

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

SECOND ORDINARY SESSION OF 2009

MONDAY 7 DECEMBER 2009

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

PRESENT : 47 Members

ABSENT : The Hon. Iauko H. IARIS, Member for Tanna

LATE : The Hon. David AREIASUV, Member for Paama
The Hon. Isaac HAMARLIU, Member for Epi
The George A. WELLS, Member for Luganville

1. The sitting commenced at 9.00a.m.
2. The Hon. Speaker CARLOT Korman stated that according to Article 21(4) of the Constitution that two thirds of the Members should be present at the first sitting in any session of Parliament and as there was a quorum consisting of 47 Members; it rendered the sitting to be legally and constitutionally constituted to proceed with the agenda. He announced the inspection of the Guard of Honour by the President of the Republic of Vanuatu, His Excellency Ioulu Johnson ABBIL. He also sought the House's consensus to allow media presence inside the Chamber.
3. The sitting was suspended at 9.05a.m and resumed at 9.35a.m.
4. The Hon. Bob LOUGHMAN, Member for Tanna, said the prayer.
5. His Excellency, President ABBIL gave his opening address then after announcing the list of the 11 Bills to be debated, he officially declared the Second Ordinary Session of 2009 open. **(Text as Appendix I)**
6. The sitting was suspended at 10.00a.m and resumed at 10.40a.m.
7. The Hon. Edward Nipake NATAPEI, Prime Minister and Member for Port Vila, thanked the Speaker and the Parliament Secretariat together with the force for the reception and

Guard of Honor, he also acknowledged the occasion to meet the President His Excellency ABBIL. He went on to thank the Chiefs and Church Leaders for their endless effort to maintain peace in Vanuatu. He also thanked the Government Institutions for their performance of service delivery. He took the opportunity to extend his acknowledgements to donor partners for their never ending financial and technical support and also the labor force namely the private sector and investment group for their continuous contribution to the development of the country. He especially thanked the New Zealand RSE scheme for assisting and performing valuable skills to our Vanuatu ambassadors and hoped that they continued to practice their skills in the future. He went to say that Leaders must continue to show love and loyalty to the people, honor and respect them so that we could be united. He thanked the President for expressing the importance of unity and that Leaders must exercise their responsibilities to make good progress through the Government. Moreover he stated instability in which the President gave a genuine concern to deal with the issue; however he said that stability depended on the decisions of the House. He also suggested the review of the Parliamentary system. He then appealed to civil servants to seriously acquire time management. He confirmed that land was an important resource through which we have achieved our independence. He also pointed out that trade affairs with neighboring countries such as New Caledonia needed improvement to ensure and maintain economic growth which would be a benefit for the people of Vanuatu. Furthermore he confirmed that corruption was a major issue in the country and that the Government and private sector took a step in fighting against it. He went on to say that as a mature nation it was important to take the responsibility to protect our environment and to help neighboring countries voice concerns about small island states that were vulnerable to climate change. Finally, he thanked Government Officials and the budget committee who have worked hard to put together the 2010 budget. He concluded by thanking the President for his greetings and wished everyone a Merry Christmas and prosperous new year 2010.

8. The Hon. Ham LINI, Leader of the Opposition and Member for Pentecost, began by congratulating the President for his first address in Parliament. He also thanked the force for the Guard of Honor. He explained our journey started in 1980 however there was a great need to build up our spiritual lives. He went on to say that he was delighted about the work our fellow Ni-Vanuatu citizens did under the RSE scheme and hoped that their hard work remained just right. He pointed out that loyalty and respect were good sayings but it could not come without practicing it. Leaders must work to obtain it. Furthermore he agreed that time was money and life which was important to spend it wisely. He continued that we needed to polish up the trade businesses between Vanuatu and New Caledonia. He also agreed that corruption was a major issue around the world and we as a developing country, needed to take a step to avoid the situation. Moreover he stated that climate change was another issue which we needed to place a proper mechanism to deal with. We must also put into place plans to recuperate during climatic changes and when disaster strikes. He then thanked the Government for the preparation of the 2010 budget and hoped that the Ministries would not find it difficult to carry out their duties next year. Finally, he took the opportunity to wish all high delegates and citizens of Vanuatu a merry Christmas and prosperous new year 2010.

9. The sitting was suspended at 11.30a.m and resumed at 2.25p.m.
10. The Hon. Speaker CARLOT Korman asked the Prime Minister or the Deputy Prime Minister to clarify to the House the appointment to the position of the Leader of Government Business.
11. Prime Minister and Member for Port Vila, the Hon. Edward NATAPEI announced the appointment of the Hon. Thomas I. SAWON, Member of Banks/Torres to the position of Leader of Government Business.
12. The Hon. Thomas I. SAWON, Leader of Government Business and Member for Banks/Torres, announced the order of Bills commencing with the Bill for the Import Duties (Amendment) Act No. Of 2009, secondly the Bill for Excise (Amendment) Act No. Of 2009 and thirdly Bill for the Value Added tax (Amendment) Act No. Of 2009 to be tabled during the session. He went on to announce the withdrawal of the Bill for the Medical Consent Act No. Of 2009 and Bill for the State Law Office (Amendment) Act No. Of 2009.

BILL FOR THE IMPORT DUTIES (AMENDMENT) ACT NO. OF 2009

FIRST READING

13. The Hon. Sela MOLISA, Minister of Finance and Economic Management and Member for Santo, introduced the Bill, stated the reason for the amendment then moved that the Bill be read a first time.
14. The Hon. Marcellino PIPITE, Deputy Leader of the Opposition and Member for Santo, before talking on the principle of the Bill, queried about the tabling of the Bill for the Appropriation (2010) Act No. Of 2009 as he did not hear the Leader of Government Business mention it. He then went on talk on the principle that whilst the amendment was necessary before the approval of the budget, he wondered whether or not there could be exemption of export taxes placed on Vanuatu products to overseas markets. He was rather concerned on the standard of beef exported namely to Japan, China and New Caledonia that the documentation despite certifying that the beef were of good quality did not meet the criteria required by these countries.
15. The Hon. Minister MOLISA could not specifically answer the query raised regarding the quality of beef exported. He was however sure that the Santo Meatpackers that continued to export beef did meet the standard required by Japan, China and New Caledonia.
16. The Hon. Speaker CARLOT Korman directed the House to talk on the principle of the Bill and not on the sections.

17. Deputy Leader of the Opposition, the Hon. PIPITE said that the Opposition shall support the Bill if it was its intention to generate revenue collection. He wanted to know if Value Added Tax (VAT) shall be applied to the Members' of Parliament allocations.
18. The Hon. Minister MOLISA confirmed that VAT was included.
19. The Hon. Morking STEVEN, Member for Tanna, was pleased to note the increase in the budget for 2010 and again stated that the Opposition shall support the Bill.
20. The Hon. James BULE, (former Minister of Trades, Commerce and Tourism) Member for Ambae, pointed out that main problem with Vanuatu was that it continued to import rather than export products. He continued that the Melanesian Spearhead Group (MSG) Trade Agreement could have an impact on revenue earnings with its zero rate application however where losses occurred, there were other ways to generate revenue. He gave his support for the Bill.
21. The Hon. Minister MOLISA explained that under the Melanesian Spearhead Group Trade Agreements, import duties was at zero level but then the loss was recovered through excise tax on imported products instead.
22. The Hon. Jean Ravou. A. KOLOMULE, Member for Santo, supported the Bill but observed that the main reason for the loss of revenue was lack of preparation and Vanuatu did not fully use its Least Developed Country (LDC) status.
23. The Hon. Ralph REGENVANU, Member for Port Vila, supported the Bill. He mentioned that several local manufacturers were not aware of the current amendment thus he wondered whether or not there had been consultation with the Chamber of Commerce. He wondered if Health Authorities had also been informed about the importation of sugar products that were causing rise in sugar related diseases.
24. The Hon. Minister MOLISA agreed that there were certain advantages under LDC status however he was unsure whether it applied to imports as well. He informed that the Chamber of Commerce had been fully made aware of the amendment as well as Health Authorities regarding the imported confectionary products.
25. The Hon. David TOSUL, Member for Pentecost, asked how the European Union (EU) could assist the exportation of local products. He also wanted to know if there were any local products eligible for export under the PICTA/PACER trade agreements.
26. The Hon. Minister MOLISA clarified that the PACER Plus agreement not only dealt with trading between Australia, New Zealand and other Pacific countries but other European countries as well. He went on that the Vanuatu government had stressed to the governments of Australia and New Zealand to must be assured to compensate Vanuatu for loss of revenue. He said that EU provided assistance through the budgetary aide. He was unable to provide information on local products eligible for export to EU countries.

He further explained that the reason for the removal of export tax was to gain revenue through exportation of products.

27. Prime Minister NATAPEI supplemented that through PACER plus, there was training and assistance was provided to local businesses to be able to meet the quota for export.
28. The motion that the Bill be read a first time was carried unanimously.
29. The sitting was suspended at 3.30p.m and resumed at 4.15p.m.

