

DISCLAIMER

This Report provides a brief of the Proceedings of Parliament on **Saturday 27th February 2021**. 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 **Saturday 27th February 2021**, you should consult the official Hansard or seek assistance from the Office of the Clerk of the Legislative Assembly.

Day 29
2:20pm

Saturday 27th February 2021

Deputy Speaker takes the Chair in the absence of Mr Speaker pursuant to S.O. 18

I. PRESENTATION OF PAPERS

1 Annual Report was tabled in Parliament:

1. P.P. 2020/2021 No. 138, Annual Report MCIT 2019/2020.

II. GOVERNMENT ORDERS OF THE DAY

- 1. SUPPLEMENTARY APPROPRIATION BILL (NO.1) 2020/2021- second reading & Debate on the Bill (cont.)**

GOVERNMENT RESPONSE

i. Afioga Hon SILI Epa Tuioti, Minister for Finance and Member for Faasaleleaga No.1

The Hon Minister greeted Mr Speaker, the Leader of the House, Cabinet and his fellow Parliamentarian in the House. He also addressed all CEO's, ACEO's, Office of the Legislative Assembly and Samoa who are listening in. He addressed Samoa in all her honorific salutations. Conveyed condolences to the family of the deceased Member for Lefaga and Faleaseela Afioga VAAFUSUAGA Toleafoa Ken Poutoa.

The Hon Minister then provided the achievements for the financial year 2019-2020 and asserted that it was envisaged that this particular year would be a year of reaping for Samoa, in regards to revenue collection, the hosting of the Pacific Games, and other completed projects which would have contributed greatly to the economy of Samoa. However, no one could have seen the downturn the Samoan economy took, as

it was a trying year for Samoa due to the measles outbreak and the covid19 pandemic. Samoa did not wait any longer, but made efforts to ensure Samoa's preparedness for covid19. The Hon Minister noted the 3.2% decrease in terms of revenue collected for the country in the FY 2019/2020 due to the downturn of the Tourism Industry which has suffered the most due to the impacts of covid19, such as the closure of Samoa's borders to ensure there is minimal chance of covid19 reaching our shores. Hon SILI noted that there were funds set aside to procure necessary equipment and safety gears to ensure Samoa's frontline defence officers are safe when conducting screenings and testing on passengers returning home. Furthermore, the Hon Minister explained that the Government continues to ensure there is sufficient food supply for its people as other nations' food security has been affected during the pandemic.

The Hon Minister clarified efforts made by Government to ensure Samoa stays afloat during these unprecedented times, these include, the 2 stimulus packages afforded to our people (which amounted close to 155million)

1. Health and Medical Response
2. Household Assistance
3. Support for the Private Sector
4. Food Security
5. General Assistance (Fesoasoani Faalauaitetele) to Schools, Communities and Social Developments.

The Hon Minister then highlighted specific efforts made by the Government to assist the nation:

- increase pension from \$145 - \$165 for the elderly which also include free ferry transportation to and from Savaii, as well as the free supply of prescribed medication.
- assistance to schools, village communities and other institutions
- the dividend distributed to all contributors of the National Provident Fund which totals to more than 64million.
- more than 4million worth of funding to assist the Agricultural Sector and noted that the fund is given out by way of loans with low interest rate offered by the Development Bank of Samoa.
- Collaborative efforts with the ADRA Samoa in providing housing arrangements and basic hygiene and sanitary packages for families who are in need.
- National ID initiative which afforded \$50 per person for every Samoan citizen living in the country.
- Hon. Minister also noted some of the programs that the government assisted with, such as: Mapuifagalele, Goshen Trust, Fia Malamalama, Cancer Society, and more.

