

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

FIRST ORDINARY SESSION OF 2009

MONDAY 8 JUNE 2009

SPEAKER : The Hon. Peter VUTA, First Deputy Speaker and Member for Ambae

PRESENT : 28 Members

ABSENT : Hon. Bruce ASAL, Member for Pentecost
Hon. Philip BOEDORO, Member for Maewo
Hon. James BULE, Member for Ambae
Hon. Patrick CROWBY, Member for Port Vila
Hon. Moses KAHU, Member for Tanna
Hon. Bakoa KALTONGGA, Member for Efate
Hon. Ham LINI, Member for Pentecost
Hon. Solomon LORIN, Member for Santo
Hon. Bob LOUGHMAN, Member for Tanna
Hon. Sela MOLISA, Member for Santo
Hon. Havo MOLISALE, Member for Malo/Aore
Hon. Edward NATAPEI, Member for Port Vila
Hon. Joe NATUMAN, Member for Tanna
Hon. Serge VOHOR, Member for Santo
Hon. Eta RORY, Member for Malekula
Hon. Esmon SAIMON, Member for Malekula
Hon. Thomas .I. SAWON, Member for Banks/Torres
Hon. Morking STEVEN, Member for Tanna
Hon. Tae VOIASUSU, Member for Santo
Hon. Charlot SALWAI, Member for Pentecost
Hon. Kisito TEILEMB, Member for Malekula
Hon. Willie R. A. TITONGOA, Member for Tongoa
Hon. Peter VUTA, Member for Ambae
Hon. Raphael WORWOR, Member for Ambrym

LATE :

1. The sitting commenced at 9.15a.m.
2. The Hon. Speaker Peter VUTA announced the presence of the Attorney General (Ishmael KALSAKAU) and the Chief Justice (Vincent LUNABEK) in the Chamber then went on to state that according to Article 21(4) of the Constitution two thirds of the Members should be present at the first sitting in any session of Parliament and as there was only twenty eight (28) Members present, it rendered the sitting not legally and constitutionally constituted to proceed with the agenda. He then announced that the Parliament shall adjourn until Thursday 11 June 2009 at 8.30a.m instead.
3. **The sitting was adjourned at 9.20a.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

FIRST ORDINARY SESSION OF 2009

THURSDAY 11 JUNE 2009

SPEAKER : The Hon. Peter VUTA, First Deputy Speaker and Member for Ambae

PRESENT : 47 Members

ABSENT : Hon. Ione SIMON, Member for Epi
Hon. George WELLS, Member for Luganville

LATE : Hon. Morking STEVEN, Member for Tanna
Hon. Ps. Ton KEN, Member for Malekula

1. The sitting commenced at 9.45a.m.
2. The Hon. Speaker Peter VUTA explained that as there was a lack of quorum on Monday 8 June 2009, Parliament was adjourned until this day thus only a simple majority was required and as there were 47 Members present, it rendered the sitting to be legally and constitutionally constituted to proceed with the agenda.
3. The Hon. Willie Ruben Abel TITONGOA, Member for Tongoa, said the prayer.
4. The Hon. Speaker VUTA then announced the swearing in of the new Member for Tanna, the Hon. Willie LOP, following the results of the by-election of Tanna.
5. The Hon. Willie LOP, newly elected Member for Tanna, took his oath of allegiance conducted by His Lordship Chief Justice LUNABEK then signed the Roll of Members.

6. The sitting was suspended at 10.00a.m for the Presidential Guard of Honor ceremony and resumed at 10.35a.m for the Presidential Address.
7. His Excellency, President Kalkot Matas KELEKELE gave his opening address which was his final Parliamentary duty before his term ended in August 2009 then went on to announce the list of the 20 Bills to be debated. He failed to officially declare the First Ordinary Session of 2009 open. **(Text as Appendix I)**
8. The sitting was suspended at 11.00a.m and resumed at 2.45p.m.
9. The Hon. Edward NATAPEI, Prime Minister and Member for Port Vila thanked His Excellency, President KELEKELE for his challenging speech, although, he said he needed to comment on the main point made by the President, that, it was time to make a reform on the Government system. He began by stating that political instability was not the main problem especially as an issue affecting the national development. He said that historical experiences showed that political instability occurred when national Leaders focused on their own personal interest. He went on to explained that whilst there was instability in the Government in which the Business Community suffered from and gave negative impact on the economic growth, future development prospects decreased. He then stated that if political stability was the key problem, a constitutional reform needed to be carried out to allow Leaders to exercise their national responsibilities and make sure their leadership could provide assurance and long-term business trust to maintain economic stability. He said that however, the need for a Constitutional reform was purposely to target a Leader's nature of self-interest which was the foundation of attitudes, beliefs and traditions that caused instability in Vanuatu. Therefore he encouraged Leaders to focus more on the people's common interest and make decisions according to the teachings of Christ and to allow God to take the lead. Moreover he hoped that the proposed constitutional amendments would establish a changed legislation to stabilize the political system and would allow Members to start implementing the key recommendations of the Constitutional Review Committee (CRC). He further commented that if the Constitutional reform was the way forward to political stability then necessary adjustments needed to be made to ensure that the new system will not only allow stability but also improve the quality of life for the people of Vanuatu. He concluded by congratulating and thanking His Excellency President KELEKELE for a successful completion of his leadership and how he continued to remind and urge the Leaders of this nation to address the issue of political instability.
10. The Hon. Sato KILMAN, Leader of the Opposition and Member for Malekula, thanked His Excellency President KELEKELE for his speech and said that the President basically gave the principles of good governance and the problems of political instability however he did not give the reasons for the problems. He said whilst he agreed that the President during his term urged Leaders to eliminate instability he commented that 2012 was too soon to work with the Constitutional reform proposal. He was of the opinion that the Constitution and the Parliamentary system were good enough and then asked why it required changes. He said he understood that stability contributed to the economic growth but political stability alone was not the answer for economic growth. He also said that political stability together with political commitment would be the best aspect of economic and development growth. In

conclusion he thanked His Excellency President KELEKELE for his dedicated hard working term and then wished him the very best in the future.

11. The Hon. Speaker announced that due to the passing away of Malvatumauri's Late Chief Willie BONGMATUR of Ambrym, He asked all Members of Parliament to attend and pay their respect before his body was flown to his home island for burial.
12. **The sitting was adjourned at 3.20p.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

FIRST ORDINARY SESSION OF 2009

MONDAY 15 JUNE 2009

SPEAKER : The Hon George A. WELLS, Member for Luganville
PRESENT : 50 Members
ABSENT : Hon. Joshua KALSAKAU, Member for Efate
Hon. Bakoa KALTONGGA, Member for Efate
LATE :

1. The sitting commenced at 9.15a.m.
2. The Hon. Bob LOUGHMAN, Member for Tanna, said the prayer.
3. The Hon. Speaker WELLS read the agenda.

ANNOUNCEMENT BY THE SPEAKER

4. The Hon. Speaker announced that the Court would pronounced the final entreaty today (Monday 15th June) concerning the petition against the Members of Parliament for Efate, therefore the sitting would adjourn until 8.30am tomorrow (Tuesday 16th June) to allow the other Members to participate in the Court audience.
5. **The sitting was adjourned at 9.17a.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

FIRST ORDINARY SESSION OF 2009

TUESDAY 16 JUNE 2009

SPEAKER : The Hon. Philip BOEDORO, Second Deputy Speaker and Member for Maewo

PRESENT : 47 Members

ABSENT : Hon. Alfred CARLOT, Member for Efate
Hon. Joshua KALSAKAU, Member for Efate
Hon. Bakoa KALTONGGA, Member for Efate
Hon. Roro SAMBO, Member for Efate
Hon. George WELLS, Member for Luganville

LATE :

1. The sitting commenced at 8.55a.m.
2. The Hon. Paul TELUKLUK, Opposition Whip and Member for Malekula, said the prayer.
3. The Hon. Speaker BOEDORO read the agenda.

ANNOUNCEMENT BY THE SPEAKER

4. The Hon. Speaker BOEDORO declared the four seats for Efate Constituency vacant after the Supreme Court's ruling from an election petition against the four former Members namely the Hon. Joshua KALSAKAU, the Hon. Bakoa KALTONGGA, the Hon. Alfred CARLOT and the Hon. Roro SAMBO.

