

# PARLIAMENT OF THE REPUBLIC OF FIJI



## PARLIAMENTARY DEBATES

### DAILY HANSARD

**FRIDAY, 18<sup>TH</sup> JULY, 2025**

[CORRECTED COPY]

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**FRIDAY, 18TH JULY, 2025**

The Parliament met at 9.41 a.m. pursuant to adjournment.

MR. SPEAKER took the Chair and read the Prayer.

**PRESENT**

All Members were present, except the honourable Deputy Prime Minister and Minister for Trade, Co-operatives, Micro, Small and Medium Enterprises and Communications, honourable Minister for Immigration, honourable P.D. Kumar, honourable S. Kumar, honourable K.K. Lal, honourable S.S. Kirpal and honourable S. Nand.

**MINUTES**

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Mr. Speaker, Sir, I move:

That the Minutes of the sitting of Parliament held on Thursday, 17<sup>th</sup> July, 2025, as previously circulated, be taken as read and be confirmed.

HON. A.V.B.C. BAINIVALU.- Mr. Speaker, I beg to second the motion.

Question put.

Motion agreed to.

**COMMUNICATION FROM THE SPEAKER**

I welcome all honourable Members to the final sitting day of this July session. I welcome those joining us in the gallery and those watching the live proceedings on television and the internet. Thank you for your continued interest in the workings of Parliament.

**SPEAKER'S RULING**

Point of Order Against Honourable Rinesh Sharma

Honourable Members, I have in my records two pending rulings which pertain to the Point of Order raised by honourable Ro Filipe Tuisawau and honourable Filimoni Vosarogo against honourable Rinesh Sharma. Please kindly take note that given the constraint of the time today, I shall not proceed to deliver the entirety of my ruling. However, I wish to inform the House that there<sup>1</sup> is a full text of the ruling that shall be appended to the official *Daily Hansard* of today's sitting for the information and references of Members.

In brief, after a thorough examination of the *Daily Hansard*, together with honourable Sharma's explanation in writing, I have found merit in both points of orders. Therefore, where my ruling, I have directed that certain actions be taken, such as apologies to this House, or the individual Members of Parliament. That shall be done in writing, addressed to me within seven days by the individual Members of Parliament concerned.

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<sup>1</sup> Editor's comment: Honourable Speaker's Ruling on Points of Order raised by Hon. Ro F.Q. Tuisawau on 1<sup>st</sup> May, 2025, against Hon. R.R. Sharma is appended as Appendix 1.

Before we move onto the next item, I wish to remind the Members that today's session will be a full day, a long full day. The House is required to address all items listed on the Order Paper, as approved by the Business Committee. Proceedings will continue until the entire Agenda has been completed.

### **2025-2026 BUDGET CONSEQUENTIAL BILLS 2025**

HON. PROF. B.C. PRASAD.- Mr Speaker, Sir, pursuant to the resolution of Parliament on Friday, 27th June 2025, I move:

That the following Consequential Bills be debated, voted upon, and be passed:

- (1) Tax Administration (Budget Amendment) Bill 2025 (Bill No. 11 of 2025);
- (2) Income Tax (Budget Amendment) Bill 2025 (Bill No. 12 of 2025);
- (3) Value Added Tax (Amendment) Bill 2025 (Bill No. 13 of 2025);
- (4) Customs (Budget Amendment) Bill 2025 (Bill No. 14 of 2025);
- (5) Customs Tariff (Budget Amendment) Bill 2025 (Bill No. 15 of 2025);
- (6) Excise (Budget Amendment) Bill 2025 (Bill No. 16 of 2025);
- (7) Fiji Revenue and Customs Service (Budget Amendment) Bill 2025 (Bill No. 17 of 2025);
- (8) Water Resource Tax (Budget Amendment) Bill 2025 (Bill No. 18 of 2025);
- (9) Fijian Competition and Consumer Commission (Budget Amendment) Bill 2025 (Bill No. 19 of 2025);
- (10) Tertiary Scholarships and Loans Service (Budget Amendment) Bill 2025 (Bil No. 20 of 2025);
- (11) Maritime Transport (Budget Amendment) Bill 2025 (Bill No. 21 of 2025);
- (12) Reserve Bank of Fiji (Budget Amendment) Bill 2025 (Bill No. 22 of 2025);
- (13) Insurance (Budget Amendment) Bill 2025 (Bill No. 23 of 2025);
- (14) Banking (Budget Amendment) Bill 2025 (Bill No. 24 of 2025); and
- (15) Fair Reporting of Credit (Budget Amendment) Bill 2025 (Bill No. 25 of 2025).

HON. RO F.Q. TUISAWAU.- Mr. Speaker, Sir, I beg to second the motion.

MR. SPEAKER.- Before we proceed with this motion, I remind honourable Members that pursuant to the resolution of Parliament, the time for the debate will be limited to ensure that these 15 Consequential Bills are debated and voted upon today. I will now first call on the honourable Deputy Prime Minister and Minister for Finance to speak on his motion; and I would ask him for his address to be limited for 30 minutes. You have the floor Sir.

HON. PROF. B.C. PRASAD.- Mr. Speaker, Sir, I will try and be as brief as possible because I have in a sense enunciated the key features, or the objectives of all the Bills as part of the budget speech, and I also know that some of my colleagues on the government side, the honourable Ministers themselves, have talked about it.

The first Bill - Tax Administration (Budget Amendment) Bill, seeks to modernise Fiji's tax administration by strengthening compliance, transparency, and international cooperation provision. It introduces a separate e-wallet requirement for businesses and annual asset declarations for sole traders and Tax Identification Number requirements for e-wallets.

The proposed amendments include enhanced audit powers, support for international information exchange and multilateral instruments for tax related administrative assistance commitments and mandatory continuous professional development for tax agents to uphold professional standards.

In addition, the amendments respond to the emerging challenges such as the growing use of digital financial platforms, under declaration of business turnover and the need to uphold professional standards with the tax profession.

Essentially, clause 2 of the Bill introduces new definitions to support the policy on new e-wallets. Clause 4 of the Bill will allow for tax agents to apply for an extension of time, to file tax returns on behalf of taxpayers. Mr. Speaker, Sir, I will not be going through each of the clauses, but I will just highlight some of the key ones. I am hoping that honourable Members would have had a lot of time in two weeks to go through some of those in the interest of time. They meet Fiji's ability to combat tax evasion to meet global obligations. Clause 7 of the Bill seeks to allow FRCS to obtain information for taxpayers and third parties including financial institutions for the purpose of international information exchange under multilateral institutions for tax-related administrative assistance. To uphold professional standards among tax agents, Clause 11 of the Bill requires all registered tax agents to complete a minimum of 10 hours of continuing professional development annually as a prerequisite for renewing their registration from 1st January, 2026.

In summary, the Income Tax (Budget Amendment Bill) 2025 introduces several key changes. It updates the definition of dividends, to address revenue loss from share buy backs and issues new terms related to e-wallets. Unexplained deposits in e-wallets accounts will now be included in the computation of taxable income. The Bill introduces the requirement that if you open an e-wallet account, you have to do it with your Tax Identification Number. The Bill also provides tax deductions for donations to health, socio-care facilities, support for accredited staff programmes and capital investments for tour operators.

To ensure the proper application of capital gains tax on corporate restructuring and investment transactions, the definition of dividend under the income tax has been amended. This change clarifies that any financial gain derived from share buy backs or similar equity transactions will now be treated as a capital gain and will be subject to Goods and Services Tax (GST).

Mr. Speaker, Sir, as I said, I am only highlighting some of the clauses and not all of them. Clause 5 of the Bill amends Section 25 of the Act to provide for tax deductions on donations made by a person to accredited start up programmes and for any new capital expenditure exceeding \$100,000 incurred by a business in a tax year for providing a tour activity in Fiji.

Mr. Speaker, Sir, to further support and develop Fiji's entrepreneurial segment a 150 percent tax deduction will be available to businesses that make financial contributions to accredited startup support programmes. These include donations to recognising incubators, accelerators, entrepreneurship, and development initiatives that are formally accredited. This is all really to stimulate economic growth and particularly promote the role of MSMEs.

Mr. Speaker, Sir, to strengthen and support Fiji's tourism sector, widely recognised as the backbone of the Fijian economy, a new 25 percent investment allowance for any new capital expenditure exceeding \$100,000 has been introduced for business engaging tour activities. This essentially, Mr. Speaker, is an attempt to take tourism economic activity away from resorts; right now the incentives mainly focus on hotels and resorts. So, if you are setting up a tour company, if you are putting out infrastructure say in Kadavu, where tourists go for hiking or do other activities, you would be able to benefit from the investments you make in those kinds of businesses.

Value Added Tax (Budget Amendment) Bill (Bill No. 13/2025), in summary, key reforms to the Value Added Tax (VAT) includes a reduction in the general VAT rate from 15 to 12.5 percent and the introduction of VAT refund schemes for residential solar installations, termite-damaged home repairs and the VAT Bill proposes to amend the definition of 'produce supplier'. So, there are three important and significant changes that we are making here, contrary to some of the comments

from our friends on the other side. This is a very significant step in ensuring that we address the cost of living in a holistic manner. And the reduction in VAT from 15 percent to 12.5 percent is an important recognition towards that.

The introduction of VAT refund for residential solar installations is again a new innovation, a new incentive. And let me say, Mr. Speaker, it is this Government that actually recognises that the termite problem, termite infestation has been happening in this country for the last 15 years and the problem had reached very significant proportions. We are now seeing so much damage being done to not only residential properties, but schools and others. So, apart from providing grants based on means test, we are encouraging for those that want to spend money they will get a VAT refund in the repair of their homes.

The VAT Bill also updates the Value Added Tax Act 1991 with the inclusion of exempt concessions that attract a zero percent VAT rate under the Customs Act.

Clause 9 of the Bill amends Schedule (1), which exempts supplies to include the services enabling cash deposits for withdrawals, execution of payment transactions, issuance or acquisition of payment instruments and related services, including solely online or telecommunication services. This aim for VAT exemption for payment services like e-wallet and associated services.

Customs (Budget Amendment) Bill, in summary, Mr. Speaker, Sir, the Customs (Budget Amendment) Bill introduces amendments to strengthen customs enforcement, data management and regulatory flexibility. The key changes include new definitions, expanded powers for the controller and provisions for accessing passenger data and provisional export entries. It also introduces a demerit point for licensed persons and extends the record retention period. This amendment supports enhanced border security, compliance, and risk-based regulation.

To strengthen the legal clarity Mr. Speaker, Sir, and introduce new definitions into the Act, clause 2 of the Bill amends Section 2 of the Act and provides for the redefinition of the term “authorised economic operator” to align with Section 99(2)(b) of the Act. The new definitions for biometric information – “commercial transportation operator” and “passenger name record” or “PNR” are inserted to support proposed amendments relating to border management data collection and vehicle classification. So, in a sense, this data will be available to FRCS in an efficient, effective and in a timely manner, so that they are well prepared to deal with issues at the border.

Customs Tariff (Budget Amendment) Bill, in summary, Mr. Speaker, Sir, the Customs Tariff (Budget Amendment) Bill introduces several key changes aimed at supporting affordability, promoting investment, aligning with international trade commitments; and these include the reduction or removal of duties on items such as chicken portion, fish, sugar-free fruit juice, tomato ketchup, golf cars, cruise ships, and excursion boats. It also introduces new duties on certain items, including precious metal ores, concentrates, and selected cereal snacks. While applying preferential rates for goods traded under international agreements, such as EU-Pacific Interim Economic Partnership Agreement (IEPA), which was signed recently.

Additionally, Mr. Speaker, Sir, the Bill provides for duty and VAT exemptions on personal imports, valued at \$500 or less. We had some issues with this. We received submissions, and so we are now exempting VAT on for example –someone sends a gift worth \$500 or less; you do not have to pay any duty and VAT on that item worth \$500 or less. Most of these changes actually took effect on 27<sup>th</sup> June, the day the Budget was announced. However, Clause 5 of the Bill, reducing the VAT rate to 12.5 percent, will come into effect or enforced on 1<sup>st</sup> of August.

Mr. Speaker, Sir, clause 2 of the Bill amends Part 1, Schedule 2 of the Act to cater for duty for chicken portions and chicken offal, whether fresh, chilled, or frozen, previously attracting 32 percent fiscal duty and 10 percent import excise. It will now be 15 percent fiscal and 10 percent import excise. And I noticed, that apart from the reduction in VAT, that there are a number of other things that we have done in this budget, like reducing duty on some of the food items. I do not think any of my colleagues from the Opposition picked that up. This is also designed to do that, so I wanted to highlight that.

Similarly, all species of fish, whether whole or in fillets, imported in the frozen state, will now attract free fiscal and free import excise. This is a reduction of 15 percent fiscal and free import excise, Mr. Speaker, Sir. As I said, there are a list of all items that are there that we have reduced duties to ensure that we add to the reduction in VAT, add to further reducing the burden on our people on the prices of imported food items...

Excise (Budget Amendment) Bill 2025, in summary of the Bill, the amended definitions aim to clarify the scope of products used in the manufacture of accessible goods ensuring they are subject to excise duty. Key changes include expanding the definition of “manufacture” to cover the modification or blending of excisable and non-excisable goods and introducing a definition of “raw materials” to resolve interpretive inconsistencies and aid in regulatory administration.

Additionally, a fee of \$15 is now imposed on modifications to register customs entries. A new de-merit point system has been introduced for licensed excise operators, promoting a risk-based compliance framework. This system assigns penalties based on accumulated points, with consequences ranging from warnings to license revocation.

Furthermore, Schedule 1 of the Act has been revised to permit the production of alcoholic beverages using alternative raw materials such as molasses and weed-based ethanol, expanding beyond the current restriction to apples and pears.

Fiji Revenue and Customs Service Budget (Budget Amendment) Bill 2025, the Bill in summary, Mr. Speaker, Sir, seeks to establish a legal framework that will allow timely implementation of processes required under multilateral instruments for tax related administrative assistance.

Water Resource Tax (Amendment Bill) 2025, in summary, Mr. Speaker, Sir, the Water Resource Tax (Budget Amendment) Bill amends the Water Resource Act 2008 by inserting new provisions to provide for the approval of the Controller as a prerequisite for commencing any water extraction and bottling activities by a water extraction and bottling business.

Furthermore, enforcement is strengthened by introducing a new penalty provision, Section 18(a). Under this provision any business that contravenes Section 3(a) commits an offence and may be subject to a fine of \$25,000, or imprisonment for a term not exceeding 10 years or both. This penalty framework is intended to serve as a strong deterrent to non-compliant businesses and signals the Government's firm stance on protecting Fiji's natural resources and ensuring tax compliance.

Fijian Competition and Consumer Commission (Budget Amendment Bill) 2025, in summary, Mr. Speaker Sir, essentially what we are trying to do here is to ensure that the Fijian Competition and Consumer Commission (FCCC) is able to fund some of its costs.

Currently, its operational costs are funded through parliamentary appropriations. The amendments would allow FCCC to use revenue from regulatory fees to cover its functions and

costs. Parliamentary funding will remain available, but we are hoping that reliance on it will be reduced in the future.

Tertiary Scholarships and Loan Service (Budget Amendment) Bill 2025, in summary, key features of the proposed amendments to the Treasury Scholarship and Loan Service (TSLS) that includes the demarcation of the Board and the service as an organisation, providing clarity from interpretation difficulties.

Additionally, the Board composition increases from five to seven members, and as a result necessitates the increase of quorum numbers from three to four members. The Bill also introduces accountable administration and bond monitoring as an added function for the service.

The proposed amendment introduces administrative fees for the late request for travel clearance less than 24 hours before departure, and for guarantor information enquiry. This is just to ensure that people do these things on time, and they do not end up at the airport and then say that we have not had the clearance.

Maritime Transport (Budget Amendment) Bill 2025, in short, Mr. Speaker Sir, the proposed amendments to the Maritime Transport Act 2013 are intended to enhance enforcement measures and enable real-time monitoring of marine activity. They also support Fiji's commitment under the International Convention for the Safety of Life at Sea 1974 by mandating vessels operating in Fiji waters to be equipped with and use the Automatic Identification System (AIS). I will be able to explain this in my reply, because sometimes, Mr. Speaker, Sir, even if they have this system, they do not switch it on. This would require them to actually have it on so that the information is available.

Reserve Bank of Fiji (Budget Amendment) Bill 2025, in summary, currently Fiji does not have any requirements in law on the provision of virtual assets and virtual asset service providers, whereas, most countries have amended their respective Acts to include virtual assets, either to allow or prohibit it. Hence, there is a legislative gap that we are trying to fill as a result of this.

Fiji's Anti-Money Laundering and Countering the Financing of Terrorism (AMLCFT) framework is due for a comprehensive mutual evaluation exercise in 2026 against the Financial Action Task Force recommendations. The preliminary feedback from the experts, based on the assessment early this year is that Fiji's rating is likely to be negatively impacted due to the absence of any specific legislation on virtual assets. We are trying to fill that gap.

Therefore, the proposed amendment, Mr. Speaker, Sir, of the Reserve Bank of Fiji Act 1983, is a proactive approach to provide legislative clarity, which has been discussed and supported by the Financial Intelligence Unit and complements the press release of the Reserve Bank of Fiji, which was issued in April 2024.

Insurance (Budget Amendment) Bill 2025, Mr. Speaker, Sir, again in summary, the Insurance Act 1998 has been enforced for over 25 years. It probably it happened during the honourable Prime Minister's first tenure as Prime Minister. It is now due for a comprehensive review to ensure that it remains fit for purpose in a rapidly evolving financial sector and aligns with international best practises. One key development necessitating legislative amendment is the adoption of the International Financial Reporting Standard (IFRS).

Insurance contracts has also been endorsed by the Fiji Institute of Chartered Accountants. This new accounting standard introduces significant changes in the way in which insurance contracts are reported and accounted for, requiring corresponding updates to the Insurance Act.

Banking (Budget Amendment) Bill 2025, Mr. Speaker, Sir, seeks to amend the Banking Act 1995 to provide for digital publications of the list of unclaimed monies on the official website of a licenced financial institution, as opposed to the current requirement for print media publication. Sometimes you see six, seven pages, eight or 10 pages, so we are trying to move away from that.