- The Minister further noted 699 students at APTC and NUS who were afforded the opportunity to receive scholarship assistance from the Government.
- Noted the stimulus package provided support for more than 2,000 unemployed individuals, and Government efforts to offer the agricultural sector as a means to support these individuals (by means of subsistence living).
- Hon Minister mentioned the One Government Grant with an appropriation of 18million – this grant was afforded to all schools in Samoa – noting a 3.6million increase when compared to the previous FY. The Grant was an initiative of the HRPP to ensure the youth and children of Samoa had the opportunity to receive good education.
- Hon Minister noted a fund to renovate housing for all health workers stationed at Nu’u and certain villages in the rural areas, this assistance is to promote healthy and clean living environments, and the overall improvement of clinics in the rural areas.
- Development for Women Committees in the villages through projects such as weaving, sewing and other projects that have contributed to the development of families and villages, they have also started awareness and promoting safety and clean lifestyle in villages, women's committee have also started the immunization projects for children back in the villages.
- The Hon Minister noted an appropriation of 13 million reserved by Government every financial year for promoting and marketing of Samoa’s tourism industry.
- Mentioned the approach taken by the Samoa Airways to reduce airfares to make travelling more affordable for our people, and clarified that currently the Board and management of the Samoa Airways are carrying out negotiations with the respective company which Samoa is leasing its airplane from, with hopes that it will be settled soon.
- Hon Minister mentioned the new vessel which arrived yesterday for transportation between Savaii and Upolu.

The Hon Minister noted that these and numerous other projects and achievement as highlighted above, are all indication of a stable and growing economy. The achievements and projects implemented reflect good leadership by the Government of the day, and portrays a nation which practices ‘good governance’ and adheres to principles of accountability and transparency as well as Samoa’s compliance to international organizations and international instruments Samoa is a signatory too.

The Hon Minister noted the current GDP ratio has reduced by 7.8% for this financial year (2020/2021) due to the impacts of covid. There was also mention of areas which have been affected due to covid, such as; the delay of implementation and completion

of major projects; the impact on GDP; and awaiting vaccination before borders can be re-opened.

The Hon Minister noted that the IMF has a vision for Samoa's GDP to inflate in 2 years, in regards to Foreign Reserves, Samoa has certain plans in the pipeline.

- **Afioga LEALAILEPULE Rimoni Aiafi, Member for Faleata West and Associate Minister for MCIT**

The member queried what IMF was and whether the vessel mentioned by the Minister is larger in comparison to the previous vessel.

- **Afioga Hon PAPALIITELE Niko Lee Hang, Minister for Works, Transport and Infrastructure**

The Hon Minister clarified that the query made by the Member regarding the vessel, was not raised during his address, and therefore should not be responded to.

- **Afioga ALIIMALEMANU Alofa Tuuau, Member for Alataua West**

The Chairperson for the Finance and Expenditure Committee queried that there was a vessel reserved for transportation between Upolu and Pago and sought clarification as to whether the vessel that arrived yesterday was the same as the aforementioned vessel?

- **Afioga Hon PAPALIITELE Niko Lee Hang, Minister for Works, Transport and Infrastructure**

The vessel questioned by the Member for Alataua West is funded by China Aid, while the vessel which arrived yesterday is different.

Hon Prime Minister - Clarification

The PM noted that the ships Samoans used in the past before the current vessels we are using for transportation means to and from Savaii, consumed about 3hours to travel from Upolu to Savaii and elaborated that the new vessels will travel at much faster rate, and saves time – which is an overall good development for Samoa.

He further noted that the new ferry will greatly assist the transportation between the two islands for the upcoming general elections.

Afioga Hon SILI Epa Tuioti, Minister for Finance and Member for Faasaleleaga No.1 (cont.)

The Hon Minister clarified that the IMF stands for International Monetary Fund which consists of a taskforce responsible to predict and review the status of Samoa's financials. Furthermore, the Minister noted the IMF usually stay in Samoa for more three weeks to conduct their analysis. Hon SILI stated that other international organizations such as World Bank and IDA rely on the report from the IMF for their development assistance to all the recipient countries under these organizations.

Hon Prime Minister - Clarification

The PM noted that Samoa became a Member for the IMF in 1971, and a member for the World Bank in 1972. He then highlighted that in 1972, the IMF taskforce arrived in Samoa to conduct its Article 4 consultation with Samoa. The Hon PM noted that the IMF continues to send its consultants to Samoa, although Samoa has graduated from LCD the taskforce continues to ensure accurate assessment and monitoring of Samoa's financials which determine the stability of Samoa's economy. Hon PM noted the importance of responsible government to ensure Samoa's revenues and expenditure are balanced out. He touched upon the importance of IMF assistance to the economic growth given that it detects if there are any misappropriation and misuse of funding for assistance, which will lead to immediate termination of the funding from IMF.