TABLING OF DOCUMENTS

5. The Hon. Speaker BOEDORO tabled the Standing Committee Membership Report and the Standing Orders Review Committee (SORC) under the chairmanship of the Hon. Bob LOUGHMAN, Member for Tanna.
6. The Hon. Sato KILMAN, Leader of the Opposition and Member for Malekula, raised a point of order and pointed out that three members mentioned in the Committee had already vacated their seats however their names were retained in the report.
7. The Hon. Speaker BOEDORO explained that the names of the 3 former Members of Efate were mentioned in the report simple because the report had been produced before their vacation of seats.
8. The Hon. Bob LOUGHMAN, Member for Tanna and Chairman of SORC, stated that with the vacation of seats by the 3 former members, it was necessary that the Leader of the Opposition and the Prime Minister name 3 replacements.
9. Leader of Government Business and Member for Banks/Torres, the Hon. Thomas I.SAWON announced that the three Bills listed as numbers 14, 16 and 17 would be tabled first.

BILL FOR THE SUPPLEMENTARY APPROPRIATION ACT NO. OF 2009

FIRST READING

10. Opposition Whip, the Hon. TELUKLUK raised a point of order and complained that he had only just received another four Bills whilst the rest of the others were yet to come.
11. The Hon. Speaker BOEDORO understood that the four Bills had been sent with the Notice of Summon but the rest were being distributed upon receipt from the State Law Office.
12. Opposition Whip, the Hon. TELUKLUK raised another point of order and expressed that Members need to collect their Bills first.
13. The Hon. Sela MOLISA, Minister of Finance and Economic Management and Member for Santo, clarified that the Bill were already distributed to Members as of the previous week.
14. Leader of the Opposition, The Hon. KILMAN raised a point of order and expressed his concern over the distribution of Bills prior to the commencement of the session. He said that it was the same recurring problem that must be seriously corrected and dealt with. He went on that it was only fair that Members should have copies of the Bills tabled in order to come up with a balanced discussion of matters of national interest.

15. The Hon. Minister MOLISA also agreed that it was important that Members have their Bills but it was also their responsibility to check with the Parliament Secretariat about these Bills if they had not been delivered personally. After this comment, he went on to introduce the Bill, stated its purpose then moved that the Bill be read a first time.
16. The Hon. KILMAN, Leader of the Opposition, wondered whether or not the activities listed in Schedule were necessary. He also said that the Government was not obliged to supplement a Head unnecessarily such as the Nursing School when the Ministry of Health budget was already considered to be sufficient. He was concerned about the Vanuatu Mission in Malaysia which in his opinion the fund could be used towards something else. He announced that the Opposition would oppose the Bill.
17. The Hon. Joe NATUMAN, Minister of Health and Member for Tanna, said that the Bill was more transparent and accountable since previously the Government could spend recklessly. He added that the importance of a supplementary budget was to provide funds towards implementation of Government policies. He went on to outline the various problems and difficulties faced in the Ministry of Health regarding the lack of nurses and below standard rural health facilities but was pleased to inform the House of the latest achievement of several upgrades of health centres becoming mini hospitals in the TORBA Province, on Epi, Malekula and Pentecost.
18. The Hon. Jean A.R. KOLOMULE, Member for Santo, asked what benefit Vanuatu would gain from its relationship with Malaysia. He said that the Government tended to use funds externally but overlooked internal issues that were of more importance. He urged the Government to state its priorities.
19. The Hon. Morking STEVENS, Member for Tanna, supported the Bill particularly the funds towards the Nursing School as it was the answer to service delivery always queried by the MPs.
20. The Hon. Minister MOLISA announced that the recruitment of personnel to look after the Vanuatu Mission in Malaysia was already in progress and the appointment would be made before the end of the year. He explained that the Malaysia mission was established because a lot of Ni-Vanuatu students were studying in the Philippines, which was near to Malaysia, which would be able to deal with any problems they face and also it was good for establishing business ventures as it was known to have rich business men and since Vanuatu was already known not only in the Republic of China but Asia as a whole. Malaysia was also agriculture orientated thus it would be able to provide expertise in that area. He clarified that the Mini Melanesian Spear Head Group Arts Festival which would be held in July on Tanna would help strengthen inter relationship between New Caledonia and Vanuatu. As for the Police Recruitment, there were a lot of policemen who were over the age of retirement who must be retired thus it was necessary to recruit in order to sustain the Police Force capacity. He mentioned that the Provincial Games to be held on Efate in August was a stepping stone to the selection of athletes to the Mini South Pacific Games to be held in the Cook Islands.

21. Deputy Leader of the Opposition and Member for Santo, The Hon. Marcellino PIPITE wanted further clarification on the Vanuatu Mission in Malaysia and had noted that there was no supplement towards education as he was aware that the Ministry of Education had already depleted its funds. He preferred to see that Vt 236 million go towards education instead.
22. The Hon. Willie R.A. TITONGOA, Member for Tongoa, was of the opinion that the 2008 supplementary budget should have already covered certain areas mentioned however should the Government have sufficient funds then it was only proper to supplement those areas it regarded necessary.
23. The Hon. Moana CARCASSES, Member for Port Vila, pointed out that the Public Finance Management Act clearly stated that Government could not overspend. He was not pleased to see that there was no breakdown in the expenditure of the activities mentioned and was worried that despite the figure stated, it would be misappropriated. His concern was raised as Chairman of the Public Accounts Committee (PAC). He requested that the Government provide to the House evidence of spending of funds. He concluded by emphasizing that the fund should be used towards productive areas.
24. The Hon. Minister MOLISA repeated his explanation as why there was a Vanuatu Mission in Malaysia then went on that funds towards education was suspended but under consideration because of the free primary education that would commence in 2010. He further explained that the breakdown of each Ministry's expenditure was a load of work thus the PAC shall be required to study each Ministry's break down individually instead. He also explained that it was necessary to provide funds towards the Provincial Games in order to repair the stadiums and other faculties to accommodate the athletes. He believed that the funds allocated would be spent accordingly.
25. The sitting was suspended at 10.25a.m and resumed at 10.55a.m.

BILL FOR THE SUPPLEMENTARY APPROPRIATION (2009) ACT NO. OF 2009

FIRST READING (Continue)

26. The Hon. Charlot SALWAI, Minister of Education, responded to the questions raised. He said the budget allocated for Education covered the program and curriculums that the Ministry would expect to establish and consider better plans for the new public school establishments.
27. The Hon. Serge VOHOR, Minister of Infrastructure and Public Utilities, spoke in support of the Bill. He explained that the Vt 90 million supplementary budget covered for the activities of the National Arts Festival and the renovation of White Grass Airport to allow the Port Vila- New Caledonia route via Tanna.

28. The Hon. Patrick CROWBY Manarewo, Minister for Internal Affairs, thanked the Government for allocating Vt 19 million to the Ministry of Internal Affairs. He explained that the budget would allow for new recruitments of the Police Force since there were no recruitments last year (2008).
29. The Hon. Ralph REGENVANU, Member for Port Vila, recommended the Minister of Finance to insert a provision in the Bill that would show the analysis of the spending. He stated that it was a waste of money funding the Vanuatu Mission in Malaysia and suggested that the Government should place it in Philippines where there are many Ni-Vanuatu students.
30. The Hon. Toara D. KALO, Member for Shepherds, said he remarked that the Supplementary budget only covered for social services but not the productive sector. He also complained about the difficulties and the deplorable health services throughout Vanuatu.
31. The Hon. Willie LOP, Member for Tanna, said there were no supplementary budget allocated for road maintenance on Tanna especially for the road that lead to Lenakel.
32. The Hon. Sela MOLISA, Minister of Finance and Economic Management declared that there were yet some amendments to be made in the Budget Narrative. He explained that the Government has decided to establish a Vanuatu Mission in Malaysia because it played a great role in the Agricultural domain in which Vanuatu benefited from. Concerning the Hon. KALO's remarks, he confirmed that the budget covered for social services because it was also as important as the productive sectors in the country. He added that the country's economic growth has reached 3 to 4 % and will expectantly increase. About the road maintenance leading to Lenakel on Tanna, he said it would be funded by Australian Aid (AusAid).
33. The Hon. Thomas I. SAWON, Leader of Government Business and Member for Banks/Torres, stated that the Bill was tabled to provide more social services to the population across Vanuatu, for this reason, he suggested that the Opposition voted for.
34. The sitting was suspended at 11.30a.m and resumed at 2.15p.m.
35. Leader of the Opposition, the Hon. KILMAN expressed his concern over the lack of doctors at the Norsup Hospital, Malekula but the Government had seen fit to provide funds towards nurses and courses instead. He said that this fund should have already been included in the Ministry of Health budget. He stated that the Opposition wanted to see that the Government be transparent not only in its dissemination of funds but how it went about to do business of the day.
36. The Hon. Minister NATUMAN explained that a doctor had already been appointed to Norsup Hospital but he had refused his appointment.