The amendment also requires licenced financial institutions to provide instructions as to how the list may be accessed, which will be notified to members of the public through a notice in the Gazette, and in a daily local newspaper. Moreover, the amendment specifies the duration period, within which the list must be made available on the official website of a licenced financial institution. The list can only be removed from an official website of a licenced financial institution with the prior approval of the Reserve Bank of Fiji. This allows customers of licenced financial institutions more time to check and verify the list.

The amendments proposed are administrative in nature and relate to the rapid takeover of technology solutions by commercial banks in Fiji, in line with global trends and the rapid growth in the use of digital media by the general public.

Fair Reporting of Credit (Budget Amendment) Bill 2025, very briefly, the proposed amendment is aimed at allowing for the provision of additional credit information on individuals and companies that is already publicly available information on bankruptcy and insolvency can be loaded in a reporting agencies database to enhance meaningful checks.

With those brief explanations for all the Bills Mr. Speaker, Sir, I commend the Bills to the House.

MR. SPEAKER.- I thank the honourable Professor Biman Prasad, and also for heeding the Speaker's request for the time limit. Before I open the floor for debate, honourable Members, I invite you please to join me in extending a very warm and Fijian welcome to the honourable Lee Tarlamis, member of the Legislative Council in the Parliament of Victoria.

Before entering Parliament, honourable Tarlamis served as an adviser to both the federal and the state members. He represents the Southern Eastern Metropolitan region of the State of Victoria from 2010 to 2014 and was re-elected in 2022. We are delighted to have him with us in the Fijian Parliament today. Thank you, honourable Tarlamis for joining us this morning.

I will now then open the floor for debate on this motion, reminding Members that they are limited to 10 minutes in their intervention.

HON. H. CHAND.- Mr. Speaker, Sir, I rise to make very short contribution on the Tertiary Scholarships and Loan Service (TSLS) (Budget Amendment) Bill. Firstly, I would like to thank the just recently departed the chief executive officer (CEO) of the organisation. I saw in the mainstream media and social media that his contributions to TSLS scholarship policies, and a broader human capital development. It was very highly appreciated by the tertiary students, the honourable Minister for Education and by the board.

As someone who left a benchmark on innovation, transformation and widening access to tertiary education. TSLS as an institution is far stronger and can be internationally-benchmarked with like agencies. I wished the former CEO all the very best in his future endeavours.

Mr. Speaker, Sir, it is important to note that the outgoing CEO was appointed in 2021 based on merit. His professional qualifications, experience and strategic foresight positioned him as the right candidate and led TSLS through a critical period of reform and development. His tenure

reflected this merit by his appointment through tangible improvements in his policy administration and institutional credibility.

Mr. Speaker, Sir, I support that scholarship handbook should become a legitimate document containing regulations, policies and eligibility requirements. This is the practice with the universities. The administration fee for last minute applications for travel will meet the overhead costs and also bring attitude and behaviour discipline in people and not put the organisation under duress.

Mr. Speaker, Sir, on the increase on board members. I have a question on the proven capability and capacity of current board members. If they have a diversity of skills set that TSLs board wants, then no increase in membership is needed. The board members of TSLs should have amongst them a mix of tertiary education sector experience, thorough industry knowledge, large budget management expertise, audit and risk, strategic thinking and senior leadership experience. It seems that the current board do not have that and hence this increase is warranted.

HON. GOVERNMENT MEMBER.- Hogwash!

HON. H. CHAND.- I am more concerned if someone with certificate level qualification is a board member of TSLs. The organisation makes decisions from certificate to degree, masters to PhD. I wonder what will be the contribution of the certificate holder in the TSLs board? The appointment of board members should be done following due process. Organisations will be stronger if appointment of the CEO and the board members are purely based on merit.

HON. RO F.Q. TUISAWAU.- Point of Order. Mr. Speaker, Standing Order 60 - Relevance.

MR. SPEAKER.- Yes, I think you are flying close to the wind. Keep it within the limit of the debate on the Budget, honourable Member.

HON. H. CHAND.- Mr. Speaker, Sir, in conclusion I would say that organisations will be stronger if the appointment of CEOs and the board members are purely based on merit.

HON. F.W.R. VOSAROGO.- Mr. Speaker, Sir, thank you for the opportunity to contribute to these Bills. I probably will start off by saying my part in congratulating the honourable Minister for Finance and Deputy Prime Minister for a job well done and also to his staff who have worked tirelessly over the last couple of months to prepare the Budget so that we can have that passed, and we did have that passed with overwhelming majority yesterday. So, we are showing the people of Fiji and the public that we are serious about their Government and the delivery of services to them as a nation.

My part this morning is to support the motion and the Bills that have been tabled. They were tabled last week and the Deputy Prime Minister and the Minister for Finance has spoken about this morning.

In relation to FCCC and the amendment to the 2010 Act; it is a small amendment, Mr. Speaker, Sir, but what it does is perhaps set the direction of the Commission to what should have been done many years ago. This is a 2010 piece of legislation. Just by reference to the date, it would be right to assume that it started off as a decree and then it was formalised into an Act of Parliament in 2014. But it has taken 15 years thereafter, 15 years after 2010, for the Coalition Government to finally give this Commission the autonomy and the independence that it rightfully deserves.

I think quite rightly we can also assume that over the many years of its existence since 2010, it has operated not independently, but under the guidance, of course, of political masters. We are

giving them that independence and that autonomy through these amendments. It is a piece of amendment that has been done, I suppose with foresight of what we truly want this Commission to do and that is to operate independently and independent of those that have political oversight over them.

In relation to the Water Resource Tax (Budget Amendment) Bill, this is very important, Mr. Speaker, Sir. It is now a requirement for those who are or wish to go into water bottling business, is that they must now have a prior approval from the Comptroller, and if they do not, they are in breach of the law, then there is a very heavy penalty to it. Again, something that was passed or was brought into law in 2008, again by decree. It is this Coalition Government, Mr. Speaker, Sir, that has seen the importance of ensuring that things are done and done properly. So, we are bringing in the amendment that you just cannot come into the country and do one or two boreholes and start taking out natural water without having prior approval. There is an approval mechanism of Government, and if you do not do that, then there is a very strict and heavy criminal sanction that is attached to it.

I want to say a little bit about the Fair Reporting of Credit Act and even though the amendment is at Section 2, which is an amendment to the definition. But what it does I suppose, is it now codifies something that we all think and know should have been there from the start. Credit information is now going to be or going to include information that is publicly available with respect to status of someone, whether or not they are bankrupt or they are insolvent.

The streamlining of the Banking Act 1995 that is proposed in this Consequential Bill simply removes the clock out of what we used to see in the papers quite too often. We can see as the Deputy Prime Minister has raised in introducing this Bill or in speaking about this Bill. It is that quite often we see long, long list of unclaimed monies in the papers. With this amendment you will not get those long lists in the papers. They will be publicised on the website of the banking institution. But what goes into the papers and in the Gazette is a notice of how you can access it. We are saving trees and making sure that not too many inks go into our newspapers.

I want to finish off, Sir, with this contribution on the Reserve Bank of Fiji. It is very important. We are living in a very advanced world, and modes of payment are very different these days. Legal tenders that we grew up with are not what our children do now in exchange of goods. And so, this amendment recognises that today, a lot of people, a lot of businesses are now trading only with virtual assets. It is an opportunity now for the Reserve Bank of Fiji to zoom in on activities that are being done worldwide and also encapsulate our businesses and people who physically live in Fiji or virtually live in Fiji. Payments that are made on platforms and online like cryptocurrencies and games tokens. Those who provide them are now going to be required to come under the purview of the law and the oversight of the Reserve Bank here in the country. What it does also, Mr. Speaker, Sir, is we are doing our part in the international community to ensure that Fiji has a mechanism where we can track and prevent the usage of virtual assets in payments of money laundering, drugs and also terrorism.

With those words, I support the motion of the honourable Deputy Prime Minister and Minister of Finance, and I commend this Bill to the House.

HON. J. USAMATE.- Mr. Speaker, Sir, thank you for the opportunity to talk on the Consequential Bills that are designed to see to the implementation of the Budget that has been passed. I will talk on some of the number of this Bill.

First in relation to the Tax Administration (Budget Amendment) Bill and as the honourable Minister has just talked about prior to me. I appreciate the manner in which this taken into account the new forms of creating wealth and capturing wealth that are happening around the world in terms of e-money and bitcoin and we know that people are using this and it is important for us in Fiji to be

able to get into that area and be able to control it because it can have an impact on our country. I know that there are still a lot of legislations that have to be formulated around this, in terms of being able to fully utilise that. I appreciate and I support what this Bill tries to do in that area.

I also support under clause 3 of this Bill; it makes the requirement for people to be able to explain the unexplained and unidentified deposits made to money accounts. We know that in a lot of countries around the world, there is a lot of money that disappear into the black economy. It is important to be able to make this apparent so that Government can also make sure that it collects taxes or revenue for the benefit of the people of this country by capturing that and holding people to account. I think that is a very good thing that is coming out of this particular Bill.

The third one that I really appreciate, Mr. Speaker, Sir, is the tax deduction for donations made by businesses to a health centre, a nursing station, aged care facility, orphanage, or drug rehabilitation. Drug rehabilitation is a big challenge in our country. I think one of the things we see, for instance, St. Giles Hospital is being inundated with people that have drug-related issues. So, I think it is important for us to be able to build these drug rehabilitation centres around the country, and getting support from businesses is always very important to get this underway.

There are two things, Mr. Speaker, Sir, that I noticed here, and I thought to my mind, one, tax deduction towards accredited startup support programmes and any new capital expenditure exceeding \$100,000 incurred by business tax year for providing a tour activity in Fiji. I talked about this briefly to the honourable Deputy Prime and Minister for Tourism. I think it is good to support tour operators. But in a lot of our small tour operators around the country, they will not have the ability to be able to pay money up to the tune of \$100,000. I think it is also important to look at how we can support those small tour operators and not the large ones. How we can support them so that they can also benefit from what government puts together.

The other one that I would like to speak very briefly on is in relation to the Tax Administration (Budget Amendment) Bill. As I mentioned before, the importance of making sure that Government is able to collect revenue, because if it does not collect revenue, it cannot impart money into the various development projects, social welfare assistance and all of the assistance programmes that it provides to the people of this country. There are two of these issues that are in this Bill that I have a slight concern with, and I hope Government can look into this. One is clause 3, which makes it mandatory for sole proprietors to have a mandatory asset declaration. I am just wondering how this might impact on SMEs. SMEs, whether they have the ability to do that, sometimes they have a difficulty of separating what are their assets and the assets of their business. Well, this is talking about the assets of the business as opposed to the assets of the sole proprietor himself. One concern that I have in mind - how well that will apply to the SMEs? Maybe a medium enterprise should be okay, but SMEs, that will be something for us to think about.

There is also clause 6 of the Bill, which requires that a taxpayer carrying on a business accepts or makes payments must maintain a separate payment instrument which must only be used for business transactions. If you go to a lot of shops around and go to the villages, people can buy by M-PAiSA, but that M-PAiSA money going for the business and for the person is all in one account. Sometimes it is very difficult. But I think in Suva it is easily done. For instance, I will be here and someone calls me from a Dravuvalu Village in Kadavu, "Can you send me to buy something from the shop?" So, I M-PAiSA directly to the shopkeeper. It is keeping what is for the business and what is for the person, especially for the micro or small enterprises in the rural areas. I think that is something of a slight concern.

Mr. Speaker, Sir, the Maritime Transport (Budget Amendment) Bill is a very good move. We know that in all ships around the world already have the Automatic Identification System (AIS), but when they come into our water, some of them turn it off. It is important for us to track for illegal fishing and the fishing boats that come into our water. This Bill makes it mandatory; you install it and turn it on when you come into our waters. It is a big problem with illegal fishing and our porous borders; people bringing in drugs and so forth. This will help the people who look after these areas for illegal fishing – the Ministry of Fisheries and those who monitor that – the ships and the yachts that come into our country that turn off this thing. Having it on will ensure that the powers that be will be able to monitor and help them to assist our country in stopping the infusion of drugs, illegal fishing, and any other things that are happening through our borders.

Mr. Speaker, Sir, in terms of the Water Resource Tax (Budget Amendment) Bill. The honourable Minister for Lands has talked about this. One of the things that I had always been worried about in Fiji, is that the ground water that we have is a resource. We have to treat it very carefully. I have read articles in the past that the new oil in the future will be water. There will be battles fought over water. We have aquifers in this country, and we need to treat it as a resource.

The total volume of water resources that we have – surface water and underground water. I think there is now work going on between the Ministry of Public Works and the Ministry of Lands to try to monitor how much ground water we have. We always know how much water we have, and then we have to control the amount that we allow for personal consumption, for business, for agriculture, and so forth. This is a great move, that before you start extracting groundwater, especially if you are going to do it for business and you are going to make money out of it. It is important that someone has the approval of the Comptroller. It is interesting that this is a prerequisite for any water extraction and bottling activities, is a very good thing. Water is a key resource for our country. We need to control and manage it and ensure that the resource is used in the best interests of the development of private organisations and the people that we have in our country. This one is a repetition of that one.

Mr. Speaker, Sir, in terms of the Value Added Tax (Budget Amendment) Bill, the reduction from 15 percent to 12.5 percent. This allows that to take place, which is good. One of the things that I mentioned in my speech, that when you light a fire, do not expect to be applauded for trying to putting the fire out.

I am glad to see that the Coalition Government has come to its senses and realised the hardship it imposed on the people by raising the VAT and now reducing it again to 12.5 percent. That is a good thing, but you have caused a lot of hardship. Now I am glad that you have come to your senses, and that this will be implemented for the benefit of the people of this country.

Mr. Speaker, Sir, I will leave it at that. I look forward to the Government being able to implement this budget wisely. It has its limitations. As I had mentioned before, it is a panic budget. You realise all the bad things that you do, you look at the short term, so be it. I hope next year you can realise your mistakes and come up with a more sensible budget.

MR. SPEAKER.- Honourable Members, we will now suspend proceedings for a break. The Parliament will resume in half an hour.

The Parliament adjourned at 10.39 a.m.

The Parliament resumed at 11.15 a.m.

MR. SPEAKER.- Honourable Members, we shall continue with the speakers from the list that was submitted to the Secretary-General.

HON. RO F.Q. TUISAWAU.- Mr. Speaker, Sir, I rise to contribute to the Bills related to budget. On Tax Administration (Budget Amendment) Bill, the proposed amendments are essential for enhancing transparency, strengthening compliance and aligning with Fiji's tax laws with international best practices.

From a transport sector perspective, the amendments, particularly those that introduce financial accountability for sole proprietors and mandate the segregation of business and personal financial instruments, are welcomed and timely. The first three of the bills introduce a requirement for sole proprietors to declare all assets, liabilities and income.

So many operators within the transport sector, especially those engaging in formal or micro-scale logistics, public service vehicle services and transport function as sole proprietors. This measure will promote greater financial discipline and ensure fair revenue assessment and enable targeted fiscal policies to support our transport service providers. Clause 6 mandates the use of dedicated payment instruments, for business transactions and record keeping for up to seven years.

This provision aligns well with the Ministry's digitalisation agenda and supports our efforts to integrate digital payment systems across the land, maritime and aviation transport sectors. It is particularly beneficial for the Department of Transport's plans to modernise fare collection, tracking and auditing systems for public transportation. The Ministry is committed to supporting the whole of government approach for good governance and accountability, by promoting structured financial practices, among transport operators.

Additionally, the provisions of clause 7 allow for international cooperation in tax matters, will enhance cross-border information exchange. This is crucial for monitoring the financial integrity of regional shipping operators and logistics firms operating within our borders, thereby protecting Fiji's revenue base, while promoting fair competition.

The Bill also contributes to our broader national objectives. A well-administered and fair tax system will generate the necessary fiscal space to invest in resilient and sustainable transport infrastructure – a key pillar in our National Development Plan 2025-2029 and the upcoming Transport Sector Decarbonisation Implementation Strategy.

On the Income Tax (Budget Amendment Bill). It provides the amendments proposed are aligned with our broader fiscal strategy. Within this, the introduction of new fringe benefits tax rate for electric vehicles (EVs), under Section 78 of the principal act, is a welcome and timely measure. The revised tax treatment recognises the importance of transitioning to low emission transport technologies and supports the Ministry's commitment to decarbonising the land transport sector. By reducing the Fringe Benefit Tax (FBT) burden on EVs, with lower quarterly values for vehicles under \$100,000 and a moderated formula for higher cost EVs, this Bill provides an enabling fiscal environment to accelerate EV uptake by businesses and institutions.

This is consistent with our national aspirations for a greener, cleaner and more resilient transport system. Second, the deduction of 25 percent of new capital expenditure exceeding \$100,000 incurred by businesses for two activities, as defined in clause 5, is particularly relevant for our efforts to promote inclusive, sustainable transport across the tourism sector and outer islands. This incentive has a potential spillover effect for transport infrastructure investment in

maritime transport services, land-based advanced mobility and ecotourism activities, particularly in the underserved and rural areas. Additionally, the recognition and taxation of e-money transactions, strengthens the digital ecosystem within which modern transport services increasingly operate.

In terms of the Customs (Budget Amendment) Bill 2025. From a transport perspective, several key provisions in the Bill are of particular relevance.

Firstly, enhanced border processing through P&R data. It empowers the controller to require passenger name record. This is significant in terms of our processing of passengers supporting both aviation and maritime transport operations. With expected growth in passenger movements and Fiji's role as a regional hub. This will enhance our preparedness, safety and coordination of points of entry, including the recognition of biometric and travel data.

It opens new opportunities for digital integration between custom systems and transport infrastructure ensuring that the movement of people and goods is secure, efficient and future ready. In terms of the introduction of the merit point system under new Part 18B allows for more accountable conduct among licenced customs operators.

Commenting on the Customs Tariff (Budget Amendment) Bill 2025. Mr. Speaker, Sir, from our perspective, the Ministry introduces several changes that will provide tangible benefits. I commend the proposed reduction and removal of fiscal duties on electric and hybrid vehicles, most notably the complete elimination of import duty and 100 percent electric work cuts in similar electric vehicles and the reduction in beauty on non-electric equivalents from 32 percent to 5 percent.