Afioga Hon SILI Epa Tuioti, Minister for Finance and Member for Faasaleleaga No.1 (cont.)

The Hon Minister noted the improvement of the total economy of the country from 2015- 2020:

2015- 1.9 billion

2016 - 2.09 billion

2017- 2.1 billion

2019 - 23.3 billion

2020 - 21.7 billion

He further noted that 11% of the revenues collected is used to pay our debt with foreign institutions; while 89% is utilised to fund major projects for development of the nation. Afioga Hon SILI highlighted a drop in GDP by 48% (percentage of debts) and accentuated that we cannot determine the exact time when Samoa's economy will be restored to its original state, therefore the government carefully distributes its appropriation to prioritize areas. The Hon Minister noted plans for a third Stimulus package, however it depends to Samoa's earnings. He further noted domestic revenues

which Samoa achieved is 631.2million which is an increase when compared to the 493.2 million collected in 2015. Further noted an increase in the fund that is used for overseas treatment (overseas medical treatment scheme) from 5million in 2015 to 8million in 2020. There was mention of plans for a building to treat people to be built in the country that can also minimise travelling overseas. The Hon Minister noted goals that were achieved such as ensuring audited reports for all the Ministries, updated Annual Reports submitted to Parliament as this eradicates the problem of considering and reviewing outdated reports over the years.

The Hon Minister further highlighted Public Finance Reforms, where all ARs from government ministries and agencies are up to date and submitted to Parliament; improve in procurement management, placing Internal Auditors for all Government Ministries; accurate Public Accounts; enforcing policies on cash revenue, strengthening our partnership with donors such as IMF etc; Samoa to be the first Pacific country to be a member for PEFA for climate change assistance and reemphasized on the achievement by Samoa graduating from LCD and becoming a developing country.

- **Afioga Hon PAPALIITELE Niko Lee Hang - Minister MWTI**

The Hon Minister commended the Minister of Finance for the well explanation of Samoa's debts and financials and also noted claims by a Member that oppose the Vaiusu wharf in the Newspaper today saying that the wharf is 250million. The Minister clarified that the studies have not concluded to determine the cost of the project and yet this person has made false announcement.

- **Afioga Faumuina Wayne Fong, Member for Urban West**

The Member wished to note his objection to the development of the Vaiusu wharf.

Afioga Hon SILI Epa Tuioti, Minister for Finance and Member for Faasaleleaga No.1 (cont.)

The Hon Minister mentioned the long-term plans provided in the Samoa 2040:

- Development for the Ministry for Agriculture and Fisheries
- Improve assistance for tourism
- Improve technology for communication
- Improve and increase unemployment
- Efforts to reduce about climate change impacts
- Improve the safety of Samoa
- Affordable development for the country

To continue stable relationship with donors such as World Bank, IMF and others; Noted funds allocated for the SROS for the buildings and machines use to produce secondary products using our local plants. Hon Minister noted the project at Vaisigano is in progress and will start sometime this year. He then noted an agreement with development partners for the development of the Cross Island road from Tanugamanono to Siumu. Furthermore, the Minister noted a new SDS for the next five years is in progress and then he mentioned the priority areas of this development plan. The Minister clarified that main goal of these guidelines and long-term plans is for the quality living of our people

Proceedings were suspended 4:18pm

Proceedings resumed at 5:08pm

- **Afioga SALAUSA Dr. John Ah Ching - Member for Faleata East**

In regards to donor assistance, and queried whether donor assistance for seawalls include river bank walls

- **Afioga ALAIASA Moefaauouo Malagaitutogia Sepulona Moananu - Member for Anoamaa East.**

Stated the pyramid schemes and asking the Minister to clarify on these schemes

Afioga Hon SILI Epa Tuioi, Minister for Finance and Member for Faasaleleaga No.1 (cont.)

Emphasized that the government does not wait around till elections to undergo projects for the development of this country, we work all throughout the year for the development of Samoa and called out developments made by organisations under his portfolio:

i. National Provident Fund (NPF):

-noted the increase in Assets from 578million in 2016 to 856million in 2020

-Further noted the net profit recorded by NPF recordings 57.8 million in 2021 from 33.4 million recorded in 2016.