37. The Hon. Maxime CARLOT KORMAN, Member for Port Vila, supported the funding of the activities listed in the Schedule particularly the Provincial Games, the Mini Melanesian Spearhead Group Arts Festival and the Vanuatu Mission in Malaysia.
38. The motion that the Bill be read a first time was carried with 25 votes in favor and 17 votes against.

COMMITTEE STAGE

Section 1, “Appropriation of amounts under section 34 of the Public Finance and Economic Management Act [CAP 244]”

39. Seconded by the Hon. Serge VOHOR, Minister of Infrastructure and Public Utilities and Member for Santo, the Hon. Minister MOLISA moved a parliamentary amendment by inserting ‘Police recruitment with a budget of Vt 195million’ thus changing the amount of ‘Vt 216,500,000’ to Vt 236,000,000.
40. The Hon. KILMAN, Leader of the Opposition, pointed out the figure stated was incorrect.
41. Seconded by the Hon. Minister VOHOR, The Hon. Minister MOLISA moved to correct the figure previously stated.
42. The motion was carried with 25 votes in favour and 18 votes against.
43. The Hon. KILMAN, Leader of the Opposition, asked if the Ministers concerned could provide expenditure breakdown of the funds for the activities mentioned.
44. The Hon. Moses KAHU, Minister of Youth Development and Training and Member for Tanna, read out the expenditure breakdown of spending towards the Provincial Games.
45. The Hon. Ralph REGENVANU, Member for Port Vila, sought affirmation that Vt 1.2 million would go towards each trainee nurse for seven (7) months.
46. The Hon. Minister NATUMAN explained that it was for the extra twenty five (25) intakes to be recruited in July 2009.
47. The Hon. REGENVANU wanted to know if the salary of the officer of the Vanuatu Mission in Malaysia was also included in the supplementary budget and out of interest, asked if it would be a national to be appointed to head the Mission.
48. The Hon. Minister VOHOR confirmed that the salaries of the Ambassador of Vanuatu to Malaysia and also of one or two other supporting staff to work in the Mission.

49. The Hon. REGENVANU questioned if international air travel costs was also included in the supplementary towards the Mini Melanesian Spearhead Group Arts Festival.
50. The Hon. Minister VOHOR replied that the Government shall handle travel costs for only invited guests to attend the festival. He informed the House that only New Caledonia would participate in the festival
51. Seconded by the Hon. Harry I. IARIS, Minister of Lands and Member for Tanna, The Hon. Minister MOLISA moved to amend the total 'Vt 216, 500,000' to Vt 236,228,243 and also to insert 'of the ...' after '..section 34' of the paragraph.
52. The motion was approved with 25 votes in favour and 18 votes against.
53. Section 1 was approved on division.
54. Section 2, "**Commencement**" was approved on division.

SECOND READING

55. The Hon. Sela MOLISA, Minister of Finance and Economic Management, thanked the House for the contributions made and its support then moved that the Bill be read a second time and do pass.
56. The motion that the Bill be read a second time and do pass was carried with 25 votes in favour and 19 votes against.
57. The sitting was suspended at 3.10p.m and resumed at 4.10p.m.

WRITTEN MOTIONS

MOTION NO.1

MOTION OF NO CONFIDENCE AGAINST THE PRIME MINISTER OF THE REPUBLIC OF VANUATU THE HON. EDWARD NIPAKE NATAPEI AND HIS GOVERNMENT

58. The Hon. Moana CARCASSES, Member for Port Vila, seconded by the Hon Marcellino PIPITE, Member for Santo, presented motion no.1of 2009 in accordance to Section 35 of the Standing Order (SO) and Article 41 of the Constitution. (Text as Appendix II)
59. The Hon. Marcellino PIPITE, second mover, explained that the motion aimed for the establishment of a stable Government in the country.

60. The Hon. David TOSUL, Member for Pentecost, stated that it has been seven (7) years since he was first elected a Member of Parliament (MP), never before did he sign a motion of no confidence against the Prime Minister. However he said that he decided to vote for the motion because he considered the Government's decisions incorrect and that it affected the population of Vanuatu. He said he did not understand why the Government could not take the decision to discipline a Minister who has acted against the Law.
61. The Hon. James BULE, Minister of Trade Industry and Commerce and Member for Ambae, refused to accept the accusations from the Opposition against him, and then stated that there were no evidence to support these accusations. He then gave explanations on certain subjects in which he was accused for and concluded that the Ministry was working for the interest of the population.
62. The Hon. Iauko IARIS, Member for Tanna, asked the Opposition to closely consult the records of the Auditor General before making accusations against the Government.
63. Prime Minister, The Hon. Edward NATAPEI, was of the opinion that it would be unfair as Prime Minister to discipline a Minister without facts. He said that he accepted the accusations from the Opposition and any changes in the Government should the motion of no confidence against him passed by the majority of votes.
64. The motion No.1 of 2009 was defeated by 28 votes against and 18 votes in favor.
65. **The sitting was adjourned at 5.00p.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

FIRST ORDINARY SESSION OF 2009

WEDNESDAY 17 JUNE 2009

SPEAKER : The Hon. Philip BOEDORO, Second Deputy Speaker and Member for Maewo

PRESENT : 47 Members

ABSENT : Hon. Alfred CARLOT, Member for Efate
Hon. Joshua KALSAKAU, Member for Efate
Hon. Bako KALTONGGA, Member for Efate
Hon. Roro SAMBO, Member for Efate
Hon. George WELLS, Member for Luganville

LATE :

1. The sitting commenced at 2.00p.m.
2. The Hon. Eta RORY, Member for Malekula, said the prayer.
3. The Hon. Speaker read the agenda. He then sought the consensus of the House to allow the TV crew inside the Chamber for filming.
4. The Hon. Serge VOHOR, Minister of Infrastructure and Public Utilities and Member for Santo, objected the proposal.
5. The Hon. Marcellino PIPITE, Member for Santo, raised a point of order and announced that he returned to his political party (VRP) on the Government side.

**BILL FOR THE RESERVE BANK OF VANUATU (AMENDMENT) ACT NO. OF
2009**

FIRST READING

6. The Hon. Sela MOLISA, Minister of Finance and Economic Management and Member for Santo, introduced the Bill, stated the reasons for the amendments then moved that the Bill be read a first time.
7. The Hon. Sato KILMAN, Leader of Opposition and Member for Malekula, asked why certain responsibilities of the Vanuatu Financial Service Commission (VFSC) have been transferred to the Reserve Bank of Vanuatu (RBV). He also wanted to know if these changes would improve or worsen the work of that institution.
8. The Hon. Moana CARCASSES, Deputy Leader of Opposition and Member for Port Vila, was of the opinion that the amendments were erroneous because the VFSC would no longer have responsibilities if most of its responsibilities were moved to the RBV.
9. The Hon. Minister MOLISA stated that the amendment was purposely to allow insurance affairs to be under the supervision of the RBV and to allow the VFSC to concentrate only on financial affairs.
10. The motion that the Bill be read a first time was approved unanimously.