These changes are aligned directly with the ministry's commitment to a low emission transport future and supports the implementation for the coming transport decarbonization implementation strategy. We reduce import duty and new concessions on motor vehicle parts, accessories and key assemblies help reduce costs for maintenance renewal and modernization of private and public transport fleets. This is critical in supporting our rural and maritime services. The other elements is the introduction of new duty concessions for proof manufacturers and agro processors. And online importers represented strategic boots for Fiji's economic regions and logistics.

The Bill also incorporates the costly Value Added Tax reduction from 15 percent to 12.5 percent has been welcomed by most of our people.

On the Water Resource Tax (Budget Amendment) Bill. This is also a significant input into our budget. One of the key objective is to ensure effective governance and regulation of water resources, with safeguarding equitable access to clean and safe water. As already mentioned by the honourable Minister for Lands, the requirement for prior approval from the controller before any water extraction and bottling activity commences coupled with strong penalties for non-compliance reinforces accountability and transparency principles embedded in our Fijian National Water Sector Strategy.

Secondly, by defining relevant authority to include ministries and statutory bodies, the Bill strengthens interagency coordination and monitoring. These enables entities such as the Department of Water and Sewage to better access. The final comment Sir, I would like to make Sir, is on the Maritime Transport Budget Amendment Bill, 2025 which seeks to mandate the installation and activation of automatic identification system AIS on ships navigating Fiji's waters. It is not only of compliance tool, but also a lifeline. It enhances our capability to monitor vessels in real time, provides critical data for maritime surveillance and allow us to respond swiftly and efficiently during emergencies.

Importantly, this technology will complement Fiji's ongoing efforts to accede to International Maritime Organisation Search and Rescue (SAR Convention). As you are aware, the Ministry is working closely with the Maritime Safety Authority of Fiji (MSAF) and the Office of the Solicitor General to finalise the accession process. Furthermore, the AIS amendment will support the implementation of the National Search and Rescue (NSR) Bill which is currently being finalised through the collaborative efforts of the Ministry of Defence, the Fiji Navy, MSAF and the Ministry of Transport. By integrating AIS into our broader Maritime governance and emergency response systems, we are investing faster maritime distress response systems, increase vessel safety and ultimately the protection of lives at sea especially in the rural and maritime communities.

HON. F.S. KOYA.- Mr. Speaker, Sir, I have a brief contribution and it is specifically with reference to Bill No.13/2025 on VAT Amendment Act (Bill No. 15/2025) on the Customs Tariff Act and (Bill No. 22/2025) on the Reserve Bank.

Firstly, with respect to the Value Added Tax (Amendment) Act 1990 in Bill 13, I have spoken to the Minister earlier about a red flag, it is an issue that concerns our butchers.

Mr. Speaker, Sir, the honourable Minister basically stated in the 2025-2026 Budget Address, that the Government remains committed tax stability, responsibility and putting more money back in the pockets of ordinary Fijians. We understand that. However, what has happened though, with respect to this particular portion and I refer specifically to Section (2), where the definition of produce supplier is being amended. What has happened is, FRCS in its budget review analysis, under that category, basically said that the definition of produce will be amended to exclude what we all know as the middleman selling local produce in the market. This basically means that all the produce sold by retail outlets that are offloading from small holder farmers, of suppliers of other domestic products such as aquatic produce will now be applied with a 12.5 percent VAT. This produce was zero percent VAT until this particular budget announcement.

Mr. Speaker, Sir, there is only a small percentage of farmers who are involved in this end-to-end farming to retail. Mostly, the farmers would want to sell their crops to a middleman who actually buys in bulk. Fishermen would rather sell the whole catch to a middleman and then go back to fishing. This supports the economic sharing and provides livelihood to a wider group of our rural local community who are part of the informal Small and Medium-sized Enterprise sector.

More importantly, under the current VAT Act, the produce and produce suppliers were actually kept out of that particular VAT net which in turn ensured that VAT is not applicable to the agricultural crops, livestock and aquatic products. It gave people better accessibility of choice to opt to buy from an approved produce supplier and save the VAT cost. These middlemen actually acted as distribution outlets as the farmers lacked the capacity to be fully engaged in the whole supply chain. The registration and FRCS approval provisions for a produce supplier in the VAT Act continues to be active, but the budget change announced will now affect the application of VAT to that agricultural and aquatic products unless, the person retailing these products are actually involved in the particular farming or have their own fishing fleet. What will happen is VAT will apply on fish, pork, beef, prawn, crabs, dalo and all other similar agricultural products sold in butchers and other outlets whose income threshold is over the \$100,000 per annum. For the market stall sellers and other small operators buying these agricultural products including fish and other products from the middle man will be inclusive of the VAT as that will now have to be charged by the middle man.

Mr. Speaker, Sir, we understand the reasoning behind all of this, but this means that the market stalls will carry the burden and cost of the VAT that will be charged to them by the middlemen. We have just announced a 15 percent reduction to 12.5 percent and we urge the Government not to introduce or if they want to they need to correct the situation because the red flag here is that these institutions that were the butchers that we know the three largest ones because it was raw produce it did not attract VAT. Now the raw produce did not and they all have let us do that

the fact to say that they will not be going to charge back. Now, in simple terms, if you have got beef and you turn it into a sausage then that attracts VAT but if it is in its raw form it does not. So, what has happened is these institutions and I specifically I know that there are three quite large institutions that have actually ended up with a massive bill. So, the question here is FRCS needs to correct this because otherwise it is now charging them retroactively something that we have not passed yet. So, that needs to be corrected.

It is a red flag that I have raised with the honourable Minister, maybe he has a better way of explaining it to the public but I am sure that he will attend to it. I am sure that the Act is not going to be retrospective. So, what will happen eventually now is that those very butchers that will not charging VAT will have to charge it and they will do so. The minute that they were actually processing the meat it became vatable in simple terms. That was the first one.

Secondly, Mr. Speaker, with respect to the amendment to the Customs Tariff Act and I specifically wanted to just quickly raise an issue with respect to Ready to Drink (RTDs) drinks that we actually have.

Now, Mr. Speaker, the tariffs that have been imposed along with the production duties is leading to an increased cost per litre of locally produced RTDs. Now, if I could just explain it, Sir, when they bring these RTDs there are imported materials that they bring in. It is now making the local producers more expensive than those that bring in the finished product. So, if you are looking at, for example, the Wild Bull, the Woodstock and other international brands these important alternatives will now be cheaper than the local ones that we produce here purely because of what is actually in that. You know there is going to be an influx of those imported RTD products and flooding our domestic market. So, we are asking the Government to see if they can have a look at it with respect to our local producers if there is, I know, the honourable Minister for Finance is smiling. He knows exactly where he is coming from but there is some leeway that needs to be given to our local producers.

Mr. Speaker, I only have three minutes left but with respect on the Reserve Bank issue this is very important. I know, Honourable Minister for Lands actually raised some issues regarding this, and this is to do with the virtual assets and we are looking at the definition of virtual assets. There are virtual assets that exist around the world is a cryptocurrencies, stable coins, non-fungible tokens, utility tokens and security tokens. There is a lot that is going on around in the world. Some of it is really good and some of it is obviously being used for different purposes. We do know, everyone is aware of it, that is actually an unregulated environment that actually sees it.

Now, Mr. Speaker, the definitions in clause 2 of the Bill with respect to virtual asset it says that a digital representation of value that may be digitally traded or transferred may be used for payment or investment purposes now the trend is there are issues raised with respect to the transfer of virtual assets, the exchange between the commercial assets, the safekeeping or administration of all of this.

Mr. Speaker, what the Bill introduces is a blanket ban on unlicensed virtual asset activities in or directed in Fiji. Now there was a discussion that was had with us between us and the Reserve Bank and we did raise this issue that it is an area that we cannot blanket close off. We just cannot but we need to be mindful of how it can operate within a regulated environment because there is a lot of transactions that happen around the world with respect to these currencies. The implications and the policy options at the end of the day there needs to be regulatory oversight on this to protect Fijians from scams and frauds. We understand all of that.

The question here is whether a total prohibition without a licensing regime may actually stifle the innovation of the drive that can happen within this particular area. We need to get a clearer

pathway to regulate and license legitimate operators under a future framework. It is something that we need to look at very carefully. Also, whether the capacity of the Reserve Bank of Fiji at the moment is there to actually do this because it is a minefield, in fact, to be looking at that particular area. There is a lot that needs to go into it. We also need to look at what has happened regionally. They have taken an approach in Vanuatu and Samoa, introducing licensing rather than outright bans. That is an option available. That is the other side of the coin, (bad side of the cryptocurrency) where a lot of irregular things actually happen. But it can turn out to be something good for Fiji just so that it is actually regulated properly.

The Bill marks an important step towards more balanced regulation rather than prohibition, and that will probably serve the national interest better. We just want some clarity. I hope there is some more clarity, and I hope the Reserve Bank actually looks at this with respect to the intentions on the creation of the licensing or the sandbox regime that will be for safe innovation in this particular sector.

HON. M.D. BULITAVU.- Mr. Speaker, Sir, I rise to deliver my response to the motion that is before the House, and I totally support the motion by the honourable Deputy Prime Minister and Minister for Finance. Before I do so, let me reply to a few of the arguments that have been put forward by the Opposition.

Firstly, the honourable Usamate in terms of the registration or declaration by sole proprietors. I think this is good in terms of trying to separate what is private income and also what is derived from their business, especially in our community where we cannot differentiate the income of both. In that level, we have FRCS to determine which kind of assets were bought from which stream of income, whether it was personal or from business. These are part of the leakages that will ensure that our tax collectors are able to collect the tax from those who are operating, especially as sole traders and SMEs who operate under M-PAiSA.

Everyone pays tax, everyone wants services, everyone wants good roads, education, social welfare, but everyone needs to pay tax because all those tax goes to all those government programmes that the Opposition has been yapping about, and the public all want. It has to be equal to everyone and all fairness, everyone needs to pay tax.

Secondly, in terms of VAT, there has been plenty of argument on VAT and views on VAT given throughout the week, Mr. Speaker, Sir. But the Opposition failed to remember that from 2011 to 2016, VAT was already at 15 percent. It is sad to note that the current members of the Opposition who were members of the Cabinet then, could not speak because the Minister of everything was running the economy then, the only person who made decisions on their behalf. It is good that he is not around, so they have the freedom now to express their opinion on some of the decisions that they probably had reservations then, now they are freely coming out to give their opinion on.

In some of the examples shared by my colleagues in the Opposition given that at that time, they were under the two-man rule of control, they were forced to table their annual reports only to find out in 2023 that the master was not submitting his annual report on time, back to 2006. But again, just to remind the Opposition that in 2016, there were additional to VAT at 15 percent. There was Environment and Climate Adaptation Levy (ECAL) at 5 percent.

(Honourable Members interject)

MR. SPEAKER.- Order!

HON. M.D. BULITAVU.- I was not part of the FijiFirst Government, I was part of the FijiFirst Opposition. There was Service Turnover Tax (STT) which was at 6 percent. That was around total of 25 percent of the tax that our ordinary people paid. Even if they come from the village to town, they pay VAT, they pay ECAL in their bus tickets, they enter a restaurant, they buy food, they pay STT, they pay VAT, and through the current Government, all that has been removed. In April 2022 ECAL was removed, and VAT was raised again to 15 percent from 9 percent. In August 2022, there were two streams of VAT. One was already at 9 percent, and other services were around 15 percent. So, we cannot blame the Coalition Government for bringing that VAT from 9 percent to 15 percent, because there were two streams of VAT - one was already 15 percent under the previous government. We are thankful that now, 15 percent VAT has been reduced to 12.5 percent. Those are some of the facts that, just to remind the Opposition, the VAT politics that happened then, and the play that they have tried to play out this week for the people of Fiji to understand but most of it originated when they were in government.

The other thing that the honourable Koya had raised in terms of the middlemen, I support that the middlemen to be taxed, given it encourages our farmers to connect right to the market, given most of the time they have been exploited by middlemen, and the middlemen control the price. This will encourage producers, farmers to sell their produce at market rate and that should be encouraged, honourable Koya, on our farmers to get the best price for their produce, given they are producing, and they want to get the best price out of what they produce.

Now, turning to a few other things that are in the Bill before us. One that has already been spoken to by the honourable Minister for Transport, that is the fringe benefit tax, the value per quarter for electric vehicle and per quarter electric vehicles will be reduced due to engine sizes plus the rates. This is quite friendly to the environment and our Ministry for Environment and Climate Change will totally support this.

The other thing I want to talk about, Mr. Speaker, Sir, is the Capital Gain Tax (CGT). There is an exemption that will be extended to include disposable for first residential property that are co-owned with non-family members. This is one of the advantages that is in the Income Tax (Budget Amendment) Bill that we have.

Donations towards start-ups. The 150 percent tax reduction will be available for donations made by business towards aggregated start-up support programmes, such as aggregated start-up incubators, accelerators, and Entrepreneurship Development Programmes. Donations towards health that the honourable Usamate has agreed to. Renewable Energy Projects, tax holiday in relation to renewable energy and power generation projects will be increased from five years to ten years. This is one of the benefits of the Income Tax.

Mr. Speaker, Sir, another benefit is the carbon trading exemptions that is available in the budget. Income of businesses engaged in carbon trading will be exempted from income tax. This is most welcomed by the Ministry of Environment and Climate Change. Given the implementation of the Climate Change Act 2021 - we have an allocation of \$500,000.

We will complete the establishment of a registry to allow those that want to participate in carbon trading to register their carbon credits and value their carbon credits. The other thing that I would like to raise in terms of the income tax is the tax-free region that will be extended from Wainandoi for businesses who invest in activities such as water management, recycling, and renewable energy. This is most welcomed by the Ministry to assist our fight against climate change.

On subdivision and land incentives, subdivision land incentives will be extended until 31<sup>st</sup> July, 2027. On the Customs Act, Mr. Speaker, Sir, to strengthen compliance, automatic identification

system, Automatic Identification System (AIS), to strengthen maritime compliance, maritime vessels will be required to keep the AIS activated when in the Fiji waters. This will help in our fight against drugs and the coming in of drug consignments that we are currently facing. These are some of the measures that will help in the fight against drugs.

The Customs Tariff (Budget Amendment) Bill as alluded to by the honourable Deputy Prime Minister, I would like to add to his list the duty on salmon. This will be a fiscal duty on the importation of salmon, whether liver, fresh, chilled, salted or dried will be reduced from 15 percent to 10 percent. Fiscal duty on importation of cruise ships, execution of boats and similar vessels will be reduced from 5 percent to zero percent. This is most welcome.

On NCDs, on the import excise duties on importation of juice not containing any added sugar, will be reduced from 15 percent to 10 percent. These are some of the things that will help our citizens and people out there. One of the last things I would like to raise on customs tariff, is duty on castor sugar. Fiscal duty on the importation of castor sugar will be reduced from 32 percent to 5 percent. That will help those who do cake business and other things where custom sugar is used.

Those are a few things that I would like to raise, Mr. Speaker, Sir, that I support the motion that is before the House, that is moved by the honourable Deputy Prime Minister and the Minister of Finance. I thank everyone for participating this week. We have already passed the Appropriation Bill. This is just a Consequential Bill, and I hope everyone supports it.

HON. V. LAL.- Mr. Speaker, Sir, I would like to touch on a few points regarding the Value Added Tax (Budget Amendment) Bill. While this Bill introduces some welcome changes, it also raises important questions that we must address for the sake of every Fijian family or businesses. One of the key aspects of this Bill is the proposed reduction of the VAT rate from 15 percent to 12.5 percent.

On the surface, this appears to be a move to ease the cost of living, however, we must look deeper. What about the other duties and taxes being introduced or increased? We are seeing new excise duties such as the 15 percent on cereal snacks. How will these additional costs balance out the VAT reduction? For the average Fijian family, will their grocery bill genuinely decrease or will the savings from reduced VAT simply be swallowed by these other charges? We need clear answers to ensure that this is not a shell game, where one hand gives while the other takes, leaving our citizens no better off.

Honourable Minister for Finance claims that 12.5 percent VAT reduction is a conscious policy reform designed to ease the cost of living, but let us be honest. Two and a half years into their tenure – when they cannot admit their significant shortcomings or the undeniable fact that they have not lowered the cost of living but have in fact increased it for ordinary Fijians – they resort to the entire tactic of blame shifting and blaming the previous government.

The 12.5 percent VAT reduction is a partial backtrack from the initial damaging 15 percent hike as I mentioned in my budget reply. It is hardly the generous relief they portray when daily necessities remain out of reach for many. People understand perfectly well who made the choices that led to their current struggles. The citizens of this nation are feeling the pinch of this Government's decisions and they are acutely aware of the attempts to rewrite history.

Mr. Speaker, Sir, this is an attempt to gaslight the nation, to twist the narrative to a point where they expect gratitude for overtaxing the very people they claim to serve, while accumulating more debt in the process. If this Budget were truly sound, it would not need this forced approach. It would withstand scrutiny.

When even its most vocal defenders flinch at fair critique, the question becomes clear. Are they backing what they truly believe or just doing what they are told?

Next, I want to talk about the impact on our small and medium enterprises, our SMEs. The proposed demerit point system with its penalties include fines, suspensions and even licence revocation, is a serious concern, especially for smaller excise licensees, a minor or unintentional mistake would potentially force these businesses, which are the backbone of our economy. To shut down we need to ensure this system is rehabilitated, not just punitive. How will the Government support these SMEs to correct their errors rather than simply punishing them out of existence? We must protect our local businesses, not cripple them.

Mr. Speaker, Sir, I was talking about excessive spending in my Budget reply. The International Monetary Fund (IMF) predictions of global economic slowdown is not why we are disputing high spending. High spending is good to build a buffer, but the spending must be targeted towards mostly building the productive capacity by undertaking capital projects. You do not build a buffer by increasing your spending on operational cost, that is reckless spending and it does not place you in a better financial position in anticipation of global economic slowdown.