ORAL QUESTIONS

30. The Hon. Ralph REGENVANU, Member for Port Vila, asked if Vanuatu had representatives to attend the climate change conference to be held in Copenhagen.
31. Prime Minister and Member for Port Vila, Hon. Edward N NATAPEI confirmed that he would attend the conference.
32. The Hon. Jean Ravou A KOLOMULE, Member for Santo, questioned the issue of the Vanuatu Commodities Marketing Board (VCMB) now that the Ombudsman's report has been submitted.
33. The Hon. PM NATAPEI said the Ombudsman's report could not go to court however investigations would proceed.
34. The Hon. Marcellino PIPITE, Member for Santo, questioned the east Santo road project. He wanted to know if the current state of the road was the final stage.
35. The Hon. Serge VOHOR, Minister of Infrastructure and Public Utilities and Member for Santo, said there was yet another coat of tar to be spread over the road.
36. The Hon. Alfred CARLOT, Member for Efate, asked if the Vanuatu National Provident Fund (VNPF) member's contribution would increase.
37. The Hon. Sela MOLISA, Minister of Finance and Economic Management and Member for Santo explained that the member's contribution was a 4% deduction from salaries and is divided into 3 packages namely retirement, medical and investment.
38. The Hon. Willie LOP, Member for Tanna, questioned Vanuatu's maritime zone. He also asked if the tar sealed roads project on Tanna would commence.
39. The Hon. Steven KALSAKAU, Minister of Agriculture, Forestry and Fisheries and Member for Efate responded that the exclusive maritime zone was 2000 miles and surveillance was provided by a funded program of New Zealand.

40. The Hon. Minister VOHOR said that road maintenance on Tanna would be funded by the Australian Aid and would commence early next year.
41. The Hon. George A WELLS, Leader of Opposition and Member for Luganville, asked how the Government would assist to subsidize the financial situation of the Luganville Municipal Council (LMC).
42. The Hon. Moana CARCASSES, Opposition Whip and Member for Port Vila, wanted to know the Government's intension to deal with the situation of the LMC and the Port Vila Municipal Council (PVMC).
43. The Hon. David TOSUL, Member for Pentecost, asked if the Ombudsman would submit a report concerning Air Vanuatu.
44. The Hon. Minister VOHOR admitted that the airline was facing an international financial crisis and that there was a misappropriation of funds in which the Government had decided to solve by restructuring the contractors and deducting salaries by 30%.
45. The Hon. Kisito TEILEMB, Member for Malekula, wanted to know what the Government intended to do about the road leading to Norsup Airport.
46. The Hon. Minister VOHOR said the Government through the Ministry of Infrastructure and Public Utilities and Ministry of Lands were negotiating to solve the issue.
47. The Hon. Thomas I SAWON, Leader of Government Business and Member for Banks/Torres, asked who was responsible to cover the costs of the court case between the Hon. Prime Minister and the Hon. Speaker of Parliament.
48. The PM NATAPEI replied that the decision of the court provided that the Hon. Speaker would cover the cost of both Lawyers at an estimated amount of 500 thousand vatu.
49. The Hon. KOLOMULE congratulated the Government for the appointment of the Auditor General and then asked when his first report will be submitted.
50. The Hon. Minister MOLISA responded that the Auditor General had just taken office and hopefully the report will be submitted to Parliament in the next few months.
51. The Hon. Toara D KALO, Member for Shepherds, said the Shepherd Islands had two run down dispensaries and then asked when the Government would post qualified nurses to provide service in these islands. He also questioned the renovation of health facilities in the area.
52. The Hon. Moses KAHU, Minister of Health and Member for Tanna stated that Vanuatu had 2 referral Hospitals, 3 Provincial Hospitals, 29 Health Centers, 84 Dispensaries and 274 Aid Posts. Concerning the health facilities, he said that he was unaware about the

plans for renovation however; he said the Ministry focused mainly on nurses training to improve health services in the islands.

53. The Hon. Ps. Ton KEN, Member for Malekula, wanted to know of the price of copra would increase.
54. PM NATAPEI responded that the copra subsidy was yet to be approved.
55. The Hon. Minister MOLISA supplemented that the subsidy for 2009 has ended and exporters would not expect any money until January 1st 2010.
56. The Hon. Solomon LORIN, Member for Santo, said the all six Provinces had an equal share of 'Grants to Provinces' however can the grants increase for the big provinces which accommodated a higher population mainly from other provinces.
57. The Hon. CARCASSES responded that it was the Government's intension to increase grants for provinces with high population next year, however it needed to investigate on areas which generated more income and be assured that there was no misappropriation of funds in the past.
58. The Hon. KEN supplemented and questioned the subsidy of copra this year.
59. The Hon. Minister MOLISA responded that the copra subsidy for this year was 108 million vatu.
60. The Hon. Eta RORY, Member for Malekula, asked what the Ministry of Agriculture and Forestry intended to do to protect our nation from climate change issues.
61. PM NATAPEI responded that the Government would put in place a policy under the National Adaptation Program (NAP) to ensure that we suited climate issues. He added that the British Government has allocated funds to assist small island states who were vulnerable to climate change. He said the Government was looking at ways to wipe out carbon dioxide gases produced by developed countries.
62. The Hon. CARLOT wanted to know when the Government would sort payments out with the former VMA staffs.
63. The Hon. Minister VOHOR responded that the case was at the Supreme Court.
64. **The sitting was adjourned at 5.10 p.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

SECOND ORDINARY SESSION OF 2009

TUESDAY 8 DECEMBER 2009

SPEAKER : The Hon. Maxime CARLOT KORMAN, Member for Port Vila
PRESENT : 50 Members
ABSENT : The Hon. Iauko H. IARIS, Member for Tanna
LATE :

1. The sitting commenced at 9.00a.m.
2. The Hon. Eta RORY, Member for Malekula, said the prayer.
3. The Hon. Speaker read the agenda.
4. The Hon. Thomas I SAWON, Leader of Government Business and Member for Banks/Torres raised a point of order and then moved to suspend 15,16,17,23 and 25 and to proceed with written motion no.2.
5. The Hon. Speaker stated that the written motion was not in order thus it could not be debated. He then asked the Minister of Finance to proceed with the Bill.

BILL FOR THE IMPORT DUTIES (AMENDMENT) ACT NO. OF 2009

COMMITTEE STAGE (Cont')

6. The Hon. Sela MOLISA, Minister of Finance and Economic Management and Member for Santo explained that there will be an adjustment of rates in which a deduction of 50% on import duties would be applied on every imported good but which the Government would lose 850 million from it. He added that reductions would also be made to goods that will affect the health of the people.

7. The Hon. Ralph REGENVANU, Member for Port Vila, referred to page 34 of the Bill and suggested that duty on 'Honey' should increase to 30%. He also suggested that duty on products such as pepper, ginger and Vanilla should increase to 30%. He added that duty on sugar products must increase to reduce health problems and to suit nutrition policies.
8. The Hon. Minister MOLISA said he accepted the comments raised. However he explained that some products were excise tax included. He said there would be a comprehensive review on sugar products and the Government needed to closely consult with the Health Department as to increase the percentage of duty on sugar products.
9. The Hon. Marcellino PIPITE, Member for Santo, questioned the tax on imported Fijian ice-cream and if our products were exported to Fiji.
10. The Hon. Minister MOLISA responded that the duty on ice-cream has decreased to 0% but excise tax will be paid for the sugar added.
11. The Hon. James BULE, Member for Ambae, asked why the prices of imported goods had relatively similar prices in Vanuatu as the country of export. He then complained of the high prices of goods in the islands.
12. The Hon. Minister MOLISA explained that the price of goods depended on whole sellers. He added that the increase in price of goods in the islands depended mostly on the price of fuel and freight.
13. The Hon. KILMAN supplemented that the biggest contribution of high cost is wharf fees.
14. The Hon. Eta RORY, Member for Malekula, suggested that the Government controlled imported products so we could benefit from our locally produced goods.
15. The Hon. Minister MOLISA said the comments were correct however we needed to carry out awareness to promote our local products. Furthermore he said that if it was necessary to control imported goods, duty rates should be increased.
16. The Hon. CROWBY questioned the import of island dresses and if they were tax included.
17. The Hon. Minister MOLISA said the problem could only be solved if the import duty was increased. Furthermore he said that under the WTO policy, rates should be respected. He concluded that the Ministries concerned needed to review the issue.
18. Amendment 1 was approved unanimously.

Amendment 2 "**Schedule 3**"

19. The Hon. REGENVANU wanted to know why the Government removed the right of other charitable organizations on exemption.
20. The Hon. Minister MOLISA confirmed that charitable organization still had the right on exemption however it only applied to 'Red Cross'.
21. Amendment 2 was approved unanimously.
22. Section 1 was approved unanimously.
23. Section 2 "**Commencement**" was approved unanimously.

SECOND READING

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

BILL FOR THE EXCISE (AMENDMENT) ACT NO. OF 2009

FIRST READING

26. The Hon. Sela MOLISA, Minister of Finance and Economic Management, introduced the Bill, stated the reasons for the amendments and then moved that the Bill be read a first time.
27. The Hon. Ham LINI, Leader of Opposition and Member for Pentecost said the Opposition supported the Bill.
28. The motion that the Bill be read a first time was approved unanimously.

COMMITTEE STAGE

29. Section 1 "**Amendment**"
30. Amendment 1 "**Schedule 1**" was approved unanimously.
31. Section 1 was approved unanimously.
32. Section 2 "**Commencement**" was approved unanimously.

SECOND READING

33. The Hon. Sela MOLISA, Minister of Finance and Economic Management, thanked the Opposition for their continuous support and then moved that the Bill be read the second time and do pass.
34. The motion that the Bill be read the second time and do pass was approved unanimously.