COMMITTEE STAGE

Section 1 “**Amendment**”

11. Amendment 1 “**Long title**” was approved unanimously.
12. Amendment 2 “**Section 1**” was approved unanimously.
13. Amendment 3 “**Section 1 (definition of and reference to Development Bank of Vanuatu)**” was approved unanimously.
14. Amendment 4 “**Section 1 (definition of Banking Act)**” was approved unanimously.
15. Amendment 5 “**Paragraph 3(e)**” was approved unanimously.
16. Amendment 6 “**Paragraph 3(f)**” was approved unanimously.
17. Amendment 7 “**At the end of section 3**” was approved unanimously.
- Amendment 8 “**Subsection 28(2)**”
18. The Hon. CARCASSES questioned the assets of the Development Bank and if the Vanuatu Agricultural Development Bank (VADB) was still running as it should.
19. The Hon. Minister MOLISA responded that the Development Bank was closed and all its responsibilities have been moved to the VADB. He confirmed that the VADB was still running as it should.

20. Amendment 8 was approved unanimously.
21. Section 1 was approved unanimously.
22. Section 2 “**Commencement**” was approved unanimously.

SECOND READING

23. The Hon. Sela MOLISA, Minister for Finance and Economic Management thanked the House for their comments and support and then moved that the Bill be read the second time and do pass.
24. The motion that the Bill be read the second time and do pass was approved unanimously.

BILL FOR THE VANUATU AGRICULTURE DEVELOPMENT BANK (AMENDMENT) ACT NO. OF 2009

25. The Hon. Minister MOLISA made a correction on the title of the English Bill by deleting “Agricultural” and substituting by “Agriculture”.

FIRST READING

26. The Hon. Sela MOLISA, Minister of Finance and Economic Management, introduced the Bill, stated the reason for the amendments and then moved that the Bill be read a first time.
27. The Hon. Sato KILMAN, Leader of Opposition, said the Opposition would vote in support of the Bill without making any comments.
28. The Hon. Jean Ravou A. KOLOMULE, Member for Santo, said the Vanuatu Agriculture Development Bank (ADB) was established to assist the rural population which was the reason why it needed to assure an affordable interest rate that would facilitate the repayments of loans.
29. The Hon. Paul TELUKLUK, Member for Malekula, wanted to know who wrote the Bill. He also wanted to know which category of people would benefit from the ADB.
30. The Hon. Maxime CARLOT Korman, Member for Port Vila, said he understood that the amendments aimed to allow the Reserve Bank to supervise all financial affairs of the VADB which also meant that there would be fewer jobs and fewer employees. He wanted to know the interest rate which will be drawn in and added that we needed to take into consideration life in the rural areas and apply a lower interest rate compared to the other banks. He went on that the Bank must ensure that the loans were prioritized only for the agriculture sector.

31. The Hon. CARCASSES was aware that the Bill was to set aside a system appropriated to improve the management of the VADB. He wanted to know the exact amount allocated for the Bank to begin with the loans project.
32. The Hon. Minister MOLISA stated that the Bill was passed in 2006 and the Bank will operate in accordance with the provisions of the Bill. He then listed those who will have the possibility to make loans in the said bank. Concerning the Hon. TELUKLUK's question, he said that the Parliament had the responsibility of passing the Law and that the Member's question was a foolish question.
33. The Hon. KILMAN raised a point of order and stated that all questions required answers.
34. The Hon. Minister MOLISA repeated that the Parliament was responsible to pass Laws.
35. The Hon. KILMAN said he understood the explanations of the Minister that the Government had the majority of votes and that it could make amendments at any times.
36. The Hon. Minister MOLISA was of the opinion that the Reserve Bank supervised the management of the VADB in order to prevent similar problems faced by the Development Bank. Concerning the directives of the loans, he said that he was unable to give the exact amount of interest rate but it was always fixed equivalently to the capital of the Bank.
37. The Hon. CARLOT Korman asked the Minister to respond to his question concerning the appropriate time frame applied by the Bank on the repayments of loans. He said he understood that the tourism sector would also benefit from the Bank therefore he advised that only Ni-Vanuatu with tourism businesses should do so.
38. The Hon. Minister MOLISA referred the Member to Section 3 which provided that the sectors could receive a loan from the VADB however the Law does not specifically state the citizenship of a person. According to him, the tourism sector was the best factor of economic growth in the country than the agricultural sector which was why it would be preferable to generalize the possibility of loans in the Bank.
39. The sitting was suspended at 3.50p.m and resumed at 4.30p.m.

WRITTEN QUESTIONS

WRITTEN QUESTION NO. 2 OF 2009

40. The Hon. Ralph REGENVANU, Member for Port Vila, presented Written Question No. 2 of 2009 (written in Bislama) concerning the tariff reduction by Vanuatu in order to join the World Trades Organization (WTO). (**Text as Appendix III**)

41. The Hon. James BULE, Minister of Commerce, Industry and Tourism and Member for Ambae, responded to Written Question No. 2 of 2009. (**Text as Appendix IV**)
42. The Hon. Speaker BOEDORO informed the House that there were actually three (3) other Written Questions however since the Ministers responsible to answer the questions had not done so, there were no further business for Parliament to discuss.
43. **The sitting was adjourned at 4.40p.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

FIRST ORDINARY SESSION OF 2009

THURSDAY 18 JUNE 2009

SPEAKER : The Hon. Peter VUTA, First Deputy Speaker and Member for Ambae

PRESENT : 46 Members

ABSENT : Hon. Alfred CARLOT, Member for Efate
Hon. Joshua KALSAKAU, Member for Efate
Hon. Bako KALTONGGA, Member for Efate
Hon. Roro SAMBO, Member for Efate
Hon. Ione SIMON, Member for Epi
Hon. George WELLS, Member for Luganville

LATE :

1. The sitting commenced at 9.05a.m.
2. The Hon. Raphael WORWOR, Member for Ambrym, said the prayer.
3. The Hon. Speaker VUTA read the agenda.

STATEMENT BY MINISTERS

4. The Minister of Education and Member for Pentecost, The Hon. Charlot SALWAI Tabimasmās presented the Ministry of Education, Education Policy Statement 2009-2012. (**Text as Appendix V**)
5. Leader of the Opposition and Member for Malekula, The Hon. Sato KILMAN responded to the statement made by Minister SALWAI Tabimasmās. He said that a lot of aid

assistance and funds had been injected towards education however there were a lot of outstanding issue that needed attending to such as teachers' housing allowance, review the duties of education inspectors and settling land issues that government schools were constructed on. He went on that the statement regarding free education was contrary to that of the Prime Minister who stated that it was the tuition fees that was not free. He spoke strongly against nepotism in the education system that saw the rich taking advantage of placing their children in prestigious schools regardless of their final examination results placing. He wondered how education could be free to all the children of Vanuatu when this mentality was an obstacle in the education system.

6. Opposition Whip and Member for Malekula and President of Namangi Aute, The Hon. Paul TELUKLUK saw that in order to change the education policy; there should also be a change to the people working in the various ministries. He wondered who would pay the teachers, electricity charges, renovation and construction of schools and other money related matters that concerned education if education was free. Regarding the school inspectors, he told the House that he never came across such an officer whilst in his constituency of Malekula and he was sure that schools on other islands were never visited by such officers. He also raised his concern regarding the housing of teachers since a lot of them failed to pay rental fees to communities or individuals that provided accommodation to them.
7. The Hon. Jean Ravou A. KOLOMULE, Member for Santo and President of the Vanuatu Farmers Association (VFA) stated that education was everyone's responsibility and not the Government alone. He added that the education budget consumed more than that of other services. He went on that each political party had its own education policy thus it was necessary that each should put their hands together along with the all communities to ensure that education is provided equally without discrimination throughout the whole population.
8. The Hon. Eta RORY, Member for Malekula, wanted to know when the Government through the Ministry of Education would consider providing salaries for preschool teachers.
9. The Hon. Bob LOUGHMAN, Member for Tanna, asked if the Government ever considered awarding aviation scholarship.
10. The Hon. Minister SALWAI Tabimasmass responding to the various queries raised explained that to house a teacher was expensive since maintenance of a residence was costly thus a proposal had been made that individual School Councils should construct residences for teachers in which rental fees would be paid directly to it. He went on that free education was always the Union of Moderate Parties (UMP) policy and it meant that there was no tuition fee whatsoever and it was free in the literal sense. Regarding the nepotism issue, he clarified that the two prestigious schools in the country (Malapoa College and Lycee Antoine de Bougainville) had the capacity to allow more students as they were both day and boarding schools. On Opposition Whip, Hon. TELUKLUK's query concerning incidental, he clarified that it would be covered in the 2010 budget and

for new infrastructures it would be covered by grants. As for school inspectors, he made it known that these officers inspected only primary and not secondary schools. He stressed that it was the Government's responsibility and not so much the communities to ensure that every children around Vanuatu had access to education since it had ratified the Convention of the Rights of Children. He further explained that pre schools were privately run however the Government could only consider them should they be attached to a government school. Lastly on the aviation scholarship, he explained that scholarships must be directed towards the needs of Vanuatu and have conditions that require graduates to must serve the Government first.