That is why we are disputing higher spending. And on the second point, which I raised in Budget speech we highlighted the deficit because we are pointing out the self-contradictory manner in which honourable Prasad presents himself. He is financing the deficit through borrowing and borrowing for operational expenditure is not prudent fiscal management, we would be in support if the deficit was this high due to major capital projects. Right now he is just borrowing for expenditure.

I also want to address the changes regarding student support. The Bills emphasis on bond enforcement recovery and trouble clearance suggests a shift towards a more punitive approach rather than a supportive one for our students. While we agree that obligations must be met, how will the Government balance robust recovery efforts with mechanisms to support students facing genuine hardships in fulfilling their scholarship or loan obligations?

We must not lose sight of our responsibility to nurture and support our young people's education. And the power given to the chief executive officer to publicly publish the names and addresses of registered persons who failed to lodge tax returns is deeply concerning. This raises serious questions about privacy and the potential for public shaming, especially for those who may have legitimate reasons for delaying filing. What if there are legitimate reasons for delayed filing perhaps due to illness or unforeseen circumstances? What alternative less intrusive methods of enforcement are being considered before resorting to public disclosure? We must ensure fairness and protect the dignity of our citizens.

Mr. Speaker, Sir, while we acknowledge the efforts behind this Bill, we must ensure that its implementation, fully benefits all Fijians. We need clarity, we need support for our small businesses and fishermen, and we need a compassionate approach to our students and taxpayers. Let us work together to refine this legislation so that it genuinely serves the best interest of our beloved Fiji.

HON. A.M. RADRODRO.- Mr. Speaker, Sir, I wish to make a short contribution on the motion before the House, specifically on Consequential (Bill No. 20 of 2025) - the amendment to the Tertiary Scholarship and Loan Service (TSLS) Act.

Mr. Speaker, Sir, as the honourable Minister of Education, I fully support the changes and the new policies in the Amendment Bill. This Amendment will improve the enhancement of the enforcement and the operations and accountability within the TSLS.

Section 4 of the amendment provides the definition of the board of TSLS as compared to the current service, I agree with that, because any organisation needs to demarcate between the board and the management of operations and rightfully in this case, the board should have been clearly demarcated from the operations of the TSLS as this has legal representation in terms of the responsibilities of the board and that of the management. The other sections of the amendments to increase the board composition, Mr. Speaker, Sir, from the current five to seven is also most welcomed as this would allow the diversification and the expertise of members of the board to help in the operations and decision making, the strategic directions of the TSLS and also to ensure proper good governance practices are always carried out through the decision making processes within the operations of TSLS.

On Section 5 of the amendment, to add to the functions of the services to empower the services in carrying out accountable administration and of scholarship and bond monitoring. This is timely due amendments. Also, Mr. Speaker, Sir, the introduction of administrative fee for the late request for travel clearance. I think this is receptive to what is currently happening on the ground. Students bound for travel are to advise TSLS well in advance before they wish to travel.. Now with the born and travel preferences within the TSLS as compared to what it used to be at FRCS, mandatory provision have been implemented under Section 18 of the Act to best manage the influx of requests and applications received from sponsored students, guarantors and graduates applying for travel and board clearances.

Sir, TSLS has also proposed to charge for administrative fees on those who submit late applications of less than 24 hours. I also propose for administrative fee on those inquiring information about their guarantor on the immigration controversy list. As we all know, Mr. Speaker, due to the confidentiality of information between the students and the TSLS this is why these amendments of administrative fee has been introduced.

The repealing of the Tertiary Scholarship and Loan Services Regulation, Mr. Speaker, Sir. This has now been repealed and become the Scholarship Policies Handbook. As you might be aware that after every budget has been passed, usually the launch of TSLS Scholarship Policies Handbook follows and this will become mandatory. The TSLS will be guided by its handbook which details all scholarship schemes and eligibility requirements and processes.

Mr. Speaker, Sir, this Bill puts forth strong measures through these amendments of strong consultations with relevant stakeholders. I wish to express my support for the Bill and also my gratitude and acknowledgment to the commitment of the Coalition Government and fully support the TSLS (Budget Amendment) Bill 2025.

HON. S.D. TURAGA.- Mr. Speaker, Sir, I rise to support the motion. In doing so, I ask this question, why are we here? I say this because I notice that on the last couple of days, what transpired is the importance of saying the truth here, because people listen and watch what we say and our conduct. I do observe yesterday that honourable Ketan Lal who has been very active was not present again this morning. To me, Mr Speaker Sir, this is not a mark of respect to this honourable House. It is important that when we are voted by the people of Fiji...

MR. SPEAKER.- Honourable Member, can I just interrupt, in fact, honourable Ketan Lal is away sick.

HON. S.D. TURAGA.- My apologies then, Sir.

Again this morning, honourable Virendra Lal speaking on the Bill as if it is a consequential. So it is important that we just focus on the issue before us.

First, I would like to contribute to the Fiji Revenue and Customs Service by the amendment Bill, Mr. Speaker, Sir. The Bill represents the next step in strengthening Fiji's tax administration framework, ensuring our systems are aligned with international standards and best practices. This is something that the Coalition Government has consistently done in the last two years, aligned our laws with our international obligations. I make reference to what honourable Vosarogo earlier said regarding this legislation. Why have not the previous government taken any action to change the law?

Mr. Speaker, Sir, there is a clear reason for that. The problem, there is always a change of ministers and the change of permanent secretaries. When that happens, it is difficult to put in perspective a proper plan to change the law. That is why we are now seeing changes in our law, and we can clearly hear the members from the other side from the discussion yesterday, that they do support what the Coalition Government is doing.

The Bill aims to amend the Fiji Revenue and Customs Act 1998, to provide a clear legal basis for secure handling of services information received from international tax corporation in exchange of information agreements. This is a crucial reform that recognises Fiji's increasing participation in global tax information, exchanges, and the need to safeguard shared information from any unauthorised access or misuse. The amendments establish a robust confidentiality measure to ensure that any information received from foreign jurisdictions or partner institutions is used strictly for the purpose defined in the relevant agreements. These provisions reflect Fiji's commitment, again, Mr. Speaker, to our international cooperation and the principle of transparency and accountability.

The Bill ensures Fiji's legal framework is in line with international obligations, particularly those related to tax transparency and the prevention of Base Erosion and Profit Shifting (BEPS). By codifying this protection laws in to Fiji, Fiji has enhanced its credibility and reputation as a responsible and trustworthy member of the global financial and tax community. Mr. Speaker, Sir, I would like also to contribute to the Maritime Transport (Amendment) Bill. It is an important step forward improving maritime, tightening border control, and supporting law enforcement efforts across our territorial waters. It is one of the problems that we foresee. It is constant. Our waters are being used by drug traffickers, even by people for other transnational crimes, and of course the issue of turning off their signal.

Now it becomes mandatory. The issue now is on implementation. It secures. It is also important in terms of search and rescue. When people who live in the maritime islands, if they have issues in the open seas, at least contact the Fijian Navy and the relevant authorities, and these ships who are travelling on that route can attend to them as soon as possible. The Bill responds to emerging challenges by requiring vessels to operate AIS and providing law enforcement and maritime authorities with real-time tools they need to monitor, detect, and intercept illegal activity before it reaches our shores.

These amendments, Mr. Speaker, Sir, reinforce the message that Fiji is serious about protecting its border. The honourable Prime Minister was very clear that we have to battle poverty. The honourable Minister for Policing is committed to ensure that our laws are enforced, people comply with our laws, and those who break our laws must be made accountable. Likewise, we should send the same signal in terms of maritime laws in view of the people who use them. The Bill provides greater legal clarity by ensuring that maritime surveillance and response efforts are guided by a modern, enforceable framework. It enhances inter-agency coordination, ensures that all relevant bodies are working towards a shared goal, and safety and security of our maritime domain.

The reform reflects the Government's broader vision to modernise critical infrastructure, embrace smart technology, and ensure that we are prepared for the complex challenges of the future.

It is practical, forward-looking solution, grounded in the reality of what our enforcement officers face on the ground and what our communities expect of our leaders.

Mr. Speaker, Sir, I also commend on the Fijian Competition Consumer Commission (Budget Amendment) Bill 2025. Now, we will see that the FCCC will be primarily funded on its own rather than relying on Government funds. In terms of tertiary scholarship, in addition the Bill introduces a very administration fee for the provision of guarantor information. This is a constant problem, Mr. Speaker, Sir, where we receive phone calls from our students when they are at the airport. Somehow, they say there is a gap between the Board and the students not knowing what other steps they need to do. Because of the higher number of people who needs to be processed now there is a small fee to enable them to get that information within 24 hours because nothing is free, they need to be processed. The Coalition Government understand that they really need to leave our country for other business outside Fiji.

All in all, Mr. Speaker, Sir, I fully support the Bill. Before I take my seat, just my parting word as today is the last day of Parliament, Isaiah 1:17:

Learn to do good, seek justice, help the oppressed, defend the cause of our orphans, fight for the rights of widows”.

HON. PROF. B.C. PRASAD.- Mr. Speaker, Sir, I thank all the honourable Members for their contributions and the support for the Bill.

As I said earlier, Mr. Speaker, Sir, when I introduced the Bill, these are all Consequential Bills to give effect to some of the policies that we have announced in the Budget and to ensure in particular compliance of our tax laws, tax administration. Principles of a good taxation always involves administrative simplicity, flexibility, efficiency and a responsible system that allow those who pay taxes to feel part of the ecosystem in terms of making sure that they contribute towards the revenue collection efforts of the Government.

Mr. Speaker, Sir, just a couple of points with respect to the sole traders. I do not think there is any cause for alarm or concern, as honourable Usamate, was trying to imply. Sole traders, they should know what they own. Fiji Revenue and Customs Service (FRCS), Mr. Speaker Sir, will run some awareness programmes so that they are aware of the obligations and how they can deal with those if there are any issues.

On the measures that we have put in this budget with respect to the reduction in VAT, the changes to the Custom duties, changes to the income tax, Mr. Speaker, Sir, is designed to ensure that we address not only the cost of living issues, but also the compliance issues. The honourable Virendra Lal, as usual, was trying to rescue a little bit of his credibility when he spoke on the budget, but when we go further into the deep, again, not understanding some of the provisions in the Bill with respect to the ready-to-drink, drinks on which some tax we have put. I think he mentioned that we were putting tax on cereals. It is not on cereals; it is cereals when they get converted into snacks. We did that in 2023 Budget, 2024 Budget, we raised taxes on sweeteners and other NCD related food items. On one hand, they talk about rising incidence of NCDs in the country. When we bring measures to actually address some of those, then they say this is going to put additional burden on our people. They are all confused about what they want and what they do not.

The issue raised by honourable Koya, and I understand where you are coming from. The producer supply is, when a farmer sells his/her produce and that will be zero VAT. For example, honourable Nand brings a goat to Sigatoka market or from the farm to the market and sells it at the market, he does not pay a VAT. But, if he sells the same goat to Wahleys Butcher, then obviously

they will have to charge VAT. This was brought in 2018 and honourable Koya would know. There are about 80 butchers in the country and I am told 77 are compliant, and three are not, and the FRCS is dealing with them. It will help producers to understand this better and there will be more compliance. But as you said quite rightly, we are not going to apply this retrospectively in any way.

Honourable Hem Chand, again, instead of talking about – as the honourable Minister for Education explained very well – the intention of the changes to the TELS Act, he went on and on about the appointment of Board members. I could go on and on and say the kind of appointments that may have been made in the past, but, Mr. Speaker, Sir, I do not want to get there. He was trying to insult someone with a certificate. He himself probably started with a certificate – I do not know – as a teacher. He is saying, there is someone in the TELS Board only has a certificate. A lot of primary school teachers, Mr. Speaker, Sir in the past, had certificates. That does not mean that if someone has only a certificate, he does not have the merit to be on TELS Board. That is a bit rich coming from honourable Hem Chand.

Mr. Speaker, Sir, honourable Virendra Lal kept on harping about the VAT reduction and the deficit that we are running. As I had said, he is actually still in a panic mode. After my Right of Reply on Wednesday, I thought he would understand a bit, but he is hoping that he can rescue some of his arguments by stubbornly repeating. It is a very simple fact. When we came into Government, we had three rates of VAT. We had zero VAT on 22 food items, we had 9 percent VAT and 15 percent VAT.

Mr. Speaker, Sir, when their party was in government, we had a single VAT rate of 15 percent from 2011 to 2015. When we came into Government, we realised that these three rates of VAT were very distortionary, in the sense, that people who were charging 50 percent, there was a lot of revenue leakage and it was administratively complex for businesses to deal with three rates of VAT. So, we moved away from three to two, we kept the zero rate on basic food items, because we realised that people were still transitioning from COVID, loss of jobs, incomes, et cetera. The prices of food items at that time, were very high, resulting from what happened during COVID. So, we made sure we kept that and then we moved nine to 15. We closed the loopholes, the gaps, and the leakage and a lot of those revenue was in the coffers of the government. We used that to increase social welfare by 15 percent to 25 percent. We provided additional support for our people. That was the rationale that we used and, if we had not done that in 2023, we would be in a very difficult situation at the moment.

We had good growth, 7.3 percent growth in 2023, 4 percent growth in 2024 and we are hoping, barring any big and drastic impact of international trade wars or other conflicts, we would still have more than 3 percent and possibly close to 4 percent growth in 2025. We not only just looked at VAT, we raised the minimum wages as soon as we came into government. We raised the minimum wage to \$4, then \$4.50 and \$5.

In 16 years, they had not done much on minimum wages. 25 percent increase in minimum wages in 2 years when we came into government. In 16 years, minimum wage went up by 68 cents. So, this is the combination and the reason why, Mr. Speaker, Sir, we have now chosen to reduce the VAT from 15 to 12.5 percent is to add further, because we are anticipating and this is what I said, that this budget is not only expansionary out of ordinary, it is expansionary in anticipation of what we might see, as a result of global economic slowdown. They were given statistics from IMF, they are saying that the global economic slowdown is imminent and then argued against a higher deficit. I do not know, what is the confusion with honourable Lal.

Mr. Speaker, the VAT (Budget Amendment) Bill that we are bringing to reduce VAT from 15 percent to 12.5 percent is a well-thought-out policy. This is crafted in a way that anticipates the global

headwinds, and our ability to put out domestic policy, so that we cushion any possible negative impact on our people.

The issue with respect to the sole traders, again I wanted to put that in the context of unexplained wealth. This is not to, as being implied that small medium enterprises, we have so much incentive for Micro- Small Medium Enterprises in this country. We have increased the Budget from about \$120 to \$160 million.

You look at all the ministries across the government, the provisions in this Budget, the allocations in this Budget is all designed and geared towards supporting small and medium enterprises. This amendment, Mr. Speaker Sir, is also part of our broader agenda to address the drug menace in this country. Apart from the funding that we have allocated, apart from the strengthening of our border control mechanisms, our Police Force, our enforcement agencies, we are also making sure that we put in laws to ensure that people who are involved in drug trade, and a lot of the unexplained wealth in this country is probably drug money, sole traders, et cetera. So this law is not about extracting revenue from small medium enterprises or trying to bully them into something that they will not. This is an attempt to create a framework both in terms of laws, and budgetary allocation policy as well as how we can deal with these issues.

The intention of the amendment is not just as a revenue measure, yes it will be a revenue measure if we are able to get these people in the neck, but it will also help us to get them out of a situation where they are involved in this illicit drug trade and have a lot of unexplained wealth. So, it is matching their income with the assets for example. Bringing about some kind of asset test in the determination of what they are worth. Mr. Speaker, Sir, with those few clarifications, once again, I want to thank everyone who supported the Bills, and I commend this to the august House.

MR. SPEAKER.- The Parliament will now vote

Question put:

Motion agreed to.

A Bill for an Act to amend the:

- (1) A Bill for an Act to amend the Tax Administration Act 2009 (Bill No. 11 of 2025);
- (2) A Bill for an Act to amend the Income Tax Act 2015 (Bill No. 12 of 2025);
- (3) A Bill for an Act to amend the Value Added Tax Act 1991 (Bill No. 13 of 2025);
- (4) A Bill for an Act to amend the Customs Act 1986 (Bill No. 14 of 2025);
- (5) A Bill for an Act to amend the Customs Tariff Act 1986 (Bill No. 15 of 2025);
- (6) A Bill for an Act to amend the Excise Act 1986 (Bill No. 16 of 2025);
- (7) A Bill for an Act to amend the Fiji Revenue and Customs Service Act 1998 (Bill No. 17 of 2025);
- (8) A Bill for an Act to amend the Water Resource Tax Act 2008 (Bill No. 18 of 2025);
- (9) A Bill for an Act to amend the Fijian Competition and Consumer Commission Act 2010 (Bill No. 19 of 2025);
- (10) A Bill for an Act to amend the Tertiary Scholarships and Loans Service Act 2014 (Bill No. 20 of 2025);
- (11) A Bill for an Act to amend the Maritime Transport Act 2013 (Bill No. 21 of 2025);
- (12) A Bill for an Act to amend the Reserve Bank of Fiji Act 1983 (Bill No. 22 of 2025);
- (13) A Bill for an Act to amend the Insurance Act 1998 (Bill No. 23 of 2025);
- (14) A Bill for an Act to amend the Banking Act 1995 (Bill No. 24 of 2025); and
- (15) A Bill for an Act to amend the Fair Reporting of Credit Act 2016 (Bill No. 25 of 2025).

enacted by the Parliament of the Republic of Fiji.

(Acclamation)

MR. SPEAKER.- Honourable Members, I think this is a convenient time or point to suspend our proceeding for lunch. Parliament will resume in one and a half hour.

The Parliament adjourned at 12.28 p.m.

The Parliament resumed at 2.12 p.m.

### **FIJI NATIONAL PROVIDENT FUND (AMENDMENT) BILL 2025**

HON. PROF. B.C. PRASAD.- Mr. Speaker, Sir, pursuant to the resolution of Parliament on Monday, 14<sup>th</sup> July 2025, I move:

That the Fiji National Provident Fund (Amendment) Bill 2025 be debated, voted upon and be passed.

HON. RO F.Q. TUISAWAU.- Mr. Speaker, Sir I beg to second the motion.

MR. SPEAKER.- Honourable Members, please be reminded that the debate on this Bill is limited to one hour. Your speaking time allocations will be displayed up on the wall.