BILL FOR THE VALUE ADDED TAX (AMENDMENT) ACT NO. OF 2009

FIRST READING

35. The Hon. Sela MOLISA, Minister of Finance and Economic Management, introduced the Bill, stated the reasons for the amendment and then moved that the Bill be read a first time.
36. The Hon. Ham LINI, Leader of the Opposition, said the Opposition supported the Bill however, he suggested that the Government introduced an income tax so everyone could contribute.
37. The Hon. Peter Vuta, First Deputy Speaker and Member for Ambae, wanted to know how cash was registered in an areas without electricity supply.
38. The Hon. Minister MOLISA thanked the Members for their comments and went on to say that the Government needed to make a comparative study to see what Vanuatu would have to benefit from the idea to introduce taxation. He said he was unaware about how much VAT was paid by stores in rural areas. He added that cash registration would mainly be applied by stores in Port-Vila, Luganville, Lakatoro, Lenakel, and Isangel. He concluded that the rural population would not pay the VAT.
39. The sitting was suspended at 10.35a.m and resumed at 11.25a.m.
65. Deputy Leader of the Opposition, The Hon. PIPITE questioned the procedure applied to a fine should the business licence document was not publicly displayed.
66. The Hon. Minister MOLISA responded that there was a spot on fine of Vt 500, 000 should VAT officers find that the business licence document was not displayed.
67. The motion that the Bill be read a first time was carried unanimously.

COMMITTEE STAGE

Section 1, "**Amendment**"

68. Amendment 1, "**Subsection 12(5)**", was approved unanimously.
69. Amendment 2, "**After subsection 12(5)**", was approved unanimously.

70. Amendment 3, “**After section 12**”, was approved unanimously.
71. Amendment 4, “**After paragraph 51(q)**”, was approved unanimously.
72. Amendment 5, “**After subsection 51(2)**”, was approved unanimously.
73. Amendment 6, “**Schedule 2 (paragraph (f))**”, was approved unanimously.
74. Amendment 7, “**Schedule 2 (paragraph (w))**”, was approved unanimously.
75. Amendment 8, “**Schedule 2 (paragraphs (aa), (ab), (ac), (b) and (e))**”, was approved unanimously.
76. Amendment 9, “**Schedule 2**”, was approved unanimously.
77. Amendment 10, “**Schedule 3 (Clauses 6 and 10)**”, was approved unanimously.
78. Section 1 was approved unanimously.
79. Section 2, “**Commencement**”, was approved unanimously.

SECOND READING

80. The Hon. Sela MOLISA, Minister of Finance and Economic Management, thanked the House for its support then moved that the Bill be read a second time and do pass.
81. The motion that the Bill be read a second time and do pass was carried unanimously.
82. The sitting was suspended at 11.35a.m and resumed at 2.25p.m.
83. The Hon. Thomas I SAWON, Leader of Government Business and Member for Banks/Torres indicated the Bill.

BILL FOR THE APPROPRIATION (2010) ACT NO. OF 2009

84. The Hon. Sela MOLISA, Minister of finance and Economic Management presented the 2010 Budget Speech. (**Text as Appendix II**)
85. The Hon. Ham LINI, Leader of the Opposition, began by thanking the Minister of Finance for the well presented 2010 Budget speech and the Ministerial Budget Committee for their effort to compile and present it before the Parliament. He continued that he had realized that the budget allocated for 2010 has increased. He referred to the budget allocated for Education and said that it was an excellent initiative to introduce free education however he was worried that there would not be sufficient space to accommodate everyone once they have entered secondary level. Concerning Health he

said we needed to be independent to reduce cost of service delivery. Furthermore he thanked the Government for the upgrading of the financial system and besides it was normal to increase the budget due to the increasing population and changes in life style. He also thanked aid donors for their contributions especially to education. All in all he said the budget was just right and that Members used their allocations wisely to make a change.

86. The Hon. Marcellino PIPITE, Member for Santo, said it was a relief for parents that their children attend school without having to pay any fees. He went on to say that the Ministry of Health had related issues with the Ministry of Education. However challenges of bribery, criminal activities and drugs were not mentioned. He also pointed out that the Government had a lot of outstanding funds which would probably exceed billions. He concluded that the Minister of Finance hardly mentioned funds allocated for climate change issues.

ANNOUNCEMENT BY THE SPEAKER

87. The Hon. Speaker CARLOT Korman invited all the Hon. Members to attend a briefing on Direct Investment that will be carried out by officers of the Vanuatu Investment Promotion Authority (VIPA) at 9am on Wednesday 9th December in the Parliament Chamber.
88. **The sitting was adjourned at 3.50p.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

SECOND ORDINARY SESSION OF 2009

WEDNESDAY 9 DECEMBER 2009

SPEAKER : The Hon. Maxime CARLOT Korman, Member for Port Vila
PRESENT : 49 Members
ABSENT : The Hon. Iauko H. IARIS, Member for Tanna
The Hon. Ioane S. OMAWA, Member for Epi
LATE :

1. The sitting commenced at 2.30p.m.
2. The Hon. Willie Rueben Abel TITONGOA, Member for Tongoa, said the prayer.
3. The Hon. Speaker CARLOT Korman read the agenda.

BILL FOR THE APPROPRIATION (2010) ACT NO. OF 2009

FIRST READING

4. The Hon. Sela MOLISA, Minister of Finance and Economic Management and Member for Santo, introduced the Bill, stated its purpose then moved that the Bill be read a first time.
5. The motion that the Bill be read a first time was carried unanimously.

COMMITTEE STAGE

Code MF, "**Ministry of Finance and Economic Management**"

6. Deputy Leader of the Opposition and Member for Santo, The Hon. Marcellino PIPITE asked how much revenue was expected from the Fish Processing Plant at Blacksands, Efate.
7. The Hon. Sela MOLISA, Minister of Finance and Economic Management and Member for Santo, answered that it was included in the revenue forecast of Program MAE, “*Fisheries*” which was Vt 214, 661,672.

Code MH, “**Ministry of Health**”

8. The Hon. Patrick CROWBY Manarewo, Member for Port Vila, believed that there was a revenue collection of over Vt 60 million in 2008 thus he questioned why there was a sudden drop in 2010.
9. The Hon. Minister MOLISA explained that the revenue forecast of Vt 10million in 2010 was a more realistic figure as it mainly derived from hospital fees in Port Vila and Santo.
10. The Hon. Moses KAHU, Minister of Health and Member for Tanna, explained that the forecast figure was actually from consultation fees since outpatient fee was under another Health Act.
11. The Hon. Eta RORY, Member for Malekula, wanted to know about health grants to the provinces.
12. The Hon. Minister KAHU said he would provide more information when Parliament discussed the actual Ministry of Health appropriation.

Code MU, “**Ministry of Infrastructure and Public Utilities**”

13. The Hon. CROWBY stated that in 2009, there was an increase in Port duties and in 2010 would see a decrease thus he questioned why there were no late charge fines.
14. The Hon. Minister MOLISA explained that more revenue was expected from Port duties because a lot more vessels would be expected to berth.
15. The Hon. James BULE, Member for Ambae, wanted to know how much revenue was expected from Vanuatu’s air space.
16. The Hon. Minister MOLISA said that Fiji did not allow Vanuatu to collect air space fees and PASO had wanted the fees to be paid directly to it and not to the government.
17. The Hon. Thomas I.SAWON, Leader of Government Business and Member for Banks/Torres, on78A1, “**Water Charges Recoveries**” wanted to know where the PWD team were working and if there were other charges yet to be recovered.

18. The Hon. Minister MOLISA replied that the PWD were currently working in Luganville, Santo and Lakatoro, Malekula.
19. The Hon. Minister VOHOR added that the revenue collected derived from Luganville, Lakatoro and Isangel, Tanna which were the three(3) main Government program focus.

Code MI, “**Ministry of Internal Affairs**”

20. The Hon. Marcellino PIPITE, Deputy Leader of the Opposition and Member for Santo, noted a Vt5million drop in the revenue estimate in Passport fees and Vt1 million in ‘Other Fines’ for 2010.
21. The Hon. Minister MOLISA confirmed the figures and said that these figures were more realistic than in previous years.
22. The Hon. Moana CARCASSES, Minister of Internal Affairs and Member for Port Vila, explained that the figures were conservative but believed that more revenue could be collected with the price of a standard passport at Vt5000 and an official one costing Vt7000.
23. The Hon. Morking STEVEN, Member for Tanna, wanted to know why there was no mention of revenue collection from the six (6) provinces.
24. The Hon. Minister MOLISA explained that the provinces did collect revenue but was retained by them.
25. The Hon. Minister CARCASSES further clarified that each province had its budget and revenue collection which was not controlled by the government.

Code ML, “**Ministry of Lands, Geology and Mines**”

26. The Hon. Joshua KALSAKAU, Member for Efate, wondered if the revenue would be collected from late land rent payments.
27. The Hon. Minister MOLISA confirmed that there were outstanding land rents payments yet to be collected.
28. The Hon. Paul TELUKLUK, Minister of Lands, Geology and Mines and Member for Malekula, acknowledged the longstanding problem with the collection of land rent payments however the government was still considering ways to tackle the problem.
29. Deputy Leader of the Opposition, The Hon. PIPITE was of the opinion that the ‘Application Charges Recoveries’ figure should increase.
30. The Hon. Minister MOLISA considered that land owners should receive land rent payments for the development on their land.

