing to reinstate defamation as a criminal charge.

#### **i. LAUOFO Fonotoe Pierre Laufofo, Member for Anoamaa West.**

The Member for Anoamaa West stated that in this day and age—the ever evolving technological advancements have made the internet easier to, and more widely accessible. The Member stated

that this was the cause of the increasing number of public statements targeting individuals in a harmful manner. He stated that there have been recent village council meetings to discuss the negative impact of technology on the youth population.

The Member noted his support for the Bill, while in turn thanking the Hon Minister and the Ministry for its introduction. The member suggested that perhaps the Bill could include negative/harmful images, and not just limit its application to statements, as images/photos and so forth can also be used in harmful ways.

- The **Hon Minister** stated that negative/harmful images will also be taken into account.

### **11. CRIMES AMENDMENT BILL 2017 – consideration in detail.**

- Clause 2 – Approved.
- Clause 1 – Approved.

The Bill progressed without amendment.

- The Hon Minister moved a motion for the Crimes Amendment Bill 2017 to be third read; the motion was seconded and approved. The Question was put and the Bill was third read, subsequently passing the Assembly. The Bill will become an act of Parliament upon assent by the Head of State.

### **12. The Income Tax Amendment Bill (No.3) 2017 - second reading.**

The Hon Minister for Revenue, TIALAVEA Fea Leniu Seigafolava Hunt, moved a motion for the Income Tax Amendment Bill (No.3) to be second read; the motion was seconded and approved and the Bill was read a second time. The Hon Minister then proceeded to clarify the contents and objectives of the Bill. Hon TIALAVEA stated that the primary objective of the Bill was to extend the expiry timeframe for tax credit schemes for hoteliers, from 30 June 2017 to 30 June 2018.

#### **i. SULAMANAIA Fetaiai Tauiliili Tuivasa, Member for Vaimauga East.**

SULUMANAIA noted concern over permitting hoteliers to receive additional benefits for respective investments. He stated that if the Government was attempting to find additional ways to generate revenue, extending this particular provision seemed contradictory to such efforts. The Member for Vaimauga East stated that he did not support the amendment.

- The Hon Prime Minister interjected to clarify why the amendment had been proposed. He stated that the Samoa Hotel Association requested an extension, as they claimed that they had not expected the tax credit scheme to end as suddenly as it had. The Hon Prime Minister further stated that the granting of an extension is a primarily a matter of courtesy. Hon TUILAIPA then recounted accommodation issues which were experienced

during the 2014 SIDS conference. He stated that Samoa did not have the capacity to host the large number of on-island guests, which resulted in the use of cruise ships to accommodate various delegates and participants. In this regard, the Government was supportive of local hotelier efforts as these services contribute to the national economy.

### **13. INCOME TAX AMENDMENT BILL (NO.3) 2017 – consideration in detail.**

- Clause 2 – Approved.
- Clause 1 – Approved.

### **14. INCOME TAX AMENDMENT BILL (NO.3) 2017 - third reading.**

The Hon Minister for Revenue moved a motion for the Bill to be third read; the motion was seconded and approved and the Bill was third read. The Bill passed the Legislative Assembly and will become an act of Parliament upon assent by the Head of State.

Pursuant to Standing Order 45(n), the Hon Prime Minister moved a motion to permit the Casino and Gambling Control Authority Bill (No.2) 2017 to be considered as an Urgent Bill. The motion was seconded and approved.

### **15. ASIA INFRASTRUCTURE INVESTMENT BANK BILL 2017 - second reading.**

The Hon Minister of Finance moved a motion for the Bill to be second read. and spoke to clarify the contents and objectives of the Bill. The Hon Minister stated that the Bill sought to give effect to the Articles of Agreement between the Government and the Asian Infrastructure Investment Bank (AIIB). It was stated that the Articles of Agreement are between the Bank and all its member countries, which included Samoa. The Minister stated that the agreement requires an instrument of ratification, acceptance or approval indicating Samoa's consent to be bound by the Articles of the Agreement. This together with the payment of Samoa's first instalment will complete Samoa's membership process and allow the bank to extend development financing to Samoa the Government and the private sector.

#### **i. LAUOFO Fonotoe Nuafesili Lauofo, Member for Anoamaa West.**

The Member for Anoamaa West thanked and acknowledged Government efforts to seek out ways to further Samoa's development. The Member queried the interest rates for loans; the costs of the State's first instalment, and the timeframe in which the instalment should be paid.

**ii. LEALAILEPULE Rimoni Aiafi, Member for Faleata West.**

The Member acknowledged the Minister, Ministry and Government for the Bill, noting its value in terms of providing additional source of funds—particularly for members of the private sector.

**iii. FAUMUINA Wayne Fong, Member for Urban West.**

The Member noted his support of the Bill, stating that if the Bank could offer refinancing options with interest rates around the 2 percent mark, it would be very beneficial to both the Government and members of the private sector.

**iv. Hon FAUMUINA Tiatia Liuga, Member for Palauli le Falefa.**

The Member stated that although the Government attempts to provide equal opportunities for both Upolu and Savaii residents, in actuality this was not the case. This was stated as evident in the increasing number of domestic migration from Savaii to Upolu for better opportunities. Hon FAUMUINA stated that this issue could be addressed if the Salelologa wharf was upgraded to international standards. He then stated that local bank interest rates should also be set at “competitive levels.”

- The Hon Minister stated that the first instalment required is USD\$80,000—with a total of 5 instalments totalling \$400,000—to purchase 4 shares in the Bank. The Hon Minister stated that what was important was implementing appropriate development projects to further assist the realisation of national objectives (as opposed to a review of interest rates).

**16. Asian Development Infrastructure Investment Bank Bill 2017 – consideration in detail.**

- Clause 2 - 5: Approved.
- Clause 6 - 10: Approved.
- Clause 11 - 17: Approved.
- Clause 1:

Short Title – Approved.

Commencement – Approved.

The Bill progressed without amendment.

The Hon Minister for Finance, SILI Epa Tuoti moved a motion for the Bill to be read a third time; the motion was seconded and approved, and the Bill was read a third time, and subsequently passed the Assembly. The Bill will become an Act of Parliament upon assent by the Head of State.

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**17. CONSIDERATION OF COMMITTEE REPORTS**

The Chairperson for the Finance and Expenditure Committee, ALIIMALEMANU Alofa Tuuau, moved a motion for the Assembly to consider the Committee's report on the Gaming Control Bill 2017; the motion was seconded and approved.

**Proceedings were adjourned at 1:00pm.**

**The Assembly will reconvene at 9:00am on 20 December, 2017.**