11. The Hon. KOLOMULE raised a point of order to clarify that he was not against free education but rather it was directed towards a lot of lands used to construct schools could be used towards the productive sector instead.

TABLING OF DOCUMENTS

12. The Minister of Finance and Economic Management, The Hon. Sela MOLISA tabled the National Bank of Vanuatu Annual Report of 2008.

BILL FOR THE AGRICULTURE DEVELOPMENT BANK (AMENDMENT) ACT OF 2009

FIRST READING (Continue)

13. The Hon. Morking STEVENS, Member for Tanna, wanted to see more grassroots eligible to obtain loans and also that the interest rate of repayment should be reasonable to that of the Vanuatu National Provident Fund's (VNPF) one.
14. The Hon. Moana CARCASSES, Member for Port Vila, questioned why the Government had not considered establishing another arm in the National Bank of Vanuatu (NBV) to handle agriculture projects which would be less cost effective since it had already established its branches in various parts of Vanuatu.
15. The Hon. Serge VOHOR, Minister of Infrastructure and Public Utilities and Member for Santo, raised a point of order and sneered that the Minister of Finance had already provided an explanation.
16. The Hon. Minister MOLISA firstly corrected the figure he had mentioned in his statement that the amount of fund allocated to the Bank was not Vt 300 billion but Vt 200 billion. He went on to respond to the comment raised by Hon. CARCASSES that a study by the Ministry of Finance and Economic Management (MFEM) to amalgamate the Bank to NBV was considered following the similar points raised by Hon. CARCASSES. He was however unsure on the percentage of the interest rate and said he would enlighten the House should he receive further information regarding it.

17. The Hon. Willie R.A TITONGOA, Member for Tongoa, commented that the aim of the Bank was to assist the rural population regarding agricultural developments and in any normal banking; terms and conditions still applied in order to repay the loan. He was worried that farmers were disadvantaged when it came to repayment as they could not guarantee a loan. He wanted to know about the privileges given to the staff of the Bank and if Government fund was sufficient to sustain the Bank's operation as he did not want to see another downfall of an institution like that of the Development Bank of Vanuatu. He also mentioned that he was aware that certain officers who had been terminated by the Public Service Commission (PSC) were employed at the Bank and this action of recruitment saddened him.
18. The Hon. Kisito TELEMB, Member for Malekula, raised a question that concerned NBV rather than the principle of the Bill. Nevertheless he asked if NBV could establish branches in areas with high population and provide other services other than the normal banking system.
19. The Hon. Minister MOLISA responded to comments and queries raised particularly by Hon. TITONGOA and Hon. TEILEMB. He said that there was consideration to use NBV to service areas through agriculture bank facilities. As for staff privileges and recruitment of dismissed public officers, he hoped there was no staff privileges and he was aware of the recruitment of dismissed public officers thus it contradicted a section of the Act that disallow the recruitment of such persons. He would however need to check on the documents of these officers for any criminal record. He did not deny the fact that certain provisions of the Act did require amending.
20. The motion that the Bill be read a first time was approved unanimously.

COMMITTEE STAGE

21. Seconded by the Minister of Lands and Member for Tanna, The Hon. Harry I. IARIS, the Hon. Sela MOLISA, Minister of Finance and Economic Management, moved to correct the title of the Bill , section 1 and the Schedule by deleting 'al' in 'Agricultural' and substituting with 'e' in the English version only.
22. The motion was approved unanimously.
Section 1, "**Amendment**"
23. Amendment 1, "**Subsection 36(1)**", was approved unanimously.
24. Amendment 2, "**Subsection 36(2)**", was approved unanimously.
25. Section 1 was approved unanimously.
26. Section 2, "**Commencement**", was approved unanimously.

SECOND READING

27. The Minister of Finance and Economic Management, the Hon. Sela MOLISA thanked the House for its support and contributions made then moved that the Bill be read a second time and do pass.
28. The motion that the Bill be read a second time and do pass was carried unanimously.
29. The sitting was suspended at 10.45a.m and resumed at 11.20a.m.
30. The Hon. Thomas I. SAWON, Leader of Government Business and Member for Banks/Torres, sought the consensus of the House to insert the Bill for the Financial Institutions (Amendment) Act no. of 2009 to the list of Bills.
31. The Hon. Sato KILMAN, Leader of the Opposition, stated that the Opposition had no objections.

BILL FOR THE FINANCIAL INSTITUTIONS (AMENDMENT) ACT NO. OF 2009

FIRST READING

32. The Hon. Sela MOLISA, Minister of Finance and Economic Management, introduced the Bill, stated the reason for the amendments then moved that the Bill be read a first time.
33. The sitting was suspended at 11.30a.m and resumed at 2.30p.m.
34. Leader of the Opposition, The Hon. KILMAN declared the Opposition's support of the Bill as it interrelated to the three previous Bills that Parliament had already passed during the session.
35. The motion that the Bill be read a first time was approved unanimously.

COMMITTEE STAGE

Section 1, "**Amendment**"

36. Amendment 1, "**Subsection 3(3)**", was approved unanimously.
37. Amendment 2, "**Subsection 3(4)**", was approved unanimously.
38. Section 1 was approved unanimously.
39. Section 2, "**Commencement**" was approved unanimously.

SECOND READING

40. The Minister of Finance and Economic Management, the Hon. Sela MOLISA thanked the House for its support then moved that the Bill be read a second time and do pass.
41. The motion that the Bill be read a second time and do pass was carried unanimously.

BILL FOR THE PASSPORT ACT NO. OF 2009

FIRST READING

42. Leader of the Opposition, the Hon. KILMAN raised a point of order and pointed out that Members had only received the Bill on Wednesday 17 June 2009 thus he was of the opinion that the Bill had not yet qualified the duration to be tabled as required under Standing Orders of Parliament (SO).
43. The Hon. Speaker VUTA was of the understanding that a notice dated 8 June 2009 had dispatched late thus Members only received the notice on 15 June 2009.
44. Leader of the Opposition, the Hon. KILMAN quoted SO 26(3) and reiterated that he was talking about the Bills and not about the notice.
45. The Hon. Minister MOLISA asked if the Speaker seek consensus of the House to approve the Bill as it was necessary to commence work on establishing new electronic passports and if it was necessary the SO should be suspended.
46. Leader of the Opposition, the Hon. KILMAN interjected and said that the Opposition objected since the Government had already tabled three Bills only to have them withdrawn again.
47. Seconded by the Minister of Lands and Member for Tanna, The Hon. Harry I. IARIS, the Hon. Sela MOLISA, Minister of Finance and Economic Management, moved to suspend Standing Orders section 46 and section 14 in order for Parliament to discuss the Bill.
48. The Clerk of Parliament, Lino BULEKULI dit SAKSAK explained that SO required 2/3 of the Members present and as there were 43 Members including the Speaker, the motion was carried with 27 votes for, 14 against and 1 abstention.
49. The Hon. CARCASSES raised a point of order and corrected that 2/3 of 43 was not 27 but 28.
50. The Hon. Speaker VUTA confirmed the correction raised by the Hon. CARCASSES.
51. Clerk BULEKULI dit SAKSAK agreed that 2/3 of 43 Members present was indeed 28 thus the motion was defeated as there were only 27 votes for, 14 against and 1 abstention.

52. The Hon. Speaker VUTA thus ruled that the Bill and all other remaining Bills did not qualify to be tabled in Parliament.
53. The sitting was suspended at 2.50p.m and resumed at 4.00p.m.
54. The Hon. Thomas I SAWON, Leader of Government Business seconded by The Hon. Iauko IARIS, Minister of Lands, moved to suspend Standing Order (SO) 46 to proceed with the written motions which were on the agenda.
55. The motion to suspend SO 46 was approved on division.