31. The Hon. Minister TELUKLUK bluntly answered that the government shall review the process implemented by the department.
32. The Hon. Minister MOLISA pointed out an error in the Total Government Expenditure figure and asked the House to correct the figure from Vt 15,503,800,002 to Vt 15,501,115,261 due to an incorrect figure stated for 'Budget Support' of Vt 125,000,000 instead of Vt 127,684,741.
33. The Hon. Ralph REGENVANU, Member for Port Vila, queried as to why the 'Budget Support' figure increased but the 'Total Government Expenditure' decreased.
34. The Hon. CROWBY asked why there were no revenue forecasts for the Citizenship Commission and the Public Service Commission.
35. The Hon. Minister MOLISA requested a break in order to verify the figures mentioned.
36. The sitting was suspended at 3.30p.m and resumed at 4.05p.m.
37. The Hon. Speaker CARLOT Korman read the agenda and since there were no written questions in the order of the day, he adjourned the meeting until Thursday 10th December at 8.30a.m.
38. **The sitting was adjourned at 4.07p.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

SECOND ORDINARY SESSION OF 2009

THURSDAY 10 DECEMBER 2009

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

PRESENT: 50 Members

ABSENT: The Hon. Iauko H. IARIS, Member for Tanna

LATE:

1. The sitting commenced at 9.00a.m.
2. The Hon. Havo MOLISALE, Member for Malo/Aore, said the prayer.
3. The Hon. Speaker read the agenda.

ANNOUNCEMENT BY THE SPEAKER

4. The Hon. Speaker expressed gratitude to the consul together with the technical representatives of the Congress of New Caledonia for the lengthening of microphones, installations of the audio camera and PowerPoint equipments and equipping Speaker's conference room with audio recording system. He also acknowledged the former Speaker AVOCK for the request and mending relationship between Vanuatu and New Caledonia. He then asked everyone to give a big round of applause.
5. The Hon. Sela MOLISA, Minister of Finance and Economic Management and Member for Santo thanked the Hon. Speaker for the announcement however he wanted to know if the written motion according to SO 35 was in order for tabling.
6. The Hon. Speaker stated that he would only respond to the question at the time of the written motion.

BILL FOR THE APPROPRIATION (2010) ACT NO OF 2009

COMMITTEE STAGE (Cont’)

7. The Hon. Minister MOLISA confirmed that the total Government Revenue remained at 14 billion, domestic tax and budget support remained the same.
8. The total Government receipt of 15,503,800,002 vatu was approved unanimously.

Code CA “**President**”

9. The Hon. Marcellino PIPITE, Deputy Leader of Opposition and Member for Santo questioned why the budget decreased by 3 million vatu.
10. The Hon. Minister MOLISA said the budget had increased by 3 million in the previous budget to cover for entitlements of the former President and staffs.
11. Code CA was approved unanimously.

Code CB “**Parliament**”

12. The Hon. Minister MOLISA pointed out a correction on the Budget Narrative code CB.
13. The Hon. Speaker CARLOT Korman approved the corrections made.
14. The Hon. PIPITE asked if the Parliament allocated a budget to provide a set of Consolidated Laws to each and every Member.
15. The Hon. Minister MOLISA responded that a full set of a volume was 150 000 vatu. He then said there were no funds to purchase the books.
16. The Hon. Jean Ravou A KOLOMULE, Member for Santo, referred to the Parliamentary Committees and sought confirmation that the Chairman was still getting a salary even when the committee does not meet.
17. The Hon. Minister MOLISA confirmed that the Chairman was still getting a salary even when the Committee does not meet. However if good work is produced, the European Union (EU) would assist in providing extra funds for the committees.
18. The Hon. George A WELLS, Member for Luganville, referred to activity CBAC and then asked if the 8 million vatu allocated for it, also covered the outstanding. He said that the Parliament Secretariat had agreed to appoint two Deputy Clerks; he wanted to know if the positions were filled.
19. The Hon. Minister MOLISA responded that he was unable to confirm however if the Parliament wanted the amount to cover for outstanding then it would attentively alert the

Finance Department. He added that the positions at the Parliament Secretariat were still vacant.

20. The Hon. David TOSUL, Member for Pentecost, asked if Members allocation were increased.
21. The Hon. Minister MOLISA expressed regret that the Members allocations remained as it was. He added that the Privilege Committee had discussed the issue unfortunately the matter was submitted late to the Council of Ministers.
22. The Hon. Eta RORY, Member for Malekula asked if Members were entitled to traveling allowances and impresses.
23. The Hon. Minister MOLISA said the Members were still entitled to allowances namely traveling allowances and daily allowances. He added that the allowances were covered by the Parliament unless the meetings were funded by the host country or an organization.
24. The Hon. Speaker CARLOT Korman supplemented that the recruitment of the Deputy Clerks were not budgeted for. He added that the Commonwealth Parliamentary Association (CPA) had stopped Vanuatu from attending meetings because there were some outstanding fees that needed to be covered.
25. The Hon. Samson SAMSEN, Member for Santo, asked if the Ministerial Budget Committee (MBC) has considered the submission of the Privilege Committee and if next year's budget would increase for this reason.
26. The Hon. Minister MOLISA explained that the process would remain the same and unless the economic growth rate increases there would not be any increase in next year's budget for that matter.
27. The Hon. KOLOMULE commented on the supplementary response of the Hon. CARLOT Korman. He said if some Parliamentary Committees were not doing their work thus their funds should be removed to cover for the outstanding fee because the CPA meetings were important and it was also important that we attended the meetings as an Independent Nation of the Commonwealth.
28. The Hon. Minister MOLISA thanked the Member for his comment and said he was of the same opinion. He added that the recruitment of the Deputy Clerks must be included in the next budget.
29. The Hon. Bob LOUGHMAN, Member for Tanna, stated that the request of the President's Pardoning was submitted to the Committee of Institutions to look at. He then asked who was responsible to do the work. Furthermore he suggested that an Act of Parliament which stated and differentiated the work of each Parliamentary committee.

30. The Hon. Kisito TEILEMB, Member for Malekula, referred to activity CBBC and commented that as a Member of the Public Accounts Committee (PAC) he noticed that it played a big role and it needed a Deputy Clerk. He then asked if the Government could provide more tools for the Committees to carry out their work.
31. The Hon. LOUGHMAN referred to page 16 of the Budget Narrative and said that the Committee of Institution would consider the request of the President's pardoning.
32. The Hon. CARLOT Korman urged the Government to make a Law or provisions on the work of Committees because the President has the Constitutional right for pardoning and a Committee must be established to deal with the issue.
33. The Hon. Patrick CROWBY Manarewo, Member for Port Vila, referred to activity CBBB and asked if the Government intended to allocate funds to cover for insurance, medical and accommodation for a Member of Parliament during his four year term.
34. The Hon. Minister MOLISA responded that the Privilege Committee would have to consider the entitlement issues; however, he said there were no funds allocated for insurance. He added that the Government Officials were only entitled to medical insurance. Furthermore he said there no Law provisions that stated the work of the Parliamentary Committees nevertheless, they based on the Standing Order (SO).
35. Code CB was approved unanimously.

Code CI "**Judiciary**"

36. The Hon. Joshua KALSAKAU, Member for Efate, questioned the Government's opinion on the condition of the former Court House and if there were funds allocated for reconstruction.
37. The Hon. Minister MOLISA explained that the design of the new Court House was completed and the cost of construction was estimated at 2 billion vatu which was funded by proud donor partners. He added that the tender of the Court House was ready to be presented before the Council of Ministers (CoM) after which construction will begin.
38. The Hon. Bakoa KALTONGGA, Minister of Justice and Social Welfare and Member for Efate, explained that the Tender Board had the role to make the final decision. He also said that the new Court House would be accessible to everybody namely the disable, mothers and their babies. He went on to confirm that donor agencies have pledged an estimated amount of 2.7 billions of vatu. He added that all the islands would contribute in one way or another to help build the new Court House.
39. The Hon. PIPITE noticed that there was increase of 9 million vatu and asked why.
40. The Hon. Minister MOLISA explained that the funds of the new Court House were not included in the Judiciary budget.

41. Code CIA was approved unanimously.
42. The sitting was suspended at 10.40a.m and resumed at 11.20a.m.

Code CD, “**Malvatumauri National Council of Chiefs**”

43. The Hon. REGENVANU was pleased to see a little increase in the budget but sought clarification whether it was for the purpose of recruiting additional staff. He noted that there was a decrease in the allowance thus questioned it.
44. The Hon. Minister MOLISA confirmed that the budget included additional staff and as for the allowance decrease, he would need to enquire about it.
45. The Hon. Bakoa KALTONGGA, Minister of Justice and Social Welfare and Member for Efate, provided a breakdown of the allowances of the chief representatives in the Council which was Vt 5000 each and as there were 31 members, each would be receiving a monthly amount of Vt 30thousand.
46. Deputy Leader of the Opposition, The Hon. PIPITE was of the opinion that the Secretary of the Council should derive from the same island as the President of the Council so as to promote the custom and culture of that island.
47. The Hon. Minister KALTONGGA stressed that it was the Council’s objective to promote custom and culture of all the islands and not just the one from which the President came from.
48. Code CD was approved unanimously.

Code CE, “**National Audit Office**”

49. The Hon. REGENVANU saw that there was a huge problem with budget as there it was the same as in 2009 but only the Auditor General’s salary which had increased immensely.
50. The Hon. Minister MOLISA agreed with Hon. REGENVANU but said that a supplementary budget could be provided should problems arise.
51. The sitting was suspended at 11.30a.m and resumed at 2.25p.m.

BILL FOR THE APPROPRIATION (2010) ACT NO. OF 2009 (Cont’)

Code CE “**National Audit Office**” (Cont’)

52. The Hon. PIPITE wanted to know the salary scale of the Auditor General. He said the last audit report was tabled in 2007 and then asked when the next report would come before Parliament.