HON. PROF. B.C. PRASAD.- Mr. Speaker, Sir, as I said during the time when I moved this Bill, this is a very simple amendment. In fact, it amends Section 36 (6) of the Act to allow an individual, who ceases to be a member of the Fund following an entitlement event to be readmitted, but only for two further occasions. At the moment, it says that you can do that only once. Mr. Speaker, Sir, this amendment has been discussed, the FNPF board and the management have considered this very carefully and they are of the view and we concur with that, and the people also want that. The core of this proposal, as I said, is to revise the rules of the FNPF.

Mr. Speaker, Sir, we raised the retirement age from 55 to 60 years. We had a retirement age of 60, unfortunately it was reduced to 55. That reduction was not based on some really logical assessment of the labour market needs, of the changing demographic conditions and the international trends with respect to retirement age. Most countries everywhere in the world have gone to higher retirement age. Papua New Guinea has 62 and many other countries are like that.

Basically people who withdraw, migrated and later returned to Fiji, members who have withdrawn on medical grounds to rejoin the Fund up to two times. This flexibility will allow them to continue building their lifelong savings, and it makes sense for people if they withdraw once, they join again, and they withdraw again. If they get back to job, then what we are doing is simply allowing them to join the second time. That is the gist of the amendment, Mr. Speaker, Sir, and I alluded to this when I moved the Bill. I will leave it there, and we will respond to any comments from colleagues.

MR. SPEAKER.-The floor is now open for debate on the motion. At the end of the debate, we will have a call on the mover of the motion for his right of reply.

HON. I.B. SERUIRATU.- Mr. Speaker, Sir, I rise to contribute to the motion that is before the House by the honourable Deputy Prime Minister and Minister for Finance, and also to lend my support to the amendment proposed.

Mr. Speaker, Sir, we are all aware of FNPF and the great benefits and services that it provides to our people, not only those that are still here, but of course, those that are abroad as well - our diaspora, and I will come back to that issue later.

As already stated by the honourable Deputy Prime Minister and Minister for Finance, it is a simple amendment on Section 36 (6), simply to allow change on the policy so that members who have ceased to be active can rejoin twice. I think we all agree that the biggest or the greatest achievement in this, is that it allows flexibility and particularly for people, so that they can have

options and also provide them with opportunities for saving and, of course investment as well into their future. A culture that needs to be encouraged to all Fijians. Given the performance of FNPF we have discussed during the week, thankful to the reforms that have been made, and of course to the executive management - the CEO and his team, and of course the Board as well. I think the challenge for the Government, the current Board and the Management is to maintain that high level of performance that meets the expectations of every Fijian, and FNPF is a big contributor to the nation, and of course assist Government as well in terms of financing. It is yearly revenue sources, given the percentage of domestic loan portfolios, I think FNPF is one of the biggest contributor in this, Mr. Speaker, Sir.

As I have stated, this allows flexibility and gives options to our people to rejoin FNPF. I am aware, Mr. Speaker, Sir, of the interest shown by our diaspora as well. If I am correct, I think the first group that has been in the process of getting all the arrangements done are our workers in the Cook Islands, if I remember correctly. I know that the Roving Ambassador is working very hard on this. I was part of the previous Speaker's delegation, to Palau last year, the same issue was raised by our diaspora in Palau as well. What are the options? The simple answer that we gave after consulting the executive management of FNPF is - they are working on the pilot programme with our diaspora in the Cook Islands, once that falls through, I hope that has progressed, it will be replicated in most of our other partner countries, particularly for those in Australia, New Zealand, and the United Kingdom.

There may be some question marks on the United States of America given some directives that were given lately by the President of the United States. But there is huge interest there by our people who are currently serving abroad. We all know, Mr. Speaker, Sir, the benefits that this will bring. In terms of our foreign reserve, foreign dollars are coming into the country and of course, the opportunity to invest in Fiji as well. Still giving them that open option if they want to return to Fiji, whether that is passed on to relatives who are back here at home. It will bring a lot of benefits and advantages to our people here at home.

I know, Mr. Speaker, Sir, that previously when we had difficulties, people withdrew their FNPF contributions for various reasons. A few weeks back, while in Levuka, Mr. Speaker, Sir, had some very interesting discussions with the Management of PAFCO and there were workers who had applications already with FNPF, and they asked if we could follow it up for them, because they were temporarily out of their jobs, because of the low tuna season, and probably in anticipation of the decision that will be taken as well by the US tariffs. This justifies the need for workers to be given that option to rejoin if they have the opportunity. With those few comments, Mr. Speaker, Sir, I support the motion that is before the House.

HON. F.W.R. VOSAROGO.- Mr. Speaker, Sir, I thank the honourable Leader of the Opposition for the support that he has rendered to this important Bill. It seeks a very small amendment, but one which I think, is a key milestone to what ultimately will become a very prosperous measure for the Fund and the members.

I suppose I could start with the highlight on what kind of world we live in. We indeed live in a world where there is a very high percentage of labour mobility. Us here in the Pacific, in Fiji to be precise, we enjoy a very high mobility percentage regionally. The honourable Leader of the Opposition has referred to a huge number of our citizens, who now work in the hospitality industry, not just in Cook Islands, but everywhere else around the Pacific.

We also enjoy a high degree of mobility with the rest of the world. Sometimes, they would leave Fiji, withdraw their funds to relocate to New Zealand and perhaps come back, rejoin, and then find another opportunity in Australia. They might want to go to Australia, they will pack up with the

family, and after six years, they find another better opportunity here in the country. If they come back, by law, they are no longer permitted to rejoin. This amendment, Mr. Speaker, Sir, allows for that opportunity to happen. It is an opportunity amendment to allow free mobility of people, particularly our citizens to travel abroad, work, leave, have the children educated abroad, and then come back to Fiji as many times as they wish, as long as they remain in employment.

Whilst it is a good policy decision by the FNPF, it is also a good statutory amendment that this Parliament has to make so that it can enable the policy that has been identified by the FNPF board. Over and above that, as part of this contribution, Mr. Speaker, Sir, is the constitutional right under Section 20. It relates to fair employment practices all around the globe, in-as-much-as we enjoy it in Fiji. There has been many cases determined in the employment tribunal and in the employment court in Fiji that superannuation is part and parcel of what we can refer to as fair employment practice. I think, quite apart from addressing the reality on the ground of labour mobility, we are also enhancing our statute to comply with the constitutional requirement, where employers and employees are complying with the constitutional threshold. I rest there with my contribution and I support the Bill that is before the House.

HON. J.N. NAND.- Mr. Speaker, Sir, I rise today with a resolute voice to address the Fiji National Provident Fund (Amendment) Bill 2025. On the surface, this Bill, looks like others presented by this Coalition Government, presents itself with noble intentions to modernize FNPF rules to be more inclusive for our older employees, and to encourage lifelong savings. And who among us, Mr. Speaker, Sir, would argue against the principle of securing the retirement of our hardworking Fijian people?

However, Mr. Speaker, Sir, the real matter as always is in the details and more importantly, in the process. The Bill (Bill No. 26/2025) has been tabled under Parliamentary Standing Order 51. What does that mean to the ordinary Fijian watching us today? It means this Bill, which directly impacts the hard-earned savings and future security of every FNPF member, will not be subjected to the rigorous, transparent scrutiny of a Parliamentary Standing Committee. It means it will not go through public consultations, no chance for stakeholders - the very employers and employees whose lives are intertwined with FNPF to provide their invaluable feedback in a structured manner.

Mr. Speaker, Sir, this is not the first time this Government has attempted to rush critical legislation through this House, bypassing the very mechanisms designed to ensure good governance and robust decision-making. And we believe that the FNPF, the bedrock of our national retirement security, is so simple, a matter that it requires no deeper dive and no expert review beyond the Government's own pronouncement. This approach, Mr. Speaker, Sir, is not just disappointing; it is a disservice to the people.

Let us look beyond the rhetoric. The Bill proposes to change Section 36(6) of the Act, allowing members who have withdrawn to be re-admitted to further occasions instead of just one further occasion. The honourable Minister says this is for older employees, for those who reach 55 years, or migrate, or face medical issues, and then return to employment. However, Mr. Speaker, Sir, we must ask why are our people withdrawing their FNPF funds in the first place? The data shows a significant number withdraw at age 55 due to pressing needs like debt and business start-ups.

This amendment, while offering a second or third chance, does not address the fundamental economic hardships that force our people to deplete their retirement savings. It is a band-aid solution, Mr. Speaker, Sir, not a cure for the financial struggles faced by many Fijians. What about the administrative burden on FNPF itself? Has the Fund been adequately prepared for a potential surge in re-admission applications? What new systems? What additional manpower will be required to track these multiple re-entries, ensuring compliance and preventing misuse? We have seen the FNPF

dealing with substantial payouts while their financial performance is often highlighted, the operational capacity to handle increased complexity must never be overlooked.

What message does this send, Mr. Speaker? While we want flexibility, we must also foster a culture of sustained, lifelong savings. Will this amendment inadvertently encourage a "revolving door" scenario, where individuals withdraw, face the same pressures, re-enter, and then withdraw again? Are we truly encouraging lifelong savings, or merely providing more opportunities for short-term relief that undermines the very purpose of a provident fund?

Mr. Speaker, Sir, people are asking if all other FNPF policies apply to this such as death benefits or will they have the same interest rate. I urge the Minister for Finance, and indeed, every Member of this House, let us not rush this critical piece of legislation. Let us send this Bill to a Standing Committee. Let us allow the voices of the Fijian people, the FNPF members, the employees, and the experts to be heard. Let us ensure that any amendment to the FNPF Act is not just well-intentioned, but also well-executed, sustainable, and truly beneficial for the long-term financial security for all Fijians. Our people deserve nothing less than our utmost diligence and transparency. With this Mr. Speaker, Sir, I support this Bill but I suggest that it should go to the Standing Committee.

HON. PROF. B.C. PRASAD.- Mr. Speaker, Sir, I thank the honourable Leader of the Opposition, the honourable Minister for Lands for their contributions and for raising some very important and pertinent points with respect to the Bill. Again, Mr. Speaker, Sir, the FNPF board and the management have been working very hard, working very closely with the Government in the last two and half years to ensure that FNPF as an organisation is more agile more flexible, more forward-looking and that made a number of changes. For example, one important change that they have made, the Investment Committee of the FNPF is now truly an independent committee made up of experts in actuarial science, in investments, in how super funds invest, operate and ensure that they are sustainable. This amendment is part of that innovative thinking, forward-looking thinking to ensure that the fund not only remains an important source of national savings and savings for individuals, but also able to accommodate those who want flexible arrangement. Mr. Speaker, Sir, as I said at the beginning when I moved the Bill and I am saying that again, this is a very straightforward simple amendment. This has come through a lot of discussion and understanding of the data of how people have been affected, why FNPF think that this policy change in allowing members to join twice is going to be very important.

I want to thank honourable Joseph Nand but I was actually quite surprised and it is quite insulting for him to actually go against the honourable Leader of the Opposition who had very clearly and eloquently summarised the Bill and the intentions behind the Bill. I mean, this is the kind of politics, you know, earlier on I gave the example about producers and supplier and all that, but this is the problem when they come and read speeches written by someone else and do not understand the whole logic of what the amendment is. I mean he is talking about taking this Bill to a Standing Committee. I mean even the Committee Members would be embarrassed to have this Bill taken to a Standing Committee to look at how or what impact it is going to have. I mean, I cannot, Mr. Speaker, Sir, for the life of me, get the logic of the argument that honourable Nand just presented. Trying to confuse the people the members out there talking about interest rate. He should know that every FNPF member whether it is a voluntary member, whether there is a little baby born becoming a member or five year old child becoming a member the interest rate they get is the same. When FNPF decides this year and one of the highest interest was paid to the members everyone who is the member of FNPF gets the interest paid whatever the rate the FNPF decides.

Mr. Speaker, Sir, this is trying to muddy the water, score some little political points, some talking points that they will go and raise around the grog bar. They will say this is something that

may not be the interest of the members. We have the responsibility as Members of Parliament and we have done that in the past. The honourable Leader of the Opposition make that very clear. So, I do not know, Mr. Speaker, where he was coming from, but let me assure all the FNPF members and all those who have withdrawn their funds for once and if they are working again, earning income, if they want to join FNPF this will be a very welcome change in the law and I am sure that everyone out there, our current members and those who were a member before will see this as a very, very important change in the law that will allow the flexibility for people to join again.

With that, Mr. Speaker, Sir, I thank the honourable Leader of the Opposition again for lending his support to this amendment.

MR. SPEAKER.- Honourable Members, the Parliament will now vote.

Question put.

Motion agreed.

[A Bill for an Act to amend the Fiji National Provident Fund Act 2011 (Bill No. 26 of 2025) enacted by the Parliament of the Republic of Fiji. (Act. No. .... of 2025)]

#### **ESTABLISHMENT OF SPECIAL COMMITTEE ON THE SUGAR INDUSTRY**

HON. S.L. RABUKA.- Pursuant to Standing Orders 129, I beg to move:

That -

- (1) a Special Committee on Sugar Industry be established to undertake a comprehensive review of the Sugar Industry in Fiji and to provide strategic recommendations for its transformation and long-term sustainability;
- (2) the Special Committee must report back to Parliament at the November sitting of Parliament;
- (3) the Special Committee shall comprise the following members of Parliament –
  - (i) Honourable Prime Minister and Minister of Foreign Affairs and Civil Service, Public Enterprises and Information – Chairperson;
  - (ii) Honourable Deputy Prime Minister and Minister for Finance and Strategic Planning, National Development Strategic and Statistics;
  - (iii) Honourable Deputy Prime Minister and Minister for Tourism and Civil Aviation;
  - (iv) Honourable Deputy Prime Minister and Minister for Trade, Co-operatives, Micro, Small and Medium Enterprises and Communications;
  - (v) Honourable Minister for Multiethnic Affairs and Sugar Industry;
  - (vi) Honourable Inia Seruiratu, Leader of the Opposition (or his nominee); and
  - (vii) Honourable Minister for Policing and Leader of Group 11 Bloc (or his nominee).

HON. RO F.Q. TUISAWAU.- Mr. Speaker, I beg to second the motion.

HON. S.L. RABUKA.- Mr. Speaker, Sir, before I elaborate on the motion, I would like to pay tribute to a friend of yours and my brother-in-law, the late Iliesa Tomu Tuiloma, who was born in 1946, died on the 10<sup>th</sup> of this month, and was buried yesterday. I apologise to the family; I could not be with them. He was a very simple civil servant who started as a librarian, and messenger and rose to be our High Commissioner to Papua New Guinea and returning to Fiji to be Permanent

Secretary for Regional Development. He would have loved to have heard the amendment to the FNPF Act, but he was no longer working by the time he died. May his soul rest in peace. I could not inform the Ministry of Foreign Affairs, nor the Ministry of Regional Development, as he was my brother-in-law and I did not want to burden anyone else with my responsibility to the family.

In accordance with Standing Order 129, I have moved this motion. It arises out of the 2025-2026 National Budget Address. It was handed down by the honourable Deputy Prime Minister and Minister for Finance, who announced the formation of such a committee as a necessary step. This is not just a procedural motion. It is a necessary and urgent step to safeguard the livelihoods of thousands of Fijians, restore confidence in our sugar industry that started 149 years ago, restore confidence in the industry and our export, and chart a sustainable path forward for one of the most historic, significant sectors of our economy.

This motion is not about the past. It is about the future of a sector that once defined the colony of Fiji, the independent nation of Fiji, and defines us today. A future that demands clarity, accountability, and most of all, solutions.

We noted yesterday, Mr. Speaker, Sir, the amount of money that was spent on the Ministry of Multi-ethnic Affairs and the Sugar Industry with the total of about \$72 million and the earning of the export from the sugar industry. It is time for us to relook at the industry, Mr. Speaker, Sir. We all have to work together to collectively find the solutions to restore the glory days of the sugar industry and to ensure it remains a vibrant industry economically benefiting all stakeholders.

On Monday, Mr. Speaker, Sir, I highlighted the amount of money received in land leases and royalties by the iTaukei Landowning Unit of Fiji, and they are also great beneficiaries of the contribution of this industry to Fiji. The story of the sugar industry is the story of resilience. For over a century, the sugarcane industry has shaped our nation's economic, political, and social fabric.

Generations of farmers, labourers, and families have toiled under the sun to make it the cornerstone for our exports and rural employment. Yet today, we face hard truths. The sugar industry is under immense strain. Declining yields, ageing infrastructure, climate vulnerability, financial instability, and the exodus of young farmers threaten its very future.

The number of cane growers may have reduced significantly from its peak more than two decades ago, but this is an industry that directly and indirectly supports the livelihood of some 200,000 of our citizens, Mr. Speaker, Sir. This is an industry around which revolves the economic fortunes of both the Western and the Northern Divisions, especially smaller municipalities.

It has contributed very significantly to rural development in terms of infrastructure like schools, roads, bridges, and places of worship. It is an industry far too important for our nation. It must not struggle for survival but instead be aided to remain our major agricultural commodity in terms of exports, because every single cent earned stays in our economy. This struggle is not unique to Fiji. Mauritius, once one of the world's top 10 sugar exporters has over the past two decades, diversified away from dependence on sugar, investing heavily in agro-processing, renewable energy from bagasse and tourism, but it did not abandon the sugar, it restructured it. Taiwan too, relied heavily in sugar cane as a key export in the mid-20th century. However, it transitioned through land reform, industrial diversification, and a strong commitment to innovation and technology. Sugar still exists in Taiwan, but the sector is now part of a broader modernised agri-industry subsidiary.

Brazil turned its sugar crisis into an opportunity by creating the world's largest bio-ethanol market, reducing oil imports and revitalising rural jobs. India has leveraged subsidies and technology improvements to stabilise smallholder production and develop an extensive ethanol blending

programme. Thailand, through strong public-private collaboration, has modernised its mills and expanded sugar cane-based renewable energy generation. Cuba, once one of the world's largest sugar exporters, suffered collapse after the end of the preferential markets, but it is slowly recovering through cooperative-based reforms and selective reinvestment.

With these examples, Mr. Speaker, Sir, they tell us, and the message is very clear, inaction is not an option. The sugar sector cannot survive without reform. But the reform must be just, inclusive, and forward-looking. These examples of transformation require political will, inclusive reform, and structured planning.

Therefore, Mr. Speaker, Sir, it is not only good economics, but good politics as well, to ensure this industry remains buoyant. The best way to do this, is to have parliamentary oversight through this Special Committee. The Committee being proposed is not to be seen as a political instrument, but as a platform for non-partisan, evidence-based engagement. Its purpose will be to conduct a thorough review of the state of the sugar industry and provide clear, practical recommendations to Parliament and Government.

Let us be clear, this Committee will not replace the work of the Ministry of Sugar or the Fiji Sugar Corporation. Rather, it will complement and support existing efforts while creating space for inclusive dialogue with farmers, mill workers, landowners, exporters, researchers, and regional stakeholders.

Mr. Speaker, Sir, for far too long, the industry, particularly the cane growers, have been taken for a ride by those who professed to be experts, but could not differentiate a cane top from its roots. I am referring to the 16-year period from December 2006 to December 2022. These statistics paint a strikingly gloomy picture. Sugarcane and sugar production started plummeting from 2006 onwards.

All we heard from the then government was that the industry was heavily politicised. They overlooked the fact that they were politicians themselves. The Sugar Industry Act was turned upside down. There was an attempt to enslave growers, the largest and most important stakeholders of the industry. They did not realise that without growers there was no industry.

Mr. Speaker, Sir, the events of December 2006 and the failure to adhere to the commitment of holding free and fair general elections under the 1997 Constitution by the first quarter of 2009, saw Fiji lose about \$350 million in grants to the industry which was supposed to be implemented over a seven-year period. This grant would have ensured, that we produce 4 million tonnes of cane and 400,000 tonnes of sugar - an increase from 3.2 million tonnes of cane and 310,000 tonnes of sugar in 2006. The grant would have implemented an alternative livelihood scheme, to ensure unproductive growers ventured into other income generating ventures. Then we have had strategic plans by the Fiji Sugar Corporation (FSC). None of these have seemingly worked.

Mr. Speaker, Sir, the indisputable fact is that the FSC viability is solely dependent on government's support. Without this support, FSC will be bankrupt. We just have to peruse audited annual reports to know the dire situation that FSC has been and will be so in future if we do not act decisively.

The 2019 Master Award remains a key framework for industry operations – particularly between growers, the Fiji Sugar Corporation and other stakeholders. It has formalized the cane payment formula; the processes for dispute resolution and the rights and obligations of both growers and millers. However, there is growing recognition that the Award alone is not sufficient to address systemic issues like pricing volatility, land tenure insecurity and climate vulnerability. It is time to review its adequacy in today's context, not to dismantle it but to strengthen it for the long term.

As announced in the Budget by the honourable Minister for Finance, we are paying record price for a tonne of cane, well above the guaranteed price of \$85 per tonne. We need to do more. We need to ensure our sugar mills are in a state of preparedness and the railway network is operational to minimize costs for both growers and FSC.

Another matter, Mr. Speaker, is land access and leasing arrangements. The current 6 percent of Unimproved Capital Value (UCV) formula for agricultural leases under the iTaukei Land Trust Board (TLTB) has created both certainty and concern. While predictable, many farmers argue it is outdated or misaligned with current income levels and market realities, particularly in low-yield cane farming areas. This is not a debate about land ownership, it is about ensuring that landowners and tenants alike benefit fairly and sustainably, and that farmers are not priced out of agriculture.

Some honourable Members from the Opposition side may think this is a duplication of roles because annual reports of institutions in the industry are scrutinised by the Standing Committee on Economic Affairs. Those are annual reports that report on the activities and financial status during a financial year for FSC, Fiji Sugar Cane Growers Council and Sugar Cane Growers Fund.

The Standing Committee does not look at daily or weekly reports of cane harvest, crushing, mill performance and other statistics. This Committee will do that and make decisions in the best and collective interest of both the industry and our economy.

The Coalition Government is committed to ensuring that every rural voice is heard. The Committee will conduct public consultations across cane belts, engaging directly with growers, millers and community leaders. It will be guided by facts – not politics, and people, not bureaucracy.

Mr. Speaker, Sir, Sugar has fed our families, educated our children and anchored our economy for decades. This Committee is our opportunity to restore pride in the industry, build unity around its recovery and lay the foundation for a new era of modern, climate-smart and commercially viable sugarcane farming.

I urge all honourable Members to support this motion, not for the Government, not for the Opposition, but for the ordinary Fijian families whose sweat has sweetened the soil of this nation. Let us move forward together. Mr. Speaker, Sir, I commend this motion and hope we have unanimous support in a display of genuine bipartisanship.

MR. SPEAKER.- Before I call on the first speaker in the list that I have, if I may in turn express my deepest condolence to the honourable Prime Minister, Sulu and the family on the news of the passing of my close colleague in the public service days of old; truly trusted friend. May his soul rest in internal peace.

HON. V. LAL.-Thank you. Mr Speaker, Sir, I rise to briefly contribute to the motion before the House and I am aware, Sir, that the Lautoka Mill broke down a few days ago and it has resumed crushing this morning. Anyway, I would like to take this opportunity to thank the honourable Prime Minister for this special committee. Politically, the timing is right for the Government and Mr. Speaker, Sir, but considering the importance of this industry, this committee should have been formed earlier to deal with issues that farmers are facing.

Let us not forget that many of our towns and cities, economic livelihoods depend on the sugar industry. When sugar thrives, these communities thrive. Mr. Speaker, Sir, I know that when the committee meets, they will draw up the terms of reference. So, Mr. Speaker, Sir, I wish to bring some of the following critical points to the notice of this Committee.

Why have thousands of farmers left and are leaving the industry? We must understand the root causes, be it for greener pastures, the crushing debt or the sheer frustration with an industry that no longer offers a stable livelihood. Our sugarcane field once vibrant with generations of dedication are now shrinking.

The high cost of farming, Mr. Speaker, Sir, in particular, of labour rates and other demands places an unbearable burden on our growers. They work tirelessly, yet many are barely able to break even, struggling to meet daily expenses, let alone invest in their farms. We must explore sustainable solutions to reduce these input costs and regular breakdown of mills causes significant issues for canegrowers who often have to sleep overnight and of course for the farmers as a whole.

Mr. Speaker, Sir, we have seen large quantities of valuable cane juice going to waste in our creeks as it has been seen recently in places like Lautoka. These breakdowns and the resulting waste led to loss of revenue. A reliable milling infrastructure is not a luxury, it is a very backbone of this industry.

Mr. Speaker, Sir, our farmers are unhappy about being threatened or pressured for not following certain demands. We must also revisit the workers grievances and make sure the general workers, staff associations are heard and respected. These are fundamental issues of respect and fair treatment that must be addressed for the better functioning of the industry. The path forward, financial stability and fair land tenure.

Mr. Speaker, Sir, I urge the Committee to revisit the financial mechanisms and the payment system, the current system must be transparent, timely and fair. Farmers must receive their dues on time and without undue deductions.

In this regard, Mr. Speaker, Sir, I believe we must seriously consider legislated minimum guaranteed price, providing our farmers with much needed certainty and stability. We need to explore innovative financial models that genuinely support the growers, incentivising them to stay and even retain them in the industry rather than pushing them away. A particularly sensitive and critical area for this Committee to address is the land tenure.

Mr. Speaker, Sir, the future viability of our sugar industry hinges on finding a solution that genuinely benefits both the landowners and the farmers. Our shared future in the industry is not about sugar production, it is about the livelihoods of thousands of families, the economic stability of entire communities and a vital part of Fiji's heritage. For far too long, our farmers and landowners have borne the brunt of systemic issues. They are resilient, but their patience is not infinite. Therefore, Mr. Speaker, Sir, I implore this special committee to approach its mandate with urgency and the seriousness it deserves. Listen to the farmers and landowners, truly understand their plight and formulate practical long-term solutions that will not just sustain, but genuinely revive our sugar industry. Our shared future depends on it.

There are many reasons, and I know there are many farmers, those who left, I am an example of it, Sir. I am the son of a sugarcane farmer. We used to plant sugarcane, but now we are not doing so because it is very difficult to find labourers these days. On top of that, we had to cart cane all the way from Rakiraki to Rarawai or when there is a breakdown, it goes all the way up to Lautoka. I know subsidy is provided but when you cart cane from Rakiraki to Rarawai you can only make one trip in a day and when the mill was there in Penang, we used to have at least two or three trips per day. So, the costs are going up because when you hire labourers, the labourers are going to stay on your farm and the costs are there, but the season is long. There are many factors affecting the farmers and I am humbly requesting the Committee to look into them. Talk to these farmers and I am sure if

we move on this, the farmers will come back. With those words, I thank you for giving me this opportunity and I wish this Committee the very well.

HON. F.S. KOYA.- I appreciate your indulgence, I was just out for a minute. Mr. Speaker, Sir, I am going to be very clear and concise with respect to this particular motion before the House because this is an area of our economy that, for far too long has been pushed and shoved from pillar to post, kicked around like a football and I do not actually think that it is time to talk about that. I think that this is actually a wonderful idea. The honourable Prime Minister has come up with a motion to have a bipartisan committee to look at how the industry can move forward. I think that it high time that this entire House and everybody that is involved in the Fijian economy and all Fijians start to looking at the sugar industry as something that is good for Fiji, where it can go and what it can lead to. There are many things that can be done with this industry. We all know about the history of it, but I do not think that it is worthwhile regurgitating it. We all know the problems that it has faced, we all know the times that it was swept aside. It is not worth labouring on about that, Mr. Speaker Sir.

It would be interesting to see the Terms of Reference on it and the only issue I have honourable Prime Minister and I urge you, Sir, because this is being done in a bipartisan fashion, where the current standing is stand at 6 for Government and 1 for the Opposition. We see if there is an opportunity to actually make it 4 Government and 3 Opposition or whatever way, that it is a bit better. There would be more input from the Opposition perspective because it is a bipartisan committee.

Most committees we have, have the four three breakdown and it would work well. I see that it is a fairly powerful Committee with all those people involved in the industry and the economy. One of the things that would stand out and would be important and most important for us, and this lies at the root literally of the industry is that we have continuous consultation with both the ministries that are involved in terms of the land issue is going to be made available. I know for a fact, Sir, I kept on saying this and I know the honourable Gavoka will say this too, and he will support this, it is an industry that can take us to the next level. There is a lot going on with respect to products other than just sugar. Currently, if we look at our issue, we are not even able to supply ourselves because we do not produce enough. Again, it is a problematic thing but I am sure the committee will do well in looking at all of these things. It would be interesting to see the TOR and maybe if we can put our attention in with respect to the TOR and how it can be done and what should be done and what cannot.

There are examples around the world where the industries are actually succeeding. It is sugar, but there is still a market for sugar. We have a wonderful opportunity in the Middle East to market our sugar also so we should not close our doors because they are very sweet-toothed people and they are always continuously asking us, but we do not produce enough. Apart from that, I have had a word with the honourable Minister for Sugar regarding this and both the honourable Minister for Tourism and myself have been a part and parcel of sustainable aviation fuel issues that we have discussed quite a lot and it is a very, very important area where Fiji can do well out of it.

There are many other things, ethanol, et cetera, and the world is moving in a different direction with respect to sugar, but we can take advantage of it. So, it is high time that this actually happened. I take my hat off to honourable Prime Minister for having brought this to the floor, Sir. It is very welcome. The only issue, honourable Prime Minister is maybe a little bit more representation from the Opposition so that it gets a fair whack at the whole system.

Mr. Speaker, Sir, as I say, this is going to take us into a new era and this is what is required. I think this also bodes well for the kind of bipartisan work that we have been doing in the other committees. It is worked really well and I think this will take us to another level to tell the rest of Fiji that it is not always about the ding-dong that actually happens, Sir. It is something that is important to us at one time. It used to be one of the biggest and I will finish off by just telling a little historical

story that still rings true in my head. It involves my late father and the late President Ratu Kamisese Mara, Sir. We had the occasion of having a cup of tea with him whilst he was president and he told me a little story and he said, you know, we used to go to Brussels and I used to take him with me. He was a Leader of Opposition. We used to decide there and then at the table what was good for Fiji and we quietly went about our business and just did it. It worked well, it should work well. Maybe one day we will get back to that, Sir, but that was a kind of camaraderie and bipartisanship that actually worked for the industry and it got things done. They made the decision on Fiji rather than from a political perspective with respect to the industry. I am obviously unbiased because that is my father, but it is a very, very good historical example of how Fiji can be in this industry if we work together to try and get it done.

Once again, congratulations to the honourable Prime Minister and the courage to bring this and say, let us fix this once and for all and let us stop talking about the nonsense from behind because that is not going to help us at all.

HON. PROF. B.C. PRASAD.- Mr Speaker, Sir, I want to thank sincerely the Honourable Prime Minister for bringing this motion. After a long time then I heard such a clear powerful speech about how we can move ahead in the future and bring back a sugar industry that will save the interest of the country. I am actually not surprised that the honourable Prime Minister would make such a powerful and a clear enunciation of not just the issues, but also what we can do in the future. I want to thank honourable Koya for eloquently putting this idea of a committee in a context of not only history but also for the future.

In fact, I was going to say a little bit about that history as well, and it has to do with National Federation Party (NFP) as a political party, our founder leader who helped free the growers from the shackles of Colonial Sugar Refining Company (CSR). The late A.D. Patel used his skills as part of the Lord Denning Report to ensure that the sharing proceed formula in 1969 when the growers for the first time got the 70 percent. The late Siddiq Koya, the leader of the NFP, worked together with our first prime minister and gave us the Sugar Industry Act in 1984. As honourable Koya said, the then prime minister used to invite the then Leader of the Opposition and they accompanied each other to negotiate the Lomé Convention. Mr. Speaker, Sir, that history repeated. It was during the leadership of the honourable Prime Minister Sitiveni Rabuka that Fiji's Sugar Industry produced the highest ever sugar production of 517,000 tonnes, a record unsurpassed. In 1988, Mr. Speaker, saw a prolonged drought, the worst in our history. Despite this, 2.098 million tonnes of cane was harvested, producing 256,000 tonnes of sugar.

And more, Mr. Speaker, the Comprehensive Crop Rehabilitation Package was again negotiated in a bipartisan manner by the then prime minister and now Prime Minister, Mr. Rabuka and NFP Opposition leader, Justice Jai Ram Reddy, resulting in cane production rebounding to over 4 million tonnes in 1999. And honourable Prime Minister, many of the sugarcane farmers, especially those, the older ones and some younger ones, remember that Crop Rehabilitation Package. It was the biggest package ever in the history of the Sugar Industry that was given or provided by the Government to the sugarcane farmers. We know that in 1999, out of that 4 million tonnes, only 3.9 million tonnes were harvested, 170,000 tonnes left standing in the fields. Of course, we know who was in government after 1999. That is history.

Mr. Speaker, Sir, I heard from honourable Lal, as usual, about why we did not form this committee earlier. I am not sure whether he was in Parliament at that time or not, but when we were in Opposition, we actually called for the formation of a special committee. I remember moving the motion. So I just wanted to tell him that we tried forming this committee. Today, Mr. Speaker, Sir, this is a very historical day in Parliament and a historical day for the Sugar Industry. The honourable Prime Minister has once again shown leadership, bipartisanship and his own knowledge of the history

of the sugar industry, not only in Fiji but as he pointed out quite eloquently, what has happened in other countries and what are the lessons that we can learn.

Once again, I want to say to the honourable Prime Minister, Sir, this is leadership. This is about a vision for the future, not only for the sugar industry but for the country. As I said earlier, Mr. Speaker, Sir, this is a new era for Fiji and for its progress, stability and prosperity. This is how important this motion and the formation of this bipartisan Special Committee is. With those words, I fully support this motion. Once again, I thank the honourable Prime Minister for the motion.

HON. I.B. SERUIRATU.- Mr. Speaker, Sir, I also wish to contribute to this very important motion. Of course, lend our support as well, given its significance and how it will shape not only the lives of those that benefit from it, but of course the economy and the whole nation.

As the honourable Prime Minister has correctly stated, this is about the future. Let us stop the blame game. We cannot continue this blame game. Let us learn from the past, consider the interests of the nation, the people and move forward. This is about the future. Long overdue.

Mr. Speaker, Sir, I say, “long overdue” because governments have come and gone as well. I remember, and most people do not know this. I once shared this with Dr. Tupeni Baba years back when we did the Junior Staff Officers course in Vatuwaqa. I think the topic in which we were going to do our final essay was about investment opportunities and economic growth for Fiji. It was along that line, if I remember correctly.

Dr. Baba was surprised because we had discussions about the sugar industry. I joined Native Land Development Corporation when I left RKS. Back then, the late Ratu Kamisese Mara had already factored in the National Development Plan that one day Fiji is going to lose the preferential arrangement that we lost in 2017. Tropical fruits was one of the diversification programmes under Native Land Development Corporation.

Just during the week, I did not know that honourable Kuridrani was in the estate in Nasarawaqa during those days. I was in the Legalega Estate where we did mangoes, papaya and so many other things. Diversification of the sugar industry was already factored, I think in the Development Programme 7 or 8 or 9, probably. Long overdue. However, no government took the bold decision, probably because of the politics, to take that bold step forward. This is the right time to do it, and let us do it! For the benefit of the country. I will not dwell on the past. I have looked at the National Development Plan, and it has already highlighted some of the key issues that will help this Committee, honourable Prime Minister.

It talked about age infrastructure. We are talking about 130 years old industry, the locomotives, the tram lines, the state of the mills, the ageing farmers, the land issues and the declining number of growers and so forth. Climate change, of course, is in that as well. Most of that has been identified and probably we will pick it up, I do not know what the terms of reference will be.

The external factors in this is the volatility in the global market. We enjoyed that high price because of the fluctuations, but predictions are already, it is going to go down as well. Very soon, or probably it is happening now. Who knows? This is the level of unpredictability and volatility in the global sugar prices. Of course, we have the termination of the preferential arrangement in 2017, and we know what we are going through now.

The National Development Plan has already identified a few policy areas, but I think we still can do better than what is in there – improving the milling efficiency and value addition, improve cane production and yields, strengthen research and development and technology transfer, improving

efficiency of cane harvesting and transportation, review institutions and legislations. There are already a few things in the National Development Plan, Mr. Speaker, Sir.

As I have stated, this is about the future, sorry it was the honourable Prime Minister who stated that, and I totally agree with it. Let us learn from the past. Past is history, we cannot change it, but we can have a preferred future. Our destiny is in our hands. Let us take this opportunity. Just again, I saw the membership of the Committee and I respect the decision of the Government. I know that it is all the leadership, the three honourable Deputy Prime Ministers and the honourable Minister for Sugar. But, the humble plea from the Opposition in the spirit of bipartisanship, and I have already asked the honourable Deputy Prime Minister, give us five, but the honourable Prime Minister, just one or two additional Members in the spirit of bipartisanship, because this is the way forward for the industry and the way forward for Fiji. Let us support it.

HON. C.J. SINGH.- Mr. Speaker, Sir, yes, I have listened to all the speakers. The honourable Prime Minister, Sir, I rise to strongly support the motion moved by your good self, for the establishment of a special parliamentary committee to undertake a comprehensive review of the Fiji sugar industry to provide strategic recommendations for its long-term transformation and sustainability.

This motion is not only timely, it is also essential. It marks a decisive step to restoring parliamentary oversight and accountability in a sector that remains the life-blood of the rural Fiji. For more than a century the sugar industry has powered our economy, providing employment, sustaining livelihoods, generating critical foreign exchange. Yet over the past two decades, it has suffered a steady decline.

While natural disasters are falling the production and it has also played a part, we must also acknowledge the damage caused by misguided institutional decisions made by a small group of individuals with neither the mandate nor the understanding to shape the future of this complex industry. Decisions taken without consultation or coordination have fractured the system, eroded the farmers trust and installed much needed reform.

Mr. Speaker, Sir, the absence of the dedicated parliamentary committee, since the solution of the former Select Committee of Sugar in 2006 has left a strategic vacuum. In that time, policies impacting our growers and the stakeholders have developed without bipartisan input. This motion seeks to correct that. To bring back structured, transparent and inclusive decision making to the sugar sector.

The proposed committee, chaired by the honourable Prime Minister and comprising members of both sides of the House sends a powerful message that revival of the sugarcane industry is not a partisan agenda. It is a national priority. The strength lies in its community for this purpose. This is not for the first time for a short-term fixes. What we need is a clear and a long-term road map to develop through with consultations backed by data and driven by political will.

This committee will provide the platform to do just that. I will come on the timeline for the report to be presented in November. This alliance with our planning and reform cycle and will ensure that recommendations feed directly into our 2026 priorities. The planting and harvesting season as well.

Mr. Speaker, Sir, just to give you some other information about the sugar industry is all about the production of sugar in other parts of the world. Costa Rica does 3.6 million tonnes of cane. It only has 10,000 farmers of which 2,000 are female farmers. As for Haiti, they have 5 million tonnes of cane crushed. We actually crushed 3.2 million tonnes of cane, we have come down to 1.3 tonnes.

The good news is that we will be expecting another 200,000 tonnes of cane this year, increasing. And I will give you one good example, just this morning - I harvested cane in my farm this morning. The average harvesting is 47 tonnes per hectare.

This morning, we harvested 130 tonnes per hectare from my farm, because of double row planting. So, what I am saying, there is a way to remodel the old sugar industry, as I said I have many other points which I will put to the committee. But as I said, if we can do something positive with these ideas that we have, I am really sure we can bring the industry to its former glory. With those words, thank you very much and I support the honourable Prime Minister's motion.

HON. S.L. RABUKA.- Mr. Speaker, Sir, I thank all the honourable Members who have contributed and I take on board the request or the suggestion from the honourable Koya and the honourable Leader of the Opposition about the inclusion of another Member of the Opposition - choice of the honourable Leader of the Opposition. I beg, Mr. Speaker, Sir, to amend, if I can at this stage insert another (g) and then honourable Ioane Naivalurua. I commend the motion as amended to the House.

MR. SPEAKER.- Whilst the Secretary-General is working on the amendment, I just wish to say that after two days of what my wife has described as my rhythmic reading of the programmes, activities and SEGs of the 2025-2026 Budget, she says that I can now, after hearing me, sing and even hum in tune. So, the late sittings in the last two days has produced some positive results for me. I can now look forward eagerly to contributing effectively to my group's choir next time.

(Laughter)

Let me just go through the amendment as proposed by the honourable Prime Minister. The new (g) comes in and says a Member designated by the honourable Leader of the Opposition. That I think captures the sentiments of the amendments we have heard and then (h) remains of honourable Ioane Naivalurua.

Parliament will now vote.

Question put.

Motion agreed to.

## **PRESENTATION OF PAPERS AND CERTAIN DOCUMENTS**

The following Reports were tabled by the honourable Ministers responsible in accordance with the Standing Order 38(1), and referred to the relevant Standing Committees for deliberation in accordance with Standing Order 38(2):

### Standing Committee on Foreign Affairs and Defence

- (1) Ministry of Foreign Affairs Annual Report 2019-2020 (*Parliamentary Paper No. 18 of 2025*);
- (2) Ministry of Foreign Affairs Annual Report 2020-2021 (*Parliamentary Paper No. 19 of 2025*);
- (3) Fiji Independent Commission Against Corruption Annual Report 2020-2021 (*Parliamentary Paper No. 20 of 2025*);
- (4) Fiji Independent Commission Against Corruption Annual Report 2021-2022 (*Parliamentary Paper No. 21 of 2025*); and

- (5) Fiji Independent Commission Against Corruption Annual Report 2022-2023 (*Parliamentary Paper No. 22 of 2025*).

#### Standing Committee on Natural Resources

- (1) Fiji Ports Corporation Limited Annual Report 2020 (*Parliamentary Paper No. 203 of 2024*);
- (2) Fiji Ports Corporation Limited Annual Report 2021 (*Parliamentary Paper No. 204 of 2024*)
- (3) Fiji Ports Corporation Limited Annual Report 2022 (*Parliamentary Paper No. 205 of 2024*); and
- (4) Fiji Ports Corporation Limited Annual Report 2023 (*Parliamentary Paper No. 206 of 2024*).

#### Standing Committee on Public Accounts

- (1) Report of the Auditor-General of the Republic of Fiji – 2023 Audit Report Social Services Sector (*Parliamentary Paper No. 64 of 2025*); and
- (2) Report of the Auditor-General of the Republic of Fiji – 2023 Financial Statements of Government (*Parliamentary Paper No. 17 of 2025*).

#### Standing Committee on Economic Affairs

- (1) Energy Fiji Limited Annual Report 2024 (*Parliamentary Paper No. 61 of 2025*) For information only. First Quarter Appropriation Statement Actual Expenditure 1 August 2024 to 31 October 2024
- (2) Mid-Year Fiscal Statement Actual Expenditure 1 August 2024 to 31 January 2025
- (3) Reserve Bank of Fiji Quarterly Review March 2025

## **PRESENTATION OF REPORTS OF COMMITTEES**

### Review Report – Ministry of Lands and Mineral Resources 2021-2023 Annual Reports

HON. T.N. TUNABUNA.- Mr. Speaker, Sir, as Chairman of the Standing Committee on Natural Resources, it is of great privilege that I present to Parliament the Committee's Consolidated Review Report for the Ministry of Lands and Mineral Resources Annual Report for the period 2021 to 2022 and 2022 to 2023.

The Standing Committee on Natural Resources remains dutybound to provide robust oversight, ensuring accountability in promoting accountable sustainable management of our nation's critical land and mineral resources. As part of our comprehensive review process of the Annual Reports, the Committee conducted an intensive site visit to various Ministry of Lands operations and project sites over a period of one week from 19<sup>th</sup> to 23<sup>rd</sup> of May, 2025. This field engagement provided invaluable first-hand insight into the Ministry's operational realities, project implementation status, and the challenges faced on the ground. The site visit reinforced the importance of effective policy execution, resource management, and community engagement in achieving sustainable outcome.

The Ministry's Annual Reports for the stated period offered detailed accounts of sector performance, highlighting the key achievements, challenges, and strategic priority aligned with national development goals. Our review emphasises the critical need for continued improvement in governance, financial oversight, and the capacity building. Within the Ministry to enhance the service delivery and resource optimisation.

Through rigorous examination and stakeholder consultations, Committee has formulated findings and recommendations aimed at strengthening transparency, promoting inclusive

development, and ensuring the sustainable management of land and mineral resources in line with the country's broader sustainable development agenda.

I commend the Ministry for its effort and urge sustained collaboration amongst all stakeholders to harness the full potential of our natural resources for the benefit of current and future generations. It is my hope that this report will serve as a valuable reference for policymakers, development partners, and the public in advancing and sound stewardship of our lands and mineral resources.

On behalf of the Standing Committee on Natural Resources, I would like to thank the Ministry of Land and Resources and look forward to continue to work together to ensure that Fiji's natural resources are managed sustainably for the benefit of all Fijians. At this juncture, I would like to take the opportunity to extend my sincere thanks to honourable Members who contributed to the production of this bipartisan report. This includes:

- Honourable Kalaveti Ravu (Deputy Chairperson);
- Honourable Joseph Nand;
- Honourable Vijay Nath;
- Honourable Taito Rokomatu ; and
- Honourable Sachida Nand (former Member).

I also commend the work of the Secretariat. I commend this Report to Parliament.

(Report handed to the Secretary-General)

HON. T.N. TUNABUNA.- Mr. Speaker, Sir, pursuant to Standing Order 121(5), I hereby move:

A motion, without notice, that a debate on the content of this Report is initiated at a future sitting.

HON. V. NATH.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

Review Report – Ministry of Rural and Maritime Development and  
Disaster Management 2018-2020 Annual Reports

HON. I. S. VANAWALU.- Mr. Speaker, Sir, I am pleased to present the Standing Committee on Social Affairs on the Consolidated Review Report of the Ministry of Rural and Maritime Development and Disaster Management 2018-2019 and 2019-2020 Annual Reports.

As mandated under Standing Order 109(2)(b), the Committee considers issues related to health, education, social service, labour, aviation, culture and media. The Ministry of Rural and Maritime Development and Disaster Management managed to coordinate and implement Government's development efforts in the rural and maritime communities, and support social-economic development, improve living standards and quality of life, and empower rural communities to achieve a sustainable development livelihood. The Ministry of Rural and Maritime Development and Disaster Management successfully facilitated and coordinated the following capital projects and advisory service to the maritime zone:

- (1) Community access road, footpath and footbridge;
- (2) Self-Help projects that promote and assist rural dwellers in the constructions of basic amenities and income generating projects.
- (3) Construction of new Government station and district services under the public sector investment programme.
- (4) Implementation of community capacity building programmes.
- (5) Implementation of national disaster risk reduction strategy.
- (6) Facilitation of auxiliary service.
- (7) Provision of the advisory support to the divisional development forum.

I sincerely thank Mr. Isoa Talemaibua, the Permanent Secretary for the Ministry of Rural and Maritime Development and Disaster Management, and the Ministry's officials for their invaluable contribution to this review process. Finally, Mr. Speaker, Sir, I thank the honourable Members of the Standing Committee on Social Affairs, Honourable Ratu Rakuita Vakalalabure, honourable Alipate Tuicolo, honourable Viam Pillay and honourable Parveen Bala, for their invaluable input and support. On behalf of the Standing Committee on Social Affairs, I commend this Report to Parliament.

(Report handed to the Secretary-General)

Mr. Speaker, Sir, pursuant to Standing Order 121(5), I hereby move:

A motion, without notice, that a debate on the content of the Report is initiated at a future sitting.

HON. RATU R.S.S. VAKALALABURE.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

#### Review Report on the iTaukei Affairs Board 2015-2022 Annual Reports

HON. I. S. VANAWALU.- Mr. Speaker, Sir I am pleased to present the Standing Committee on Social Affairs' Report on the Consolidated Review of the iTaukei Affairs Board 2015-2022 Annual Reports. As mandated under Standing Order 109(2)(b), the Committee considers issue related to health, education, social service, labour, aviation, culture, and media.

The iTaukei Affairs Board continues to serve as the key governmental body responsible for the welfare, cultural preservation, and development of Fiji's indigenous *iTaukei* communities, as its mission includes promoting the social and economic and cultural well-being of the iTaukei community.

Over the years, the board emphasise the preservation and promotion of iTaukei traditions, language and customs. Initiatives include supporting traditional ceremonies, festivals and cultural educational programme and forge one way to strengthen the iTaukei leadership and Government structure.

Notable accomplishment of the iTaukei Affairs Board includes successful community projects, in close participations of iTaukei, in national development, improve legislation, supporting learn and cultural rights. On the other hand, the Board have challenges across the years including land leases conflict, unemployment, balancing modernisation with culture, reservations and resources limitation within the board.

Mr. Speaker, Sir, I sincerely thank the Deputy Chief Executive Officer of the iTaukei Affairs Board and their officials for the invaluable contributions to this review process. Finally, I thank the honourable Members of the Standing Committee on Social Affairs: Honourable Ratu Rakuita Vakalalabure; honourable Alipate Tuicolo; honourable Viam Pillay; and honourable Parveen Bala, for their invaluable input and support, and also honourable Ketan Lal, for your assistance rendered on several occasions as an alternate Standing Committee Member.

On behalf of the Standing Committee on Social Affairs, I commend this Report to Parliament.

(Report handed to the Secretary-General)

Mr. Speaker, Sir, pursuant to Standing Order 121( 5), I hereby move:

A motion without notice that a debate on the content of the Report is initiated at a future sitting.

HON. RATU R.S.S. VAKALALABURE.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

#### Consolidated Review Report - Infrastructure and Transport 2017-2019 Annual Reports

HON. I.S. VANAWALU.- Mr. Speaker, Sir. I am pleased to present the Standing Committee on Social Affairs – Report on the Consolidated Review on the Infrastructure and Transport Annual Report 2017-2018, 2018 -2019. As mandated under Standing Order 109(2)(b), the Committee consider the issue related to health, education, social services, labour, aviation, culture and media. The Ministry of Infrastructure and Transport responsible for policy formulation, planning, design, regulatory and coordination and implementation of programmes, project on infrastructure works, energy, water and sewerage, building and Government architects, divisional engineers and the Fiji Meteorological Services. The Ministry of Infrastructure and Transport also provide policy and legislative oversight for the Fiji Roads Authority, Water Authority of Fiji, Energy Fiji Limited and Maritime and Safety Authority of Fiji.

Division of the Ministry of Infrastructure and Transport is achieved through policy and regulation, strategic insight, research, information management, project design and implementation in the field of infrastructure, water, sanitation, energy building, roads and meteorological services.

The Committee, in its deliberations highlighted some major concerns when the Department of the Ministry of Infrastructure and Transport and accomplishment, the Committee commends the Ministry on the different sector plan, that are in line with the National Development Plan and I sincerely thanked Mr. Paula Baleilevuka, the Permanent Secretary for the Ministry of Public Works, Transport and Meteorological Services and his staff in their invaluable contributions to this review process.

Mr. Speaker, Sir, I finally thanked honourable Members of the Standing Committee on Social Affairs - honourable Ratu Rakuita Vakalalabure, honourable Alipate Tuicolo, honourable Viam Pillay and Praveen Bala, for their invaluable input and support. Also I would like to thank honourable Jone Usamate, for the assistance he rendered on several occasion as an alternate member. On behalf of the Standing Committee on Social Affairs, I commend this Report to Parliament.

(Report handed to the Secretary-General)

HON. I.S. VANAWALU.- Mr. Speaker, Sir, pursuant to Standing Order 121(5), I hereby move:

A motion without notice that a debate on the content of the Report is initiated at a future sitting.

HON. RATU R.S.S. VAKALALABURE.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

### Review Report on Fiji Airports 2022 Annual Report

HON. L.S. QEREQERETABUA.- The Standing Committee on Foreign Affairs and Defence hereby submits to Parliament its Review Report on the Fiji Airports 2022 Annual Report, which was referred to the Committee on 28 April, 2025.

Fiji Airports is a whole of government-owned commercial entity, established on 12 April, 1999 under the Public Enterprises Act 1996. It is responsible for managing 15 airports across the country, including the two international gateways, Nadi and Nausori, as well as 13 domestic airports located throughout Fiji's maritime region.

In addition to managing airport infrastructure and operations, Fiji Airports provides Air Traffic Management (ATM) services within the Nadi Flight Information Region (Nadi FIR), which covers the sovereign airspace of several Pacific Island nations, including Tuvalu, New Caledonia, Kiribati, and Vanuatu.

As part of its review process, the Committee received an oral submission from the Fiji Airports on 4th June, 2025 and conducted site visits to Nadi International Airport. The Committee's review is presented as a bipartisan report and includes six key recommendations for Parliament's consideration.

The Committee commends Fiji Airports for its proactive leadership in sustainability and climate action, particularly in achieving Level 4 of the Airports Council International (ACI) Carbon Accreditation and implementing forward-looking initiatives such as solar energy integration, mangrove planting, and climate-resilient infrastructure planning. To build on this momentum and address broader specific priorities, the Committee recommends:

- (1) Prioritising the replacement of ageing airport assets and expediting delayed capital projects, leveraging blended financing models and public-private partnerships to support the timely implementation of the Nadi Airport modernisation plan;
- (2) Formalising and expanding the Gender Equality and Inclusion Strategy, with measurable targets to increase female representation, particularly in technical and leadership roles, in alignment with Sustainable Development Goal 5 and national gender equity commitments;
- (3) Continuing the trajectory toward Level 5 ACI Accreditation and net-zero emissions by 2050, through increased investment in renewable energy and adoption of international green infrastructure standards;

- (4) Developing the Fiji Airports Aviation Academy into a fully accredited regional centre of excellence, with the focus on addressing technical skill shortages across the aviation sector;
- (5) Adopting international best practices in slot and gate management, benchmarking against high-performing airports to optimise operations and enhance Nadi's role as a competitive regional transit hub; and
- (6) Strengthening security protocols at outer island airports, including the implementation of ICAO-compliant screening and a whole-of-government response to emerging transnational threats such as drug trafficking.

The Committee extends its appreciation to the CEO of Fiji Airports and his team for the timely submission of the 2022 Annual Report and also cooperating throughout the review process. I also thank the members of the Standing Committee on Foreign Affairs and Defence for their contributions to this bipartisan report and acknowledge the Secretariat for their invaluable support.

On behalf of the Standing Committee on Foreign Affairs and Defence, I respectfully submit this report to Parliament.

(Report handed to the Secretary-General)

HON. L.S. QEREQERETABUA.- Mr Speaker, pursuant to Standing Order 121 clause (5), I hereby move:

A motion, without notice, that a debate on the content of the Report is initiated at a future sitting.

HON. V. LAL.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

Consolidated Review Report on the Fijian Competition and  
Consumer Commission 2019-2022 Annual Reports

HON. L.S. QEREQERETABUA.- The Standing Committee on Foreign Affairs and Defence (the Committee) hereby submits to Parliament the Consolidated Review Report of the Fijian Competition and Consumer Commission's 2019–2020, 2020–2021, and 2021–2022 Annual Reports.

The Fijian Competition and Consumer Commission (FCCC) is an independent statutory body established under the FCCC Act 2010. It is mandated to protect both consumers and businesses from restrictive trade practices and to regulate prices in markets with limited competition.

The Commission's core objectives include promoting consumer interests, ensuring fair competition, supporting efficient industry development, and securing equitable returns for businesses through fair pricing. In regulated industries, the FCCC also seeks to balance economic efficiency with environmental and social considerations, while ensuring non-discriminatory access to essential infrastructure.

On 15<sup>th</sup> March, 2025, the Committee was formally referred these reports for review, with the task of analysing their contents and providing a consolidated report to Parliament at a future sitting. As part of its review process, the Committee convened a face-to-face public submission session with

the FCCC on 6 May 2025. To further engage stakeholders and the general public, the Committee also conducted Talanoa sessions in Kadavu, Beqa, Sigatoka, Tavua and Rakiraki, and we did this, Mr. Speaker, Sir, as we scrutinised the other four reports that I am presenting to Parliament today. This was to focus on the issues raised in the annual reports under review. These consultations brought forward key concerns, which are reflected in the findings of this Report.

This Report outlines significant trends across the reporting periods and presents nine recommendations for Parliament's consideration. I will not go through those recommendations now.

The Committee extends its sincere gratitude to the CEO of FCCC, Ms. Senikavika Jiuta, and her team for their cooperation and valuable contributions throughout the review process. I also acknowledge the members of the Standing Committee on Foreign Affairs and Defence and also the Secretariat for their ongoing support.

On behalf of the Standing Committee on Foreign Affairs and Defence, I respectfully submit this report to Parliament.

(Report handed to the Secretary-General)

HON. L.S. QEREQERETABUA.- Mr Speaker, pursuant to Standing Order 121 clause (5), I hereby move:

A motion, without notice, that a debate on the content of the Report is initiated at a future sitting.

HON. R.R. SHARMA.- Mr. Speaker, I second the motion.

Question put.

Motion agreed to.

#### Review Report on the Levuka Town Council 2018 Annual Report

HON. L.S. QEREQERETABUA.- The Standing Committee on Foreign Affairs and Defence hereby submits to Parliament its Review Report on Levuka Town Council 2018 Annual Report. I do know that after this week's Budget Debate and the passing of the Budget that many things in our report will have changed for the better for Levuka.

Established in 1877 as Fiji's first municipality and former capital, the Levuka Town Council holds a distinguished place in the nation's history. It has achieved several national milestones, including hosting Fiji's first hotel and bank. In 2013, Levuka reached a new pinnacle when it was declared a UNESCO World Heritage Town, affirming its global cultural significance, and this recognition was further underscored by its inclusion in the organisation of World Heritage towns and cities. Despite these prestigious accolades, Mr. Speaker, Sir, the Council faces the ongoing challenge of balancing its heritage conservation responsibilities with the demands of modern infrastructure and technological development.

In 2017, Levuka marked 140 years of municipal governance, a testament to its enduring role in Fiji's urban development. As with other municipal councils, Levuka is expected to align its future with community plans and capitalise on local opportunities to ensure its continued relevance and sustainability. Financial constraints remain a significant challenge, however, Mr. Speaker, Sir, with only 152 ratepayers, the Council's revenue from local rates and businesses is limited making external

funding essential. Consequently, the Council relies heavily on Government grants, NGOs, and support from the business sector.

In 2021, recognising Levuka's unique heritage status, the government approved a special funding allocation through a Cabinet paper, initially providing \$500,000, however, this amount has since been reduced. There is cautious optimism that renewed investments particularly in infrastructure and accommodation, could stimulate heritage tourism and become a sustainable revenue stream. So, guided by its vision to promote the health, welfare, and convenience of its residents, the Council remains committed to principles of cleanliness, effective property management, good governance, and environmental sustainability.

As part of its review, the Committee visited Levuka to receive oral submissions and conduct site inspections. Key locations that the Committee visited include the Peace Garden, the newly constructed Levuka Market, and the University of Fiji campus in Nasova. This Report outlines key trends observed during the reporting period and presents 10 recommendations for consideration.

I want to extend my thanks to the rest of Members of the Standing Committee and also to the Secretariat and on behalf of the Committee, I respectfully submit this Report to Parliament, Mr. Speaker, Sir.

(Report handed to the Secretary-General)

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, pursuant to Standing Order 121(5), I hereby move:

A motion without notice that a debate on the content of the Report is initiated at a future sitting.

HON. R.R. SHARMA. - Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed to

Consolidated Review Report - Ministry of Education, Heritage and Arts  
2021-2022 and 2022-2023 Annual Reports

HON. L.S. QEREQERETABUA.- The Ministry of Education, Heritage and Arts envisions a future where every individual is empowered through quality, inclusive education that fosters innovation, creativity, and lifelong learning. This vision extends beyond academic achievement, aiming to cultivate well-rounded individuals equipped with life skills, strong character, and critical thinking abilities. Through its commitment to excellence and the provision of safe and enriching learning environments, the Ministry aspires to build a prosperous and resilient nation through the long-term impact of education.

The Committee was referred the Ministry's Annual Reports on the 28<sup>th</sup> of April 2025. As part of its review process, the Committee invited the Ministry to deliver an oral public submission on 8<sup>th</sup> of June 2025. This was broadcast live via the Parliament *Facebook* page and aired on the *Walesi* Parliament Channel, ensuring public accessibility and transparency.

To further engage with the public and gather diverse perspectives, the Committee also conducted talanoa sessions with Ministry officials and members of the public in Kadavu, Beqa,

Sigatoka, Tavua, and Rakiraki. These consultations provided substantive insights which formed the findings and the recommendations outlined in this report.

The Committee extends its appreciation to the Ministry of Education for its coordination and constructive participation during the submission and consultation process. We also express our heartfelt gratitude to all teachers across Fiji for their unwavering dedication and passion in the education of the children of our nation. I thank the Standing Committee, the Standing Committee Members and the members of the Secretariat for their help during this review process. On behalf of the Committee, I respectfully submit this report to Parliament, Mr. Speaker, Sir.

(Report handed to Secretary-General)

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, pursuant to Standing Order 121 (5), I hereby move:

A motion, without notice, that a debate on the contents of the Report is initiated at a future sitting.

HON. R.R. SHARMA.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed.

#### Review Report on the Fiji Police Force 2020-2021 Annual Report

HON. L.S. QEREQERETABUA.- Mr. Speaker, Sir, the Committee hereby submits to Parliament its review report on the Fiji Police Force 2020 - 2021 Annual Report, which was formally referred to the Committee on the 28<sup>th</sup> of April this year.

Guided by the theme “Preserving the Past, Securing the Future,” the fiscal year reflected the Fiji Police Force's commitment to honouring its legacy while addressing emerging challenges in modern policing. Anchored in the values of leadership, service orientation, integrity, excellence, fairness, and personal responsibility, the Fiji Police Force remains accountable to the Government and to the people of Fiji for maintaining safety and security.

As mandated under Section 5 of the Police Act, its core responsibilities include:

- (1) Protecting life and property;
- (2) Preserving public order;
- (3) Preventing and investigating crime;
- (4) Apprehending offenders; and
- (5) Enforcing the law.

To fulfil its mandate the police force, operates across five strategic outputs:

- (1) Crime prevention and control;
- (2) Investigation and prosecution;
- (3) Intelligence gathering;
- (4) Road safety; and
- (5) Organisational effectiveness.

These operations are governed by legislative and policy frameworks including the:

- (1) Fiji Constitution;
- (2) Police Act;
- (3) Crimes Act; and
- (4) Relevant financial administrative and occupational health and safety regulations ensuring sound governance and institutional alignment.

The Committee undertook a comprehensive review of the report culminating in a bipartisan document with 16 key recommendations. In support of this review, the Committee held oral an public submission with the Fiji Police Force on the 7<sup>th</sup> of May 2025 and conducted an extensive site visit which took in *talanoa* sessions across multiple locations including:

- (1) Kavala;
- (2) Vunisea in Kadavu;
- (3) Rukua in Beqa;
- (4) Sigatoka;
- (5) Nadi;
- (6) Lautoka;
- (7) Vitogo;
- (8) Tavua;
- (9) Rakiraki;
- (10) Police Mobile Force, Nasinu;
- (11) Serious and Organised Crime Intelligence Division;
- (12) K9 Unit in Nasova;
- (13) Forensics in the Nasese; and
- (14) Psychology office.

When this all concluded with a *talanoa* session with the Police Commissioner at the Police Officers Mess.

On behalf of the Committee, Mr. Speaker, Sir, I express our sincere appreciation to the Police Commissioner, Mr. Rusiate Tudravu, ACP Aporosa Lutunauga and all committed police officers for their continued dedication and service to the people of Fiji. I also thank Members of the Committee and also our Secretariat for their hard work in putting this report together, and I respectfully submit this report to Parliament, Mr. Speaker, Sir.

(Report handed to Secretary-General)

HON. L.S. QEREQERETABUA.- Mr. Speaker, pursuant to Standing Order 121 (5), I hereby move:

A motion without notice that a debate on the contents of the Report is initiated at a future sitting.

HON. R.R. SHARMA.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed.

**ADJOURNMENT**

HON. LEADER OF THE GOVERNMENT IN PARLIAMENT.- Mr. Speaker, Sir, I move:

That Parliament adjourns until Monday, 4<sup>th</sup> August, 2025, at 9.30 a.m.

HON. A.V.B.C. BAINIVALU.- Mr. Speaker, Sir, I second the motion.

Question put.

Motion agreed to.

MR. SPEAKER.- Honourable Members, I extend my sincere appreciation to each of you for your valuable input throughout the Budget deliberations, culminating in the passage of the 2025-2026 National Budget last evening.

Let me once again commend the honourable Deputy Prime Minister and the Minister for Finance, along with the Permanent Secretary, Mr. Shiri Gounder, and the dedicated team at the Ministry of Finance for the successful delivery of the National Budget.

I also congratulate the honourable Prime Minister on his bold initiative this afternoon on the setting up of a Special Committee on Sugar.

Parliament will now adjourn until Monday, 4<sup>th</sup> August, 2025 at 9.30 a.m.

The Parliament adjourned at 4.21 p.m.

**APPENDIX 1**

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**Speaker's Ruling on Point of Order raised by Hon. F.Q. Tuisawau on 1st May, 2025 (Ref. Page 1381)**

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(1) Honourable Rinesh Sharma in his contribution to the motion before the House stated:

“.....90 kilograms of methamphetamine was caught at Auckland Airport. As I alluded, they are in Government for more than two years now, and it is an absolute failure on their part of securing our borders, in terms of our domestic points of entries; absolute failure.

The honourable Minister for Civil Aviation and Tourism said, “we are looking into it.” That is not the answer, Mr. Speaker, Sir, I expected.

The airport is getting congested and is something that we also need to look into, because the figures that they are harping about with the visitor arrivals, most of them are transit.”

(2) Honourable Lenora Qereqeretabua in her response stated:

“Just to clarify something that honourable Rinesh Sharma who is not in the House right now mentioned about methamphetamine find at Auckland Airport two days ago, and just to clarify, the first intercept of 50.2 kilogrammes was off a flight from Malaysia while the second intercept was of a flight from Lost Angeles....”

(3) Honourable Ro F.Q. Tuisawau, on 1<sup>st</sup> May relied on Standing Order 74(1) to support his raising his point of order against honourable Rinesh Sharma.

As I had stated in an earlier ruling, a Member raising Standing Order 74(1) as grounds for his/her point of order is not enough of its own for the Speaker to make a determination on.

The Member must go and refer to the specific Standing Order or Orders that he/she alleges has/have been breached. Standing Order 74(1) has three requirements to be met before I can entertain a point of order. They are:

- “(a) there is an alleged breach of Standing Order or practice of Parliament;
- (b) the member specifies the relevant Standing Order or practice, that is alleged to have been breached; and
- (c) the point of order has not been previously raised and decided in relation to the same alleged breach.”

All the three qualifications above have to be satisfied before I can entertain the point of order. Therefore, it is not enough for the honourable Ro F.Q. Tuisawau to merely raise Standing Order 74(1)(a) without going on to satisfy (b) and (c) requirements. If there appears to be a breach of a Standing Order, then honourable Tuisawau must go on and point out what specific Standing Order is he relying on that has been breached. Similarly, if it is a practice of Parliament relied upon, then what specific practice is alleged to have been breached.

In this instance, honourable Ro F.Q. Tuisawau, under the general heading of breach of Parliamentary practice, alleged that honourable Rinesh Sharma had, by referring to 90 kilogrammes

of methamphetamine found by the NZ authorities in Auckland, reflected an event as “an absolute failure of their (the Government’s) part of securing borders, in terms of domestic points of entries; absolute failure,” and in so doing, had insinuated that the Fiji Government was responsible and that specifically its failure to detect the transshipment of the 90 kilogrammes of methamphetamine discovered at the Auckland Airport.

From the plain reading of honourable Rinesh Sharma’s statement cited above, I am inclined to agree with the honourable Ro F.Q. Tuisawau’s interpretation that the said statement does suggest clearly, that the Fijian authorities were somehow responsible for allowing the drugs discovered at Auckland airport, to go through our system. The fact that the Deputy Prime Minister and Minister for Civil Aviation and Tourism, honourable Gavoka had responded to honourable Rinesh Sharma’s statement with a non-committal “We are looking at it,” does not amount to an “admission” of the blame.

In any case, as clarified by the honourable Qereqeretabua and Chairperson of the Standing Committee, the 90 kilogrammes of methamphetamine discovered at Auckland airport were intercepted on non-Fiji Airways airlines that arrived from Malaysia and Los Angeles respectively. There was no connection with either our national airline or the international airport in Nadi with the shipment.

Honourable Rinesh Sharma was absent from the Chambers, when the correction and the clarification was made, and therefore did not have the opportunity to withdraw his statement and apologise for its inaccuracies and in so doing, allegedly misled the House.

### Finding

In the circumstance, I find that honourable Rinesh Sharma did make a statement on 30<sup>th</sup> April, 2025 that implicated the Fiji border authorities of being responsible for the eventual seizure of the 90 kilogrammes of methamphetamine at Auckland Airport. That statement, I find from the evidence submitted, was totally inaccurate and has the effect, be it by design or otherwise, of misleading the House.

Honourable Members are reminded that although the making of a deliberately misleading statement to the House is recognized as a very serious offence, amounting to the contempt, the issue in this case is whether honourable Rinesh Sharma intended, by making the statement, left open with clear intent, the interpretation that the Fijian authorities were responsible for allowing, by neglect, the drugs to pass through its borders and arrived at Auckland airport, the honourable Member’s statement amounted to deliberately misleading the House.

There is, I believe, not enough evidence, for the Speaker to fairly arrive at such a conclusion. The fact still remains that the statement was false, and it had the effect of misleading the House, albeit not deliberately.

Notwithstanding that the honourable Ro F.Q. Tuisawau had not specifically referred to the relevant Standing Order(s) he alleged to have been breached, I accept the ground of the point of order based on the general practices of Parliament of not misleading the House, as relevant and pertinent to the honourable Member’s objection.

In all the circumstances, I find:

- (1) That honourable Rinesh Sharma is guilty of making incorrect statement, before the House, when he insinuated that the Fijian authorities were responsible for the drugs (90 kilograms

of methamphetamine) discovered at Auckland Airport.

- (2) That I accept that honourable Rinesh Sharma in making the statement did not deliberately attempt to mislead Parliament.
- (3) In the result, I therefore, direct that:
  - (i) honourable Rinesh Sharma withdraw the offending statement; and
  - (ii) he apologises to the House for making the inaccurate statement.

The second part of the point of order raised by honourable Ro F.Q. Tuisawau on honourable Rinesh Sharma's statement referred to the latter's assertion that the number of visitor arrivals claimed by the Deputy Prime Minister and Minister for Tourism and Civil Aviation, honourable Gavoka is incorrect and accused the Minister of "exaggerating the visitor arrival figures," to include transit passengers.

I have read the relevant parts of the Hansard for Wednesday, 29th April, 2025, in which honourable Rinesh Sharma stated: "The airport is getting congested and is something we also need to look into, because the figures that they are harping about with the visitors' arrivals, most of them are transit."

Honourable Ro F.Q. Tuisawau emphasized that the Fiji Bureau of Statistics defines "visitor arrivals" as the number of non-resident individuals entering Fiji for tourism or other purposes, "excluding those who are merely in transit,"

Honourable Rinesh Sharma was therefore, honourable Ro F.Q. Tuisawau submitted, incorrect in asserting that the visitor arrival figures revealed by the Minister for Tourism was exaggerated as it included transit passengers.

### Ruling

I am satisfied that honourable Rinesh Sharma's statement that the tourist arrival figures, as stated by the Minister for Tourism and Civil Aviation, honourable Gavoka are an exaggeration as it includes transit passengers, are incorrect and misleading.

I now direct that honourable Rinesh Sharma:

- (i) withdraw his claim of "exaggerated visitor tourist figures, that included transit passengers"; and
- (ii) apologise to the Deputy Prime Minister and Minister for Tourism and Civil Aviation, honourable Gavoka.