WRITTEN MOTION

Motion No.2 of 2009

TERMINATION OF THE HONORABLE PETER VUTA AS FIRST DEPUTY SPEAKER OF PARLIAMENT

56. The Hon. Moana CARCASSES, Member for Port Vila, withdrew the motion.

Motion No. 3 of 2009

TERMINATION OF THE HONRABLE PHILIP BOEDORO AS SECOND DEPUTY SPEAKER OF PARLIAMENT

57. The Hon. CARCASSES withdrew the motion.

Motion No. 4 of 2009

TERMINATION OF THE HONORABLE GEORGE ANDRE WELLS AS SPEAKER OF PARLIAMENT

58. The Hon. Sato KILMAN, Leader of the Opposition, asked the mover and the second mover of the motion to declare their interest in the motion.
59. The Hon. Ham LINI, mover and President of National United Party (NUP), introduced and explained the different reasons for the motion. **(Text as Appendix VI)**
60. The Hon. James BULE, second mover of the motion supported the explanations made by the NUP President and confirmed that The Hon. Speaker of Parliament George WELLS, Member of NUP was discharged from the Party.
61. The Hon. KILMAN complained that the two movers of the motion did not declare their interest of the motion. He then quoted Sections 4(3), 5(1), 7(a), 66(1) (a) of the

Constitution and stated that The Hon. WELLS acted legally. According to him, the two movers of the motion breached the Constitution to present the motion.

62. The Hon. David TOSUL, Member for Pentecost and Member of NUP, said he was disappointed to see that a Party's issue had to be discussed in the National Parliament. He said that the problem should not be a National issue but an issue that concerned NUP alone and should be resolved within the Party itself.
63. The Hon. Joe NATUMAN, Minister of Foreign Affairs and Member for Tanna, stated that the Constitution allowed for an appropriate procedure concerning the removal of the Speaker of Parliament. He added that it was important to review the Constitution in the future regarding problems of motions as such. He said the Hon. WELLS failed to undertake his duties since there were some political disturbances in the country and for that reason he was of the opinion that the Hon. WELLS should resign from the position of Speaker of Parliament.
64. The motion No. 4 of 2009 was approved by 29 votes in favor and 15 against.
65. The Hon. Peter VUTA declared the Office of the Speaker of Parliament vacant.
66. The sitting was suspended at 4.40p.m and resumed at 5.35p.m.

ELECTION OF THE SPEAKER

67. The Hon. Speaker VUTA (First Deputy Speaker) stated that the announcement of the vacancy in the position of the Speaker of Parliament was made in accordance with SO 2, 3, and 5. Section 4, 'Election of the Speaker' required the eldest Member to chair the meeting and since according to the records of Parliament, it was the Hon. Maxime CARLOT KORMAN, Member for Port Vila; he called Hon. CARLOT KORMAN to chair the meeting.
68. The Hon. Maxime CARLOT KORMAN, Senior Member and Member for Port Vila presided over the election on the Speaker. Upon noting that there was a quorum present as according to SO 4(1) he quoted subsection 3 then went on to call for nominations to be put forward.
69. Seconded by the Deputy Prime Minister and Member for Pentecost, the Hon. Ham LINI Vanuaroroa, the Hon. Edward NATAPEI, Prime Minister and Member for Port Vila, nominated the Hon. Maxime CARLOT KORMAN, to be the position of Speaker of Parliament.
70. Senior Member CARLOT KORMAN accepted his nomination.
71. Leader of the Opposition, the Hon. KILMAN announced that there was no contestant from the Opposition.

72. Senior Member CARLOT KORMAN therefore declared nominations close then went on to declare that he, the Hon. Maxime CARLOT KORMAN, Member for Port Vila, had been duly elected unopposed as Speaker of Parliament . He then called upon the Attorney General to officiate the swearing in of the new Speaker.
73. Attorney General Ishmael KALSAKAU officiated with the official oath and oath of allegiance taken by the Hon. CARLOT KORMAN.
74. Newly elected Speaker of Parliament, the Hon. CARLOT KORMAN addressed Parliament then proceeded with the business of the day which was for Parliament to look at Motion No. 5 of 2009.

Motion No. 5 Of 2009

GOVERNMENT GUARANTEE TO BRED BANQUE POPULAIRE AND BRED (VANUATU) LIMITED FOR THE ACQUISITION OF THE ATR 72 AIRCRAFT

75. Seconded by the Hon. Serge VOHOR, Minister of Infrastructure and Public Utilities and Member for Santo, the Hon. Sela MOLISA, Minister of Finance and Economic Management and Member for Santo, presented and then moved Motion No.5 of 2009. (Text as Appendix VII)
76. The Hon. CARCASSES raised his concern over the lack of documentation that should be attached with the Bill. He questioned point 4 of the motion concerning subsection 60(2) of the Public Finance Management Act [CAP 244] to report to Parliament the details of the guarantee or indemnity and the reasons why the guarantee or indemnity was necessary in the public interest. He was concerned that Parliament would approve something that did not have any documentation.
77. The Hon. Minister MOLISA clarified that Parliament must firstly approve the motion. The Minister would only report to Parliament all the necessary details regarding the guarantee once it had become an Act.
78. The Hon. Speaker CARLOT KORMAN directed the Housed to read point 5 of the motion as response to the query raised by the Hon. CARCASSES KALOSIL.
79. The Hon. Minister MOLISA pointed out that no guarantee had yet been made.
80. The Hon. CARCASSES again questioned if Parliament could have a copy of the actual Loan Agreement document in order to properly debate the motion.
81. The Hon. Speaker CARLOT KORMAN interjected that Minister MOLISA had already responded to the question.

82. The Hon. Minister VOHOR strongly reiterated that it was necessary that Parliament must approve the motion first.
83. The Hon. Ralph REGENVANU, Member for Malekula, wanted to know the proposed loan amount, how Air Vanuatu would go about to repay the loan and the situation of the company towards solvency. He also wanted to know the current outstanding debts Air Vanuatu had.
84. The Hon. Jean Ravou Aki KOLOMULE, Member for Santo, expressed concern that Members of Parliament could not commit Vanuatu taxpayers on a loan that lacked proper documentation. He also disapproved of the motion without documentation.
85. The Hon. Paul TELUKLUK, Opposition Whip and Member for Malekula, remarked about a comment that stated that Air Vanuatu had sufficient funds so he questioned why it would require to take up such an immense loan.
86. The Hon. Minister MOLISA replied that the loan was actually in American dollars and of an amount of US\$ 16.2 million which would be equivalent to Vt 2 billion. He continued that once Parliament had approved the motion then the loan process shall be executed. As Minister of Finance he shall then be required to report to Parliament about it. Concerning the company's debts, he said the Minister of Infrastructure and Public Utilities shall issue a statement on Friday 19 June 2009. He did not deny the fact that Air Vanuatu did have its problems which the Government was required to sort out simply because it was the national carrier bringing in tourists and generating revenue to the country. Also another reason for the loan that it was necessary to purchase new aircrafts since the lease for the Boeing 737 had increased and thus the revenue made could not cover these costs. He added that Air Vanuatu was unable to purchase a new aircraft thus the loan would assist to purchase a new aircraft currently under construction in Toulouse, France. He added that should Air Vanuatu fail to purchase the aircraft, it would be penalized and would cost the company over Vt 2million thus it was necessary that this loan be approved by Parliament. He added that the aircraft would be able to make regional routes to New Caledonia, Fiji, and Solomon Islands.
87. The Hon. Minister VOHOR reemphasized that he was going to issue a statement in Parliament on Friday 19 June 2009 regarding the company's financial situation.
88. Motion No.5 of 2009 was carried by 28 votes in favor and 15 abstentions.
89. **The sitting was adjourned at 6.25p.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

FIRST ORDINARY SESSION OF 2009

FRIDAY 19 JUNE 2009

SPEAKER : The Hon. Maxime CARLOT Korman, Member for Port Vila

PRESENT : 47 Members

ABSENT : Hon. Alfred CARLOT, Member for Efate
Hon. Louis ETAP, Member for Tanna
Hon. Joshua KALSAKAU, Member for Efate
Hon. Bakoia KALTONGGA, Member for Eftae
Hon. Roro SAMBO, Member for Efate

LATE :

1. The sitting commenced at 9.10a.m.
2. The Hon. Jossie MASMAS, Minister of Sports, Youth and Training Development and Member for Ambrym, said the prayer.
3. The Hon. Speaker CARLOT Korman read the agenda.