--noted the increase of NPF contributions by contributors from 7% to 10%

-noted that the NPF building in Savaii Salelologa will be opened soon

- **Afioga Hon FAUMUINA Tiatia Faaolatane Liuga - Member for Palauli le Falefa**

The Hon Member queried whether NPF intends to amend their legislation in order to standardised benefits for all NPF customers. farmers, fishermen,(voluntary contributors) etc to have the same benefits with public servants.

Afioga Hon SILI Epa Tuioti, Minister for Finance and Member for Faasaleleaga No.1 (cont.)

The Hon Minister responded that NPF needs to conduct its research and cost benefit analysis to determine the feasibility and way forward.

Hon Prime Minister - Clarification

The PM asserted that the government will take note of his issue put forth because he needs to consider the fact that when someone that just started paying for his/her contribution and suddenly involve in an incident to claim the benefits as suggested by the Member for Palauli le Falefa it does not seem fair for the long contributors.

- **Afioga Hon TUITAMA Talalelei Tuitama, Minister for Women, Community and Social Development**

The Hon Minister noted that voluntary workers cannot join the scheme unless the pay is regular, stated that we can always contribute if we want to- however we can always put in whenever we get paid and pay in lump sum.

- **Afioga ALIIMALEMANU Alofa Tuuau, Member for Alataua West**

The Member clarified that all individuals over 65 years are eligible to claim pension and further clarified that parliamentary members can make their voluntary contribution, but it will be deducted straight from their bank accounts and it is separate from their parliamentary pension.

Afioga Hon SILI Epa Tuioti, Minister for Finance and Member for Faasaleleaga No.1 (cont.)

The Hon Minister spoke on the Central Bank of Samoa and noted the high cost of living; CBS continues to monitor illegal trade/ foreign exchange and has also made efforts to prevent businesses from performing illegal businesses. Hon Minister mentioned that the Ministry continues to promote its services through awareness programs, and commended SIFA for their service in regards to registering foreign trustees in Samoa as well as providing assistance in sporting events in the country also school programs

SIFA:

The Minister asserted that efforts are in the pipeline to remove Samoa from the EU blacklist. Response should be received in October this year. SIFA also has plans to construct its new building this year.

UTOS:

- 87% increase in the number of trusts within 3 years. (3,300 trust investors in 2020 an increase from 200 investors in 2011 when the UTOS was established)
- 57 million (2016) - 120 million (2020) increase in funds from trusts;
- 25 million was distributed within the 5 year period.
- Investments began at 10 million (2011 since its imitation)- 126 million tala (2020);
- Units processed on line (UTOS App enables unit holders to check their balance on mobile internet, M-tala Vodafone Samoa to make increments instead of going to the Headquarters)
- The Government owns 25% of shares within the Bluesky which is now known as Vodafone Samoa Company.
- owning 20% share of Samoa Submarine Cable company
- funded the Samoa Centre in New Zealand;
- funded the renovation of the Commissioners building at Wellington, NZ
- Established UTOS branches in NZ and Australia for Samoan citizens who wish to purchase units;
- Assistance to Government to fund its projects such as the construction of its Commissioner's building in A. Samoa;
- Establishment of the Savaii branch;
- 10,000 target- number of unit holders for UTOS for the next 5 years;
- established a government building at the old flea market Savalalo for all the Government ministries and offices which will be funded by the UTOS.

DBS:

The Hon Minister noted lending options for sustainable pop-up businesses from \$2,500 – \$7,500. Furthermore partnership with businesses in agriculture providing, taro, koko and coconuts and encourage value chain financing. The Hon Minister noted an amount of 4 million offered for agricultural and fisheries developments. He provided future plans for the DBS regarding policies for borrowing, and made known efforts to strengthen domestic partnership and foreign partners to offer training and capacity building to ensure DBS can be recognised as an accredited agent for Green Climate Funds.

SLAC:

The Hon Minister noted that the SLAC in collaboration with the ACC are assessing the feasibility of providing compulsory insurance for frontline workers, in addition to providing insurance covers for those who seek medical treatment to overseas countries. The SLAC continues consultation for medical insurance and be in partnership with technological companies so that the services of the SLAC can be accessible by the public who need it.