53. The Hon. Minister MOLISA said he was unaware of the Auditor General’s salary scale however he was aware that donor partners have arranged to fund his salary. He added that every account was ready to be audited and hopefully next year the reports would be submitted and presented before the Parliament.
54. Code CE was approved unanimously.
- Code CC “**Office of the Ombudsman**”
55. Code CC was approved unanimously.
- Code CG “**Public Prosecutor**”
56. The Hon. PIPITE said there was an increase of 2.3 million and wanted to know the reason for the increase.
57. The Hon. Minister MOLISA responded that the increase would cover the recruitment and salary of a new staff.
58. The Hon. Morkin STEVEN, Member for Tanna, asked if the new staff would be an expatriate or a local.
59. The Hon. Minister MOLISA the new Public Prosecutor would be a local who will help strengthen the work of the office.
60. Code CG was approved unanimously.
- Code CH “**Public Solicitor**”
61. The Hon. PIPITE said he noticed that there was an increase of 2 million vatu from last year’s budget. He said the increase was acceptable but their help needed to be appreciated by the clients because it was an important service.
62. The Hon. Minister MOLISA confirmed that there was an acting Solicitor and the increase was to cover for the recruitment of a new permanent Public Solicitor as well as the renovation of the office and the purchase of new equipments.
63. The Hon. Minister KALTONGGA supplemented that there were 7 Lawyers at the Public Solicitor’s Office in Port- Vila for Efate and the Shepherds, 2 Lawyers in Luganville for Sanma, Torba and Penama Province. He added that the Government was taking the initiative to establish new offices in Malampa and Tafea Province. He concluded that a civil case dealt with by the Public Solicitor and his staffs cost 1125 vatu.
64. Code CH was approved unanimously.

Code CJ “**Public Service Commission**”

65. The Hon. PIPITE said the budget decreased by 1 million vatu and then asked if the Director and Director General (DG) were on contract.
66. The Hon. Minister MOLISA clarified that a payment of about 10 million vatu was made to retired servants. He went on to confirm that the Director and DG were not on contract.
67. The Prime Minister Hon. Edward N NATAPEI supplemented that the performance assessments were not complete however as soon as it would be submitted it would be reviewed to see if it would be necessary to put the DG on contract.
68. The Hon. CROWBY wanted to know if severance pay remained on 1 month or 2 months calculation.
69. The Hon. Minister MOLISA confirmed that severance pay remained on the 1 month calculation according to the amended Employment Act.
70. PM NATAPEI said there would be more consultations made on that matter.
71. The Hon. STEVEN questioned the criteria under which a DG was recruited.
72. The Hon. Minister MOLISA asked the Prime Minister NATAPEI to provide relevant answers because he was not responsible to deal with the appointment of DGs.
73. PM NATAPEI clarified that the assessment was done by the PSC however it generally depended on the qualification of the person.
74. Code CJ was approved unanimously.

Code CL “**Judicial Services Commission**”

75. Code CL was approved unanimously.

Code CF “**State Law Office**”

76. The Hon. PIPITE noticed an increase of 106 million vatu and then asked if the figure included the joint funding.
77. The Hon. Minister MOLISA responded that the increase covered for retirement of old and recruitment of new staffs. He added that the rest of the funds would cover for plans for the new State Law Office.
78. The Hon. CROWBY complained that the figures in the Bill were different from the figures in the Budget Narrative and then asked the Hon. Minister to clarify.

79. The Hon. Minister MOLISA clarified that Parliament would approved the 85.705.932 vatu which was the correct figure.
80. The Hon. Joshua KALSAKAU said he understood that the additional salary of the Attorney General (AG) was funded by the Australian Government. He then asked when the funding ended and why the Government of the Republic of Vanuatu alone could not cover for the AG's full salary.
81. The Hon. Minister MOLISA explained that the when the position was advertised nobody applied because of the low salary scale. He added that with the help of Ausaid the position was re-advertised and the current AG was appointed. He went on to inform the House that the Constitution forbid the lowering of entitlements of a person already occupying a position.
82. Code CF was approved unanimously.
Code CK "**Citizenship Office**"
83. Code CK was approved unanimously.
Code MP "**Prime Minister's Office Ministry**"
84. The Hon. Joshua KALSAKAU commented that political changes affected the budget.
85. The Hon. Minister MOLISA accepted the fact that political changes affected the budget however gratuity was also allocated for in the budget.
86. The Hon. PIPITE sought clarification on the increased figure.
87. The Hon. Minister MOLISA explained that the increased figure would fund the forum which will be hosted in Vanuatu next year, principally, the meeting, meals and accommodation for the dignitaries. He also mentioned the upgrading of the main road from the airport to town. He added that an amount of 10 million vatu was allocated for requests from grassroots people or community during the Prime Minister's visits.
88. The Hon. PIPITE wanted further explanation on the 1 million vatu increase allocated under the activity MCB.
89. The Hon. Minister MOLISA explained that the increase was a cash grant aid in kind for the building of the new State Law Office.
90. Code MP was approved unanimously.
Code MA "**Ministry of Agriculture, Quarantine, Forestry and Fisheries**"

91. The Hon. Joshua KALSAKAU asked if the Vanuatu Agriculture Development Bank (VADB) was an asset for local farmers.
92. The Hon. Minister MOLISA said an update report would be presented before the Parliament on the VADB.
93. The Hon. Morkin STEVEN, Member for Tanna, could not find the budget allocated for the Vanuatu Agriculture College (VAC) and then asked if it was still functioning.
94. The Hon. Steven KALSAKAU, Minister of Agriculture and Member for Efate, stated that the Vanuatu Government gained assistance from China to run the VAC however students were also awarded scholarships to study abroad, therefore, the VAC was only to provide local people the agricultural principles to help them with their farming projects.
95. The Hon. Jean Ravou A KOLOMULE, Member for Santo, thanked the Minister for including the budget allocated for Rice Farming which was not included in the previous budget. He then asked if the budget covered the purchasing of new rice cleaning machines.
96. The Hon. Minister KALSAKAU acknowledged the former Minister of Agriculture to allow and put through the initiative to introduce rice farming in the country. He also congratulated farmers in Santo and Tanna for their success in rice production. He added that there were two (2) polishing materials on hand and that the FAO would help fund another 20 machines.
97. The sitting was suspended at 3.35p.m and resumed at 4.10p.m.

WRITTEN MOTIONS

98. The Hon. Speaker CARLOT KORMAN announced that there were two (2) Motions which were in order however Parliament would only discuss Motion No. 2 of 2009 which was a motion of no confidence against the Prime Minister and Motion No. 3 of 2009 which was a motion to remove the Speaker would be deferred to Tuesday 15 December 2009 instead. He continued that another reason why he deferred Motion No. 3 was that Motion No. 2 of 2009 was short whereas there were formalities to be done with Motion No. 3 after the passing of the motion which was lengthy. He went on to quote Standing Orders (SO) of Parliament, section 45 "**Decision of the Speaker**" which stated that the opinion or a decision of the Speaker as to a question related to the application or interpretation of these Standing Orders shall not be challenged except on a written motion made in accordance with Standing Order 35 thus he ruled that there would be no further verbal statements made regarding Motion No. 3. He sternly stressed that actions shall be taken against MPs who continue to talk about Motion No. 3. He then directed the House to Motion No. 2 of 2009.

MOTION NO. 2 OF 2009

Motion of No Confidence against the Prime Minister of the Republic of Vanuatu, The Hon. Edward N. NATAPEI

99. Seconded by the Hon. Alfred CARLOT, Member for Efate, The Hon. Hamlinson LINI Vanuaroroa, Leader of the Opposition and Member for Pentecost, moved Motion No. 2 of 2009. (**Text as Appendix III**)
100. The Hon. Edward NATAPEI, Prime Minister and Member for Port Vila, stated that it was the fifth attempt for the Opposition to remove him as Prime Minister and it was costing the nation thus he would not respond but put the motion to the discretion of the House.
101. Motion No. 2 of 2009 was defeated by 11 votes in favour, 1 abstention and 36 against.
102. The Hon. Minister MOLISA requested to use Standing Orders (SO) of Parliament, section 46, "**Motion to suspend Standing Orders**" in order for Parliament to deal with Motion No. 1 of 2009.
103. The Hon. Speaker CARLOT Korman did not accept SO 46 to be put as he did not see that it was necessary for Parliament to discuss a case of urgent necessity.
104. The Hon. Minister MOLISA strongly insisted that there was a need as Motion No.3 had been lodged in time but the Speaker had seen it fit to defer it.
105. The Hon. Speaker reiterated his decision.
106. The Hon. Minister MOLISA declared that he would take the matter to the court should the Speaker continue to reject his proposal to raise SO 46.
107. The Hon. Speaker upheld his decision and said that it was the Members' right to challenge his ruling as Speaker but he maintained his stand that there was no other urgent business for Parliament to discuss.
108. Prime Minister NATAPEI raised a point of order but was immediately interrupted by the Speaker.
109. The Hon. Speaker spoke strongly that he would not allow any mention about Motion No. 1 of 2009.
110. Prime Minister NATAPEI wanted clarification why the Speaker rejected the suspension of the SO.

111. The Hon. Speaker reiterated and quoted SO 46 that the Hon. Minister MOLISA had failed to move a motion but instead went straight ahead to talk about Motion No. 1 of 2009. He further quoted SO 45 after which he said it concluded the day's sitting.

112. **The sitting was adjourned at 4.45p.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

SECOND ORDINARY SESSION OF 2009

FRIDAY 11 DECEMBER 2009

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

PRESENT : 49 Members

ABSENT : The Hon. Iauko H. IARIS, Member for Tanna
The Hon. Joe NATUMAN, Member for Tanna

LATE :

1. The sitting commenced at 9.05 a.m.
2. The Hon. James BULE, Member for Ambae, said the prayer.
3. The Hon. Speaker read the agenda.