STATEMENT BY MINISTERS

4. The Hon. Serge VOHOR, Minister for Infrastructure and Public Utilities and Member for Santo, presented a statement on the current situation of Air Vanuatu. (**Text as Appendix VIII**)
5. The Hon. Sato KILMAN, Leader of the Opposition, President of the People's Progressive Party (PPP) and Member for Malekula, began by congratulating The Hon. CARLOT Korman as the newly elected Speaker of Parliament. He said that he was aware that Air Vanuatu had serious problems most of which were financial problems. He said it was

important for the Government to find those who were responsible and discipline them accordingly and then find means to fix the problem as soon as possible.

6. The Hon. David TOSUL, Member for Pentecost, questioned certain properties belonging to Air Vanuatu which were for sale.
7. The Hon. Ralph REGENVANU, Member for Port Vila, was of the opinion that political influence was the principle factor of the problems faced by Air Vanuatu. He added that the Government had the intension to introduce the Bill for the Passport only to find means of handling the situation.
8. The Hon. Willie LOP, Member for Tanna, questioned the revenue that the Government would expect to collect from the ATR72 aircraft with all the problems that Air Vanuatu was currently facing.
9. The Hon. Jean Ravou A. KOLOMULE, Member for Santo, highlighted the case in which expatriates were in charge of high positions and suggested that Ni-Vanuatu should be recruited to take up these high positions to cut down salary expenses.
10. The Hon. Serge VOHOR, Minister of Infrastructure and Public Utilities and Member for Santo, accepted the comments from The Hon. Leader of Opposition. He explained that the shareholders of the company made an attempt to rectify certain applied directives to avoid the degradation of the company. As for the properties, he said there were no confirmations on that subject as yet. Concerning the company's constituent, he said that the land rent where the airports were situated needed to be paid to the communities. He answered the Hon. LOP's question by stating that Vanuatu must exploit the airports in which it was important to establish an adequate financial system and an equivalent service before the arrival of the ATR 72 aircraft. Concerning the expatriates, he said they were recruited because they were experts in administration and management.
11. The Hon. Speaker CARLOT Korman sought the consensus of the House to table the Bill for the Passports.
12. The Hon. KILMAN said that the Opposition objected the proposal.
13. The Hon. Thomas I SAWON, Leader of Government Business and Member for Banks/Torres seconded by The Hon. Ture KAILO, Member for Southern Outer Islands pointed out that Standing Order (SO) 46 referred to the suspension of motions therefore moved to suspend Section 26 (1) (2) to allow the tabling of the Bill for the Passports.
14. The Motion to suspend SO 26 (1) (2) was approved by 27 votes in favor and 14 against.

BILL FOR THE PASSPORTS ACT NO. OF 2009

FIRST READING

15. The Hon. Patrick CROWBY Manarewo, Minister of Internal Affairs, introduced the Bill, stated the reasons for the amendments and then moved that the Bill be read a first time.
16. The Hon. Sato KILMAN, Leader of Opposition, thanked the Ministers for tabling the Bill. He said as being a former Minister of Foreign Affairs, he had tried to introduce this important Bill but did not succeed. He wanted to know why the Government withdrew the Bill for the Diplomatic Passports.
17. The Hon. Moana CARCASSES questioned when the Government had the intention to table the Bill for the Diplomatic Passports in Parliament. He highlighted that it was very important to value this Bill and then asked the case in which some Leaders were involved in abusing the Bill.
18. The Hon. KOLOMULE was delighted that Vanuatu was a member of the International Civil Aviation Organization (ICAO). He then highlighted the diplomatic right for consular which allowed a General Consul of Vanuatu to deliver Vanuatu passports wherever his office was established.
19. The Hon. Minister CROWBY explained that the two Laws on Passports were delivered by the same organism to avoid the abuse of issuing Vanuatu passports. He added that the Principal Passports Officer had the authority to allow or refuse the issuing of a passport. As for the Bill for the Diplomatic Passports, he said it should be tabled during the next session and will only cover the Ni-Vanuatu citizens. He added that the Law provided the list of people who will be allowed to possess such passport. He said that the Government had the intention to amend the Law of Immigration, then concluded that this Bill was not retrospective and would be applied only as from the commencement date.
20. The Hon. KILMAN was delighted to hear that only Ni-Vanuatu would be in possession of diplomatic passports. He then questioned the case of the green passports.
21. The motion that the Bill be read a first time was approved unanimously.

COMMITTEE STAGE

22. Part 1 “**PRELIMINARY MATTERS**” was approved unanimously.
Part 2 “**VANUATU PASSPORTS AND OTHER TRAVEL DOCUMENTS**”
23. The Hon. KOLOMULE raised a point of order and said that the new Members were confused.
24. The Hon. CARCASSES referred to Section 4 and asked if visas would be electronic as well and wanted more explanations on the new passport.

25. The Hon. Minister CROWBY explained that the personal information of the holder will all be printed on one page and all information of visas on another. He then recommended an amendment on Section 13 (2), to substitute “must” by “can”.

26. Part 2 was approved on division.

Part 3 “**OFFENCES**”

27. The Hon. Willie R. A. TITONGOA, Member for Tongoa, referred to Section 22 and wanted explanations on the fraud issue in Vanuatu concerning the Fijian who was currently taking refuge in his country.

28. The Hon. Minister CROWBY explained that Section 22 provided jurisdiction for illegal action on the Vanuatu passport.

29. The Hon. Paul TELUKLUK, Member for Malekula, questioned the circumstances of a person who was not a citizen of Vanuatu however owned a Vanuatu Passport.

30. The Hon. CROWBY responded that a person must be granted with legal citizenship before obtaining a Vanuatu passport.

31. Part 3 was approved on unanimously.

32. Part 4 “**ADMINISTRATIVE MATTERS**” was approved unanimously.

33. Part 5 “**MISCELLANEOUS**” was approved unanimously.

SECOND READING

34. The Hon. Patrick CROWBY Manarewo, Minister of Internal Affairs moved that the Bill be read the second time and do pass.

35. The motion that the Bill be read the second time and do pass was approved unanimously.

36. The Hon. Thomas I. SAWON, Leader of Government Business and Member for Banks/Torres, proposed to withdraw the rest of the Bills on the list.

37. The sitting was suspended at 11.30a.m and resumed at 2.20p.m.

ORAL QUESTIONS

30. The Hon. TELUKLUK wanted to know if the report on the continental plate in which the archipelago of Vanuatu lied upon had been submitted to the United Nations (UN).

31. The Hon. Edward NATAPEI, Prime Minister and Member for Port Vila, responded that a committee has been formed, a lot of work had been done and the dateline for the submission has been postponed to August the 2nd 2009.
32. The Hon. George A. WELLS, Deputy Leader of Opposition and Member for Luganville asked the Hon. James BULE, Minister of Trade and Commerce and Member for Ambae to confirm if it was true that the issues of the Vanuatu Commodities Marketing Board (VCMB) in which the Minister was involved in were baseless.
33. The Hon. Minister BULE explained that the issues of the VCMB were long term issues that have never been resolved and then suggested that the Government abolished the VCMB Act.
34. The Hon. WELLS supplemented and asked if the allegations against the Minister were true or false.
35. The Hon. Minister BULE confirmed that the allegations were untrue and that there were no evidences.
36. The Hon. TITONGOA asked if there were any physicality studies on the operation of the acquisition of Air Vanuatu by Bred Bank.
37. The Hon. Minister VOHOR responded that studies have been made which was why the motion was tabled and passed in Parliament so that the aircraft could help make revenue.
38. The Hon. Morking STEVEN, Member for Tanna, referred to SO 52 and demanded confirmation to affiliate when crossing the 'floor'.
39. The Hon. Speaker CARLOT Korman said the former Speaker had already made appeals to the Members to affiliate. He added that affiliations will be strictly controlled and failing to do so will result in the dismissal of Members in the House.
40. The Hon. KILMAN questioned civil case no. 168 of 2002 between VCMB and the Vanuatu Copra and Cocoa Export (VCCE) won by the VCMB yet still having shares with the VCCE.
41. The Hon. Minister BULE confirmed that it was true that the VCMB and VCCE were still having shares although the case won provided that the VCMB must not have shares with the VCCE however the VCCE was paying its debts to VCMB.
42. The Hon. Danstan HILTON, Member for Banks/Torres, questioned the Health's supplementary budget and wanted to know if it would provide for health services in the Northern Region.