Hon Minister noted that 11 million of revenues is utilised to develop water projects as there is not sufficient funding from overseas agents; and acknowledged virtual meetings as an improvement and a developed means of communication that has helped during this time with the covid. Furthermore, the Minister noted a project was one of Government's dream to develop for easier means of communication during unforeseen circumstances. In regards to the submarine cable project, the Hon Minister acknowledged the project and was grateful as it has provided efficient internet service and communication for the nation. The project at Vaisigano bridge funded by the Green climate Fund has completed the first phase and have also prepared blue-prints and images of the second phase however

there are new provisions from the GCF needed to complete before we move forward. The Hon Minister responded to the question where the funding was from for the wharf at Vaiusu, and regarding the feasibility of such development the government has taken the initiative to do this thus the lengthy period of time taken to bring this development to fruition.

Hon Prime Minister - Clarification

The PM stated during his meeting with the president of the Republic of China. He kept repeating the Vaiusu Project and noted that if the President is always reiterating this, then the project must be important to him; The PM noted that the Museum at Malifa was a gift from China, and noted that in discussing any project, there will always be an opposing side. Recalled the time when government encouraged the 'measina' of Samoa through its programs - there were numerous criticism. The Samoa Observer saw it as government's interference with family obligations. Referred to the minimizing of the number of tin fish per package to make it cheaper for the families, there was criticism. The change of the side of the road so that our families can easily afford vehicles, there was also immense opposition by way of Protest which stopped this very Parliament. PM asserted Samoan families are benefiting from this. The Hon PM noted there were protests on VAGST from 1995-1998 from the opposition which led for one member to lose his seat. In this regard, it resulted for the opposition party to be short by 1 Member as Standing Orders provided that a Party can only be recognised with at least 9 members. Due to this, the government moved a motion (in 1998) to amend the standing orders to amend the number of party members to be recognised in Parliament.

Afioga Hon SILI Epa Tuioti, Minister for Finance and Member for Faasaleleaga No.1 (cont.)

The Hon Minister commented on the conferences that our country was able to host through solid partnership with our partners and this reflects good governance. He opposed announcements made by certain members in parliament that the Government is facing a loss, but assured the public the only time Samoa encountered a loss was in 1982 before HRPP came into Government. He noted that the financial year 19/20 17.4 million budget surplus was recorded for Samoa which was an increase from the forecasted 87 million (budget surplus).

Hon Minister noted budget projected deficit and actuals for the previous FY's

MR SPEAKER

Hon Mr Speaker quoted Standing Order 82(4) to remind members of his role and any ruling from the Chair is final.

- **SULAMANAIA Fetaiai Tauiliili Tuivasa - Vaimauga East**

The Member moved a motion to withdraw words spoken by the Member for Salega East from official records of Parliament against the Speaker; the motion was seconded and approved.

Afioga Hon SILI Epa Tuioti, Minister for Finance and Member for Faasaleleaga No.1 (cont.)

The Hon Minister emphasized that achievements are reflected through the developments done but not promises made. He then acknowledged the services of Dr Tuitama, Speaker of the House -Toleafoa Faafisi and all the Members who are not coming back in the next term and have resigned.

- **SULAMANAIA Fetaiai Tauiliili Tuivasa – Member for Vaimauga East**

The member queried whether mayors in Samoa are entitled to receive bonus apart from their allowances received from government.

Hon Prime Minister - clarification

Hon PM clarified that allowances include all benefits as requested by the Member for Vaimauga East but further accentuated that this matter should be brought forth to the Minister responsible for Mayors (Pulenuu) instead of the Minister for Finance who is not responsible for this matter.

Afioga Hon SILI Epa Tuioti, Minister for Finance and Member for Faasaleleaga No.1 (cont.)

The Hon Minister conveyed thanks and appreciation to his Associate Minister Mulipola Laki for his service this Parliamentary Term and wished him well on future ventures. Hon SILI commended all CEOs and staffs for all agencies under his portfolio for the tremendous effort put into achieving the goals of their respective organizations. He acknowledged his constituency and expressed gratitude for all developments in his constituency and acknowledged the Hon PM for his trust in selecting him as Minister for Finance.

**Proceedings were adjourned at 7:12pm
Parliament will again reconvene on Monday 1st March 2021 at 9am.**