



Monday 19 December 2022
MEMBERS PRE-SITTING BRIEFING

A total of 37 Members of Parliament convened on Monday 19 December 2022 at the Conference Room of Maota Tofilau Eti Alesana (MTEA), Mulino for their usual Members Pre-Sitting Briefing. The *Customs Tariff Amendment Bill 2022*; and *Land and Titles Amendment Bill 2022* were the 2 items on the Agenda. The Deputy Speaker said the prayers before Mr. Speaker welcomed the Members who were present and officially opened the Briefing. In the absence of a CEO for both administering Ministries for the above Bills, namely the Ministry for Customs and Revenue and the Ministry for Justice and Courts Administration. The Acting Chief Executive Officers attended to present an overview of the Bills and also to respond and clarify on issues raised by Members.

(1) CUSTOMS TARIFF AMENDMENT BILL 2022

Presenter: *Afioga Fonoti Talaitupu Taefu*
Acting Chief Executive Officer - Ministry for Customs and Revenue

The Acting CEO greeted the Hon Speaker and Members who were present at the briefing and began her presentation by stating the objects of the Bill. Afioga Fonoti explained that the Bill seeks to amend the First Schedule of the Customs Tariff Act 1975 as well as to provide amendments to the customs tariffs for certain items such as food, drinks and electronic devices under the First Schedule of the Principal Act.

The Acting CEO then spoke on the background of the Bill and made known to Members that the Bill indirectly proposes to reduce the impacts of Non-Communicable Diseases by reviewing tax imposed on goods and items which impact healthy living of our people. Furthermore, the Bill takes into consideration recommendations made by the Business community by introducing technological advancements in certain areas as well as the overall improvement of Samoa's nutrition profile.

Fonoti clarified to Members that there were 6 overarching proposals submitted to Cabinet which provide for amendments of tax/duty on meat products; specifically pork, beef and lamb products (such as lamb necks and lamb shanks). Furthermore, she clarified that the Ministry also proposed the decrease of excise tax on certain products such as vegetables and fruits with the hope to improve healthy lifestyles and to be aligned with World Trade Organization terms and requirements. Furthermore, the Acting CEO elaborated that the Bill went through 3 different consultations with relevant parties/stakeholders to not only inform those who will be affected by the provisions of the Bill but also to receive feedback from the business community. Moreover, upon the completion of 3 consultations, a report and recommendation was submitted to the National Revenue Board before the Bill came to fruition and submitted to Cabinet for their endorsement.

The following highlights some of the Issues raised by Members:

(i) Afioga Hon Lautafi Fio Selafi Purcell

The Hon Member sought clarification on the following:

The Hon Member iterated that the Acting CEO expressed the intention of the Bill is to reduce taxes/duty imposed on certain items that are detrimental to our health, however suggested that it would have been clear and easy to understand the changes proposed in the Bill if an appendix was attached for ease of reference.

Furthermore, he mentioned Samoa in the process of banning certain meat products, such as turkey tails due to health reasons; however, it seems we have continued with the local sale of these products. He then acknowledged the reduction of tax for vegetable items (broccoli and others) as it improves nutrition standards of Samoa.

He then mentioned the PACER Plus, and other agreements within the region, and queried whether Samoa and the Ministry are abiding and adhering to the requirements and terms of these regional agreements.

(ii) Afioga Aliimalemanu Alofa Tuuau

The Member also raised the need to have an appendix of the Schedule with tariffs currently used by the Ministry in comparison to the proposed amendments provided in the Bill. Recommended to provide proper supporting documents to reflect the changes explained by the Ministry.

(iii) Afioga Sulamanaia Fetaiai Tauilili Tuivasa

The Member noted that there are no real changes as items which were exempt from tax are now taxable, while other items have been reduced (it is a matter of redistribution of tax rather than reduction of tax) thus the increase in cost of living - he also noted that the burden of cost is carried by the consumer.

The Acting CEO commented on the regional agreements and clarified that vegetable items have now been moved to 'basket A'. She then clarified that .33c per litre is the tax on water, however in past times, there was not many purified water suppliers - compared to now, with numerous local water producers and manufacturers it has now reduced to .20c per litre for local and imported water. She then clarified on the excise and tax on chicken and meat products - and asserted that Samoa cannot go against WTO terms with 10%

(iv) Susuga MAULOLO Tavita Amosa

The Member requested for the schedule to be provided to clearly portray the changes proposed by the Bill - to easily identify the increase and decrease in tax and tariff for respective products.

(v) Afioga ALAIASA Moefaaouo Sepulona Moananu

The Member acknowledged the amendments proposed by the Ministry and requested for a trial-run to test the feasibility of this direction in increasing and reducing certain tax. The Member mentioned that the Government through the Ministry cannot control and determine outside costs (such as the farmers labour the shipment costs, etc) however we can only control the fluctuation of taxes and duty imposed on items.

(vi) Afioga Hon FONOTOE Laufo Pierre Laufo:

The Hon Member commented that it is his opinion that the items high in demand have an increase in duty, while items with low demand have low duty imposed on them.

The Acting CEO noted that the 33sene has always been the tax on water suppliers - however, the Ministry noted that there are numerous water suppliers domestically (therefore the 20sene) is imposed on local suppliers while \$1 imposed on imported water suppliers. The Acting CEO reiterated that 3 separate consultations had taken place to ensure all those who will be affected by the amendments were made aware of the increases and decreases provided in the Bill.

The Acting CEO acknowledged the Hon Speaker and Hon. Members for their time and interest on the Bill and concluded her presentation.

(2) LAND AND TITLES AMENDMENT BILL 2022

Presenter: *Afioga LEOTA Pelenato Paulo*
Acting Chief Executive Officer - Ministry of Justice

The Acting CEO greeted the Hon Speaker and all who were present then began his presentation on the background and purpose of the Amendment Bill. Afioga Leota elaborated that the Bill seeks to amend the Land and Titles Act 2020 (“principal Act”) to address issues identified following the passing and the commencement of the principal Act, in particular the appointment of the judges of the Land and Titles Court (LTC) and the savings and transition of the Deputy Presidents and Samoan judges appointed under the Land and Titles Act 1981 (“repealed Act”) to the new LTC structure under the principal Act and the Constitution.

He then continued by reading through all Clauses of the Bill, noting a total of 8 Clauses with 3 overarching aims;

- to provide for the appointment, terms and conditions, suspension and removal of the LTC judges;
- to provide for a savings and transitional provisions relating to the Deputy Presidents and Samoan judges appointed under the repealed Act;
- to correct a few references to ensure consistency between the English and Samoan versions of the principal Act.

In conclusion, Leota informed the Speaker and Members that there are numerous other amendments that will be made to the principal act, however these are the immediate amendments to ensure the progress of work and duties for the Land and Titles Court flows.

At the conclusion of the Acting CEO's presentation, there were few matters raised by Members which included:

- the need to also review and amend the Constitution, specifically Article 104 which provides for the Land and Titles Court
- to ensure amendments and Bills passed by Parliament are error-free before the Head of State assents such copies, to avoid such occurrence that happened with the Land and Titles Bill 2020.
- To conduct a thorough review of the Act to ensure typos and grammatical errors are removed and corrected to ensure the intentions of the bill is made clear.

The Hon Prime Minister informed Members that the Bills scheduled for tabling will be considered under Certificate of Urgency.

The Briefing was concluded with a prayer by the Deputy Speaker then adjourned by the Hon Speaker at 12:45pm.