ANNOUNCEMENT BY THE SPEAKER

4. The Hon. Speaker CARLOT Korman informed the House that Parliament shall suspend for the day until the afternoon in order for the Government and the Speaker to attend the hearing of the case before the Court.
5. The sitting was suspended at 9.10a.m and resumed at 2.40p.m.

ORAL QUESTIONS

6. The Hon. George WELLS, Member for Luganville, asked if there was a guideline to control the issuance of firearms certificates.

7. The Hon. Moana CARCASSES, Minister of Internal Affairs and Member for Port Vila, answered that at present the data had to be updated before there could be a review on persons eligible to possess firearms.
8. The Hon. Marcellino PIPITE, Deputy Leader of the Opposition and Member for Santo, asked if the Utility Regulatory Board (URB) had already commenced work and if there could be a reduction to the price of electricity and water consumption.
9. The Hon. Serge VOHOR, Minister of Infrastructure and Public Utilities and Member for Santo, informed that the URB Act had not yet been published in the Gazette.
10. The Hon. Solomon LORIN, Member for Santo, sought clarification of the free primary education beginning 2010.
11. The Hon. Charlot SALWAI Tabimasmās, Minister of Education and Member for Pentecost, explained that the free education meant that the government was responsible to pay for the tuition fees only.
12. The Hon. Hamlinson LINI Vanuaroroa, Leader of the Opposition and Member for Pentecost, requested a brief summary of the situation of the Gaua (Banks) volcano.
13. The Hon. Minister CARCASSES informed that the Police and National Disaster Management Office (NDMO) and nongovernmental organizations were all working and monitoring the situation at Gaua however the villagers from the 19 villages located on the west side of the island and who would be greatly affected by the volcano had been evacuated to the east side of the island for safety reasons.
14. The Hon. Peter VUTA, First Deputy Speaker and Member for Ambae, wanted to know the success story, if any, of the use of hydro power in the islands.
15. The Hon. Paul TELUKLUK, Minister of Lands, Geology and Mines and Member for Malekula, replied that there were three (3) projects in place and that two (2) companies had won the bid however there were still some problems to be sorted out and also the it was necessary that electricity tariff be reduced before work commenced.
16. **The sitting was adjourned at 3.10p.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

SECOND ORDINARY SESSION OF 2009

MONDAY 14 DECEMBER 2009

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

PRESENT: 47 Members

ABSENT: The Hon. Moana CARCASSES, Member for Port Vila
The Hon. Bob LOUGHMAN, Member for Tanna
The Hon. Edward NATAPEI, Member for Port Vila
The Hon. Eta RORY, Member for Malekula

LATE:

1. The sitting commenced at 9.00a.m.
2. The Hon. Ralph REGENVANU, Member for Port Vila, said the prayer.
3. The Hon. Speaker read the agenda.

STATEMENT BY MINISTER

4. The Hon. Paul TELUKLUK, Minister of Lands and Member for Malekula presented a statement on the cost of electricity in Santo, Malekula, Efate and Tanna. (**Text as Appendix IV**)
5. The Hon. Ham LINI, Leader of the Opposition and President of the National United Party (NUP) thanked the Minister for the statement. He then hoped that land owners had access to the power generated by the hydro power station established on their land. He added that the Government needed to allow cheap electricity rates in areas such as Luganville and other parts of Santo where hydro power is the main source of electricity.

6. The Hon. Marcellino PIPITE, Deputy Leader of Opposition and Representative of the Vanuatu Republican Party (VRP) stated that there were many questions raised on the Utilities Regulatory Authority (URA) but were left unanswered. He then questioned the salary scale of the Chief Executive Officer (CEO) of the URA. He also begged the Government to provide cheap and affordable prices of electricity. He concluded that customary land owners should be compensated for their land in which the hydro power station was built.
7. The Hon. Patrick CROWBY Manarewo, Member for Port Vila, said that the use of bio-fuel and windmill was not mentioned in the statement. He then suggested that perhaps the two mentioned energy sources could help reduce the prices.
8. The Hon. Minister TELUKLUK stated that he could only assure that the prices would surely be reduced.
9. The Hon. Joshua KALSAKAU, Member for Efate, suggested that the Minister's statement should be handed to the Members a few days before presentation to ensure and allow Members to have a say in it.
10. The Hon. Willie LOP, Member for Tanna, wanted to know how the White Grass Airport benefit from the URA project operating in Tanna.
11. The Hon. Minister TELUKLUK confirmed that the extension of electricity to the Airport would occur in 2010.
12. The Hon. James BULE, Member for Ambae, said he understood that the European Union (EU) had donated an amount of money for the Sarakata Hydro. He then asked when the project would commence.
13. The Hon. Minister TELUKLUK responded that the project should have started in 2009, unfortunately the builders were unhappy with their contracts. He then assured the House that the project would commence in 2010.
14. The Hon. Solomon LORIN, Member for Santo, wanted to know when the Government intended to ensure the supply of electricity to areas without access to electricity.
15. The Hon. Minister TELUKLUK said he was unable provide the information as yet however he would inform the House after consultations with the institution concerned.
16. The Hon. Esmon SAIMON, Member for Malekula, wanted to know if Government vehicles would also benefit from the bio-fuel.
17. The Hon. Minister TELUKLUK said he was proud to promote the use of bio-fuel to decrease gas pollution which was a major factor of global warming.

BILL FOR THE APPROPRIATION (2010) ACT NO. OF 2009

Code MA “**Ministry of Agriculture, Quarantine, Forestry and Fisheries**” (Cont’)

18. The Hon. Ralph REGENVANU, Member for Port Vila, expressed disappointment that last year the DG had not submitted the budget which was an unacceptable performance. He then asked what step had been taken to discipline him.
19. The Hon. Sela MOLISA, Minister of Finance and Economic Management, explained that this year the submission has been done correctly and in time. Concerning last year’s situation the Ministry will have to ensure it is taken care of by the Public Service Commission (PSC).
20. The Hon. Jean Ravou A KOLOMULE, Member for Santo, congratulated the former Minister and Staffs for their good work and then questioned the course of the proposal of the chamber of Agriculture.
21. The Hon. Steven KALSAKAU, Minister of Agriculture, Quarantine, Forestry and Fisheries, informed the House that a statement would be presented in the next session of Parliament on that matter.
22. The Hon. SAIMON sought clarification on the ice-makers which the Minister had previously mentioned.
23. The Hon. Minister KALSAKAU clarified that the ice machines were funded by the Forum Fishing Industry (FFI) however we needed to place orders. He added that the main issue was management and location. He went on to explain that the Ministry needed to ensure there were no disputes and that every fisherman benefited on the machines.
24. The Hon. Kisito TEILEMB, Member for Malekula, referred to activity MAFA and said he noted a decrease from the previous budget. He then asked if the current budget could cover for the forestry problems in the Provinces.
25. The Hon. Minister KALSAKAU said he was unable to provide reasons for the reduction.
26. The Hon. Minister MOLISA stated that there were no new project proposals on forestry. He went on to say that the Private Sector was mainly involved in forestry. He added that there was a project funded by the Japanese Government that was about to commence in Santo.
27. The Hon. Donna BROWNY referred to activity MADE and said that the Budget Narrative included a livestock officer for Malampa Province however the position was still vacant. He then asked when a person would be appointed.
28. The Hon. Minister KALSAKAU explained that the Government through the Ministry needed to re-establish the Department of Livestock and recruit qualified staffs. He added

that the Ministry needed to work closely with the PSC on the advertising of job opportunities to recruit qualified people for the job.

29. The Hon. PIPITE referred to MADB and noted an increase of 41 million. He was of the opinion that the salary of the Veterinary was very high but service delivery very poor and regarded it as a waste.
30. The Hon. Minister MOLISA explained that the certificates issued by the Quarantine were the main aspect of exportation and is signed by the qualified Veterinary who is a New Zealander. He added that no Ni-Vanuatu was qualified for the job.
31. The Hon. Minister KALSAKAU supplemented that not only did the Vet sign certificates but also ensured that our Abattoirs were kept to standard which is very important in the cattle industry. Furthermore he said that Vanuatu had a qualified status of beef which is 'free from diseases' and we needed to keep this status therefore we needed to keep the Vet to do the work.
32. The Hon. KOLOMULE commented that copra was one of the main sources that generated revenue for the country. He said that the effort the Government has put in the copra industry was very poor thus needed supplementary support.
33. The Hon. Minister MOLISA responded that copra had its subsidy and hopefully the world price of copra would increase.
34. The Hon. Willie R A TITONGOA, Member for Tongoa, referred to activity MACB and asked how much was allocated for rice production.
35. The Hon. Minister KALSAKAU clarified that 6.6% of the total budget was allocated for rice production and the actual figure was 7.5 million vatu.
36. The Hon. Minister MOLISA supplemented that 7.5 million vatu covered the components of rice production however the Government also needed to consider the purchase of machineries.
37. The Hon. CROWBY noted a 29 million increase in the budget allocated for research and production under program MAE. He then asked if the increase covered research in Port Vila and other islands as well.
38. The Hon. Minister KALSAKAU responded that the research would occur in Port Vila on the Fish Processing Plant, Troca and Green Snail aiming at improving quality and meet market export demands.
39. Code MAC was approved unanimously.
40. The sitting was suspended at 10.15a.m and resumed at 11.05a.m.

Code MT, '**MINISTRY OF COMMERCE, INDUSTRY AND TOURISM**'

41. Deputy Leader of the Opposition, The Hon. PIPITE wanted to see a procedure in place whereby the Vanuatu Investment Promotion Authority (VIPA) could control the spending of funds. He also asked if the copra subsidy would remain the same.
42. The Hon. Minister MOLISA explained that there were allegations of misappropriation of Vt 5 million which need to be proven however the guarantee paid by a potential investor was to allow investment to be established. He continued that the government shall ensure that there is a procedure in place to improve the current situation.
43. Deputy Prime Minister and Minister of CIT, The Hon. KILMAN, referring to the copra subsidy, explained that after the devastation caused recently by a cyclone in the Philippines which was the largest copra producing country, it was likely the world copra price would increase.
44. Code MT was approved unanimously.

Code MV, '**MINISTRY OF COOPERATIVES AND NI-VANUATU BUSINESS DEVELOPMENT**'

45. Deputy Leader of the Opposition, The Hon. PIPITE comment on Activity MVBA, "*Cooperatives Development*" that cooperatives were no longer operating in the initial purpose they were established for and instead were becoming more business orientated.
46. The Hon. Minister MOLISA clarified that goods sold by cooperatives were expensive simply due to the high cost of freight charges by local ship owners.
47. The Hon. Danstan HILTON, Minister of Cooperatives and Ni-Vanuatu Business Development and Member for Banks/Torres, supplemented that that cooperatives were not properly monitored because the Department of Cooperatives lacked staff to carry out the work.
48. The Hon. Morking STEVEN, Member for Tanna, queried about the Chinese fund that the Ministry of Finance and Economic Management (MFEM) had frozen.
49. The Hon. Minister HILTON answered that it was used towards the settling of outstanding debts.
50. The Hon. Willie Rueben ABEL Titongoa, Member for Tongoa, did not see any mention of the Cooperative Development Fund. He wanted to know how credit unions and Vanwods operated.

51. The Hon. Minister MOLISA explained that credit unions operated as private entities and were listed as financial institutions whereas Vanwods was registered as a non charitable organization.
52. Deputy Prime Minister KILMAN supplemented that a grant of Vt 110million had been allocated to the Ministry of Ni-Vanuatu Business and Vt 300 thousand had been frozen because of poor repayment of loans. He added that Vt 60million had also been frozen after the Vanuatu Commodities Marketing Board (VCMB) had borrowed and repaid only around Vt 1million.
53. The Hon. Minister HILTON reiterated that the work to be implemented by the Department (Cooperatives) was at a standstill due to shortage of staffing.
54. Code MV was approved unanimously.

Code ME, **MINISTRY OF EDUCATION**

55. Deputy Leader of the Opposition, The Hon. PIPITE noted an increase in budget but wondered whether or not Vt 60million was sufficient to meet the cost of tuition fees or a supplementary would be required.
56. The sitting was suspended at 11.30a.m and resumed at 2.20p.m.

Code ME **“Ministry of Education”** (Cont’)

57. The Hon. Minister MOLISA stated that the Education Sector had one of the highest budgets. He added that 100 million vatu was granted for free education.
58. The Hon. Minister SALWAI supplemented that the first term would be covered by 60% of the grant and as well as outstanding fees and transfer allowances for members of the Vanuatu Teachers Union (VTU). He added that 64 million vatu was allocated mostly for retirement and housing allowance entitlements. He concluded by thanking the Prime Minister, Minister of Finance and Economic Management and their officers for making it possible for Vanuatu to be included in the ‘free education’ program.
59. Code ME was approved unanimously.

Code MF **“Ministry of Finance and Economic Management”**

60. The Hon. Sela MOLISA, Minister of Finance and Economic Management, referred to activity MFEB and stated that the amount was shared between the Vanuatu Broadcasting and Television Cooperation (VBTC) and the Chamber of Commerce and Industry (CCI).
61. The Hon. PIPITE sought clarification on the 200 million vatu allocated for land compensation in Santo.

62. The Hon. Minister MOLISA confirmed that 200 million was allocated for the Government to cover land compensation in Santo.
63. The Hon. Joshua KALSAKAU said Farmers were in possession of valuable assets but not enough capital. He then asked if the grant to institutions allocated for the Vanuatu Agriculture Development Bank (VADB) would help Farmers financially.
64. The Hon. Minister MOLISA said he hoped to present a statement on VADB shortly. He went on to explain that 100 million vatu was allocated to complete the capital of the Bank. He added that the Bank would provide lending schemes for Farmers that would help them with the development of their farming businesses.
65. The Hon. BULE complained that the funds allocated for the Vanuatu Tourisms Office (VTO) remained the same. He said in 2008 there was a deficit of 14 million. He went on to say that the grant was insufficient for the promotion of the tourism industry, therefore, overspending occurred, loans were made, and when the next budget came in, it was used to repay the loans. He then recommended a supplementary budget for tourism.
66. The Hon. Minister MOLISA explained that the tourism industry was permitted a 10 million loan at the bank. He added that Vanuatu, compared to Fiji, needed to strengthen and make more investments in the tourism sector to increase the number of tourist per year.
67. Code MF was approved unanimously.
- Code MO “**Ministry of Foreign Affairs and External Trade**”
68. The Hon. PIPITE said Vanuatu needed to strengthen its trade businesses with Fiji and then asked why these two countries had different cost of living.
69. The Hon. Joe NATUMAN, Minister of Foreign Affairs and External Trade, responded that the cost of foreign mission reflected the cost of living.
70. Code MO was approved unanimously.
- Code MH “**Ministry of Health**”
71. The Hon. Peter VUTA, First Deputy Speaker and Member for Ambae, referred to activity MHC B and then commented that to ensure quality service to the people we needed proper vehicles. He then asked if the budget included the purchase of new vehicles for health services in each province.
72. The Hon. Minister MOLISA stated that health projects needed vehicles and the budget allocated through aid funding included mainly the purchase of new vehicles.

73. The Hon. Moses KAHU, Minister of Health, supplemented that the aid grant covered for four (4) new vehicles.
74. The Hon. Patrick CROWBY, Member for Port Vila, asked if the budget included the purchase of new wheels chairs and sphygmomanometers.
75. The Hon. Minister MOLISA stated that the budget mainly covered the purchase of medicine.
76. The Hon. Minister KAHU supplemented that the 8 million vatu increase would be used to purchase vaccines and anti-biotics.

77. The sitting was suspended at 3.05p.m and resumed at xxxxxxxxxxxx

78. Deputy Leader of the Opposition, The Hon. PIPITE noted an increase in the budget but commented that a lot of funds was required for awareness purposes towards programs such as HIV/AIDS, STI/STD to name a few.
79. The Hon. Minister KAHU agreed that awareness programs required a lot of funds but it did not hinder their continuation.
80. The Hon. Joshua KALSAKAU spoke on Activity MHCA, “**Hospital Services**” and enquired about the purchasing of new hospital equipment as he was aware that certain essential equipment such as scanners for the Radiology Section were broken down and need replacement.
81. The Hon. Minister KAHU explained that the increase in the Activity went towards medical allowances only.

ORAL QUESTIONS

82. The Hon. Esmon SAEMON, Member for Malekula, asked why Ministers were not entitled to touring allowances compared to the Prime Minister and President.
83. Deputy Prime Minister KILMAN (responding on behalf of the Government since Prime Minister NATAPEI who was absent) explained that the Prime Minister and President had a trust fund that was used for touring purposes. Ministers on the other hand, received requests for them to tour.
84. Deputy Leader of the Opposition, The Hon. PIPITE asked when the Government would ensure that there were no misuses of G-vehicles.
85. Deputy Prime Minister KILMAN agreed that it was a long standing issue however it was necessary that the Government address it.

86. The Hon. George A. WELLS, Member for Luganville, raised concern regarding the Vanuatu Mobile Force (VMF) vehicles driving around Port Vila with posters of the Late Lucky Dube's One Peoples' Band stuck on them. He wanted to know if the Ministry concerned will take action against the responsible heads of the VMF as it was a mockery to the Force and in particular the code of conduct of the military.
87. As the Minister of Internal Affairs of which the VMF was under, was not present, Deputy Prime Minister KILMAN noted the concern but asked the MP to make an official complaint.
88. The Hon. Lorin SOLOMON, Member for Santo, wanted to know Government's assistance towards local timber companies.
89. Deputy Prime Minister KILMAN explained that mobile sawmill operations was a business reserved for Ni-Vanuatu. However the local timber industry was unable to support and supply the demand for timber.
90. The Hon. Minister MOLISA supplemented that the Government assisted local timber companies by allowing duty free of imported timber.
91. The Hon. Steven KALSAKAU, Minister of Agriculture, Quarantine, Forestry and Fisheries and Member for Efate, agreed that local timber companies were unable to supply upon demand but he added that local timber was also difficult to treat.
92. The Hon. Minister HILTON said problems faced by local businesses were difficult to monitor and unable to be attended to was simply due to shortage of staffing in the Department of Ni-Vanuatu Business.
93. The Hon. Donna BROWNY, Member for Malekula, asked if there was a fund towards Government residences as he noticed that a lot of them required renovation.
94. The Hon. Minister MOLISA explained that official government residences were under the respective ministries and thus it was their responsibility to ensure maintenance and renovation of these official residences. He added that the Public Service Commission (PSC) did not have enough funds to carry out maintenance and repair.
95. The Hon. Kisito TEILEMB, Member for Malekula, enquired about the constant Provincial Councils budget compared to that of the Ministry of Health that recently saw an increase.
96. Deputy Prime Minister KILMAN replied that Provincial Councils budget remained the same as it continued to provide the same services to the Provinces.
97. The Hon. Minister MOLISA saw no reason why the budget of the Provincial Councils could not be increased nevertheless service delivery shall continue as usual.

98. The Hon. Toara D. KALO, Member for Shepherds, wanted to know if pre-school teachers were under the government payroll.
99. The Hon. Charlot SALWAI Tabimasmās, Minister of Education and Member for Pentecost, responded that the education budget did not cater for pre-school and usually these schools were privately operated. He however was of the opinion that they should be attached to primary schools.
100. Leader of Government Business and Member for Banks/Torres, The Hon. Thomas I. SAWON enquired whether or not the education budget catered for newly graduate teachers to commence work in 2010.
101. The Hon. Minister SALWAI Tabimasmās stated that a statement would be made regarding teachers issue.
102. The Hon. Isaac HAMARILIU, Member for Epi, asked if the Ministry of Health consider dispatching qualified nurses to remote areas.
103. The Hon. Minister KAHU explained that remote areas would be looked after by nurse practitioners.
104. The Hon. STEVENS wondered why only expatriates were privileged to have vehicles registered with Vanuatu Exemption (VE) number plates whereas successful Ni-Vanuatu businessmen had to pay.
105. The Hon. Minister MOLISA clarified that VE plates were for project vehicles as it was an agreement made between donor partners and the government thus Ni-Vanuatu entrepreneurs were not eligible to that privilege.
106. The Hon. Willie LOP, Member for Tanna, wanted to know when the government would establish the Year 13 stream in the secondary schools on Tanna.
107. The Hon. Minister SALWAI Tabimasmās replied that in 2010 the Year 13 stream shall commence in the secondary schools on Tanna.
108. The Hon. Patrick CROWBY Manarewo, Member for Port Vila, asked if the government considered establishing a National Security Council.
109. Deputy Prime Minister KILMAN answered that the government was yet to consider one especially since it concerned the security of the nation.
110. The Hon. Joshua KALSAKAU wanted to know if the government ever considered setting up traffic lights seeing the daily traffic jams occurring in the central business district.

111. Deputy Prime Minister KILMAN said the establishments of traffic lights were an immense project and he was unaware of any plans in place to establish this system. Nevertheless he noted the concern raised.
112. Minister of Infrastructure and Public Utilities and Member for Santo, The Hon. Serge VOHOR also noted the concern raised and was sad to announce that there was no budget for such a project.
113. The Hon. Ton KEN, Member for Malekula, asked if the government could consider assisting local farmers by way of transport to ensure that their products particularly copra could be transported immediately to their markets in order to maintain its quality.
114. Deputy Prime Minister KILMAN responded that the government only ensured that the products such as copra be sold at a fixed price however there was a lack of emphasis to inform farmers about the requirement of the quality of exported products.
115. The Hon. Jean Ravou A. KOLOMULE, Member for Santo, commented on the Parliamentary case before the court that was yet to be judged then went on to ask if it was acceptable for the Chief Justice (CJ) to meet with the Minister of Justice and Social Welfare whilst the case was still pending. He wanted clarification whether or not such action could have an impact on the decision to be in favour of the government.
116. The Hon. Bakoa KALTONGA, Minister of Justice and Social Welfare and Member for Efate, informed the House that he as Minister of Justice had summoned the CJ to discuss about the new Court of Justice project thus had drank kava with the CJ to seal the successful meeting of the minds.
117. **The sitting was adjourned at 5.00p.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

SECOND ORDINARY SESSION OF 2009

TUESDAY 15 DECEMBER 2009

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

PRESENT : 47 Members

ABSENT : The Hon. Bob LOUGHMAN, Member for Tanna
The Hon. Edward N. NATAPEI, Member for Port Vila
The Hon. Ralph REGENVANU, Member for Port Vila
Hon. Morking STEVEN, Member for Tanna

LATE :

1. The sitting commenced at 9.00a.m.
2. The Hon. Philip BOEDORO, Second Deputy Speaker and Member for Maewo, said the prayer.
3. The Hon. Speaker read the agenda.

CONFIRMATION OF MINUTES

4. Seconded by the Hon. Marcellino PIPITE, Opposition Whip and Member for Santo, the Hon. Thomas I. SAWON, Leader of Government Business and Member for Banks/Torres, moved the Minutes of the Second Extraordinary Session of the Eighth Legislature, dated 19 -27 November 2007, to be the true records of the Parliament proceedings.
5. Minutes of the Second Ordinary Session of the Eighth Legislature, dated 3-19 December 2007 was approved unanimously.
6. Seconded by the Hon. Marcellino PIPITE, Opposition Whip and Member for Santo, the Hon. Thomas I. SAWON, Leader of Government Business and Member for Banks/Torres, moved the Minutes of the Second Ordinary Session of the Eighth

Legislature, dated 3-19 December 2007, to be the true records of the Parliament proceedings.

7. Minutes of the Second Ordinary Session of the Eighth Legislature, dated 3-19 December 2007 was approved unanimously.
8. Seconded by the Hon. Marcellino PIPITE, Opposition Whip and Member for Santo, the Hon. Thomas I. SAWON, Leader of Government Business and Member for Banks/Torres, moved the Minutes of the First Ordinary Session of the Eighth Legislature, dated 31 March -11 April 2008, to be the true records of the Parliament proceedings.
9. Minutes of the First Ordinary Session of the Eighth Legislature, dated 31 March -11 April 2008 was approved unanimously.
10. Seconded by the Hon. Marcellino PIPITE, Opposition Whip and Member for Santo, the Hon. Thomas I. SAWON, Leader of Government Business and Member for Banks/Torres, moved the Minutes of the First Extraordinary Session of the Eighth Legislature, dated 20-28 April 2008, to be the true records of the Parliament proceedings.
11. Minutes of the First Extraordinary Session of the Eighth Legislature, dated 20-28 April 2008 was approved unanimously.
12. Seconded by the Hon. Marcellino PIPITE, Opposition Whip and Member for Santo, the Hon. Thomas I. SAWON, Leader of Government Business and Member for Banks/Torres, moved the Minutes of the Second Extraordinary Session of the Eighth Legislature, dated 17 -19 June 2008, to be the true records of the Parliament proceedings.
13. Minutes of the First Extraordinary Session of the Eighth Legislature, dated 17-19 June 2008 was approved unanimously.
14. Seconded by the Hon. Marcellino PIPITE, Opposition Whip and Member for Santo, the Hon. Thomas I. SAWON, Leader of Government Business and Member for Banks/Torres, moved the Minutes of the Third Extraordinary Session of the Ninth Legislature, dated 3 October 2008, to be the true records of the Parliament proceedings.
15. The Hon. Joshua KALSAKAU, Member for Efate, whose party was the Vanuatu Labour Party (VLP), wanted to know what the abbreviation PTV stated in the Party affiliation column against his name referred to. He said that his political party's official name was VLP.
16. The Hon. Speaker directed the House to correct the error to VLP and not PTV.

(NB: PTV(Parti du Travail de Vanuatu) is the French translation of VLP. The Hon. KALSAKAU was in fact reading the French version of the Minutes)

17. Minutes of the Third Extraordinary Session of the Ninth Legislature, dated 3 October 2008 was approved unanimously.
18. Seconded by the Hon. Marcellino PIPITE, Opposition Whip and Member for Santo, the Hon. Thomas I. SAWON, Leader of Government Business and Member for Banks/Torres, moved the Minutes of the First Sitting of the Ninth Legislature, dated 22 September 2008, to be the true records of the Parliament proceedings.
19. The Hon. Willie Ruben Abel TITONGOA, Member for Tongoa, pointed out an error in the constituency for the Hon. Serge VOHOR which should be Santo and not Tongoa.
20. The Hon. Serge VOHOR, Minister of Infrastructure and Public Utilities and Member for Santo, raised his concern regarding the error stating that it was serious and was a mockery especially as he was a one of a long time serving member of Parliament.
21. The Hon. Speaker CARLOT KORMAN accepted the concern raised and apologized for the error. He said that the correction would be made and disciplinary action would be taken should such an error be made in future.
22. Minutes of the First Sitting of the Ninth Legislature, dated 22 September 2008, with the correction taken, was approved unanimously.

STATEMENTS BY MINISTERS

23. The Hon. Bakoa KALTONGGA, Minister of Justice and Social Welfare and Member for Efate, presented a statement concerning law and justice and institutions under the portfolio of Justice. **(Text as Appendix V)**
24. The Hon. Speaker CARLOT Korman allowed leaders of respective political parties in the Opposition to comment on the statement made by Ministers and Members of Parliament (MPs) were permitted to raise questions only.
25. Leader of the Opposition, Member for Pentecost and President of National Untied Party (NUP), The Hon. Hamlinson LINI Vanuaroroa,
26. As there was a group of MPs sitting in the centre of the Chamber, The Hon. Speaker clarified that according to Section 19 of Standing Orders of Parliament allowed only political parties in the opposition to comment briefly on the statement.
27. The Hon. PIPITE, Deputy Leader of the Opposition and representing the Vanuatu Republican Party in the Opposition,
28. The Hon. Speaker informed the leader of the Vanuatu Labour Party, The Hon. Joshua KALSAKAU, he would disallow him to comment on the statement as the SO (19) clearly stated that only political parties in the opposition were permitted to comment.

29. The Hon. Joshua KALSAKAU, Leader of the Vanuatu Labour Party (VLP), expressed sternly that VLP shall support or oppose whatever issue was before Parliament. However he meekly accepted the ruling made by the Speaker to disallow him as a leader of a political party to comment on statements made by Ministers in accordance with SO.
30. The Hon. Speaker CARLOT