43. The Hon. Joe NATUMAN, Minister of Health and Member for Tanna, explained that the supplementary budget was to increase the nurses' intake so that services were expanded to rural areas.
44. The Hon. CARCASSES wanted to know if the Director General (DG) for Internal Affairs has been appointed.
45. The Hon. Prime Minister NATAPEI responded that he decided that the successful appointed DG should have a Masters Degree.
46. The Hon. David ABEL, Member for Port Vila, asked if a person was appointed to supervise the Vila Central Hospital (VCH) staffs and another to supervise the rural health service providers.
47. The Hon. Minister NATUMAN responded that there were managers appointed to supervise health centers throughout Vanuatu however they needed to be reminded of their jobs.
48. The Hon. KOLOMULE questioned the criteria used to set up branches of the Vanuatu National Bank (NBV) in the islands.
49. The Hon. Sela MOLISA, Minister of Finance and Economic Management and Member for Santo, said there were 22 different agencies in the islands and they were set up in areas with the highest population. He added that the Bank would establish more branches in the future.
50. The Hon. James NWANGO, Member for Ambae, wanted to know who was responsible to appoint passport officers.
51. The Hon. Minister CROWBY responded that the Minister was responsible for the appointment of passport officers and these officers were disciplined and terminated by the Public Service Commission (PSC).

STATEMENT BY MEMBERS

52. The Hon. Minister NATUMAN raised a point of order and stated that the statements were mostly based on the issues of the VCMB which related to the removal of the former speaker.
53. The Hon. KILMAN said that the Opposition agreed to continue with the presentation of the statements because they were issues based on poor governance.
54. The Hon. Speaker CARLOT Korman explained that it was a Member's right to make statements on Government policies.

55. The Hon. WELLS raised a point of order and said it was useless talking around the issue and to proceed with the presentation of the statement.
56. The Hon. Bruce ASAL, Member for Pentecost, presented a statement on the economic and social situation of South Pentecost. (**Text as Appendix IX**)
57. The Hon. David TOSUL, Member for Pentecost, presented a statement. (**Text as Appendix X**)
58. The Hon. Isaac HAMARLIU, Member for Epi, presented a statement. (**Text as Appendix XI**)
59. The Hon. Paul TELUKLUK, Member for Malekula, presented a statement on the conflict of interest and political interference at VMCB. (**Text as Appendix XII**)
60. The sitting was suspended at 3.35p.m and resumed at 4.20p.m.

GENERAL DEBATE

61. The Minister of Internal Affairs and Member for Port Vila, The Hon. Patrick CROWBY Manarewo, requested that Parliament debate an issue that was of national interest and in particular to uphold the integrity of Members of Parliament (MPs). He went on that it concerned a particular e-mail that was currently circulating not only in Vanuatu but in Fiji and other countries since 15 June 2009.
62. The Hon. Speaker CARLOT KORMAN directed the Hon. Minister CROWBY that according to section 37 of Standing Orders of Parliament, a motion must be presented and seconded to hold a debate.
63. Seconded by the Minister of Lands and Member for Tanna, The Hon. Harry I. IARIS, the Hon. Minister CROWBY Manarewo moved a motion to debate an issue regarding an e-mail written by the Hon. Ralph REGENVANU, Member for Port Vila.
64. The motion was carried by 26 votes in favour and 15 abstentions.
65. The Hon. Minister CROWBY Manarewo read out the e-mail written and sent by the Hon. REGENVANU. (**Text as Appendix XIII**). He was disheartened to see that the Hon. REGENVANU had mentioned names and accused them of being corrupt leaders. He wanted to know what he meant by using the term “*doti blad*” against former MPs Joshua KALSAKAU and Bakoa KALTONGGA. He stated that both former MPs came from respectable families of Ifira let alone Efate and particularly the KALSAKAU dynasty with its chieftain lineage thus to tarnish this highly respectable family with such terms was not acceptable and was a total mockery to the people of Ifira and Efate. He strongly stressed the importance to uphold respect. He went on that to also accuse someone of corruption must be proven in a court of law and asked Hon. REGENVANU

to take the matter to court to prove that the names mentioned were corrupt. He concluded by urging Hon. REGENVANU to make a public apology if not a motion shall be taken by Parliament to suspend him for a period of time.

66. The Hon. Minister IARIS aggressively made personal attacks on Hon REGENVANU and he too strongly urged Hon. REGENVANU to publicly apologize otherwise he would suffer the consequences of his action.
67. Leader of the Opposition, The Hon. KILMAN was moved and shocked to see such copies of the e-mail made public. He somberly said that it was not the intention of the e-mail to become a public document however now that it had become publicized; one must learn a lesson the hard way. He spoke with a heavy heart that it was only human to feel outrageous particularly those whose names were mentioned but agreed with the mover and seconder to urge Hon. REGENVANU to publicly apologize and he too as Leader of the Opposition with whom Hon. REGENVANU was a member of, also sorely asked him to apologize to those whose names were mentioned in the e-mail. His heartfelt appeal to those affected that if they claimed to be Christians then they too will have a place in their hearts to accept the apology to be made by the Hon. REGENVANU and forgive him.
68. The Hon. Ralph REGENVANU, Member for Port Vila, confirmed that he had written the e-mail and it was normal thing he usually did to keep his supporters informed about political issues. He explained that in Bislama connotation '*niu blad*' referred to 'new generation' thus '*doti niu blad*' meant 'a corrupted new generation' and it had nothing to do with 'blood' in the literal sense. He went on that it was his number one platform policy for his campaign to fight against corruption thus it was his opinion that major political parties were corrupt but on the other hand not all of these parties were in fact corrupt.
69. The Hon. Speaker CARLOT KORMAN was personally shocked to find his name also mentioned in the e-mail. He too was not pleased with the Bislama jargon in reference to him that stated "berem hem" in 2012, (bury him in 2012 General Elections) which he went on to question how that would come about. He then sternly ordered the Hon. REGENVANU to make a public apology and disallowed him to continue to explain about the Bislama jargon used in the e-mail.
70. The Hon. REGENVANU, as instructed by the Speaker, proceeded to apologize to those persons he had named in the e-mail and asked them to accept his apology and forgive him.
71. The Hon. Thomas I. SAWON, Leader of Government Business and Member for Banks/Torres, raised a point of order and stated that Hon. REGENVANU's apology was meaningless because he had said that it was the Speaker who instructed him to apologize which meant that he had not truly wanted to apologize at all. He said that Hon. REGENVANU must wholeheartedly apologize and not just mouth his apology.

72. The Hon. REGENVANU clarified that the Speaker had prohibited him to explain any further the Bislama expressions and terminology used in the e-mail but to apologize so that was exactly what he had done.
73. The Hon. Morking STEVENS, Member for Tanna, raised a point of order and angrily spoke against the use of “nani mo sipsip” (goats and sheep) to be used on Members of Parliament in the two different sides of the House. He stressed that MPs had names given by their parents and should not be called “goats or sheep’.
74. The Hon. Speaker CARLOT KORMAN asked for order in the House and reiterated that the Hon. REGENVANU had already publicly apologized thus if MPs had love in their hearts they would accept his apology and forgive him. He added that this was the first time ever for a MP to be publicly scrutinized by Parliament but it was a lesson to be learnt by all that should never be repeated. After much confrontation in the House, he went on to announce that Parliament had completed the last business of the day as well as reaching the end of its session.
75. **THE FIRST ORDINARY SESSION OF THE NINTH LEGISLATURE OF 2009 WAS OFFICIALLY CLOSED AT 5.00P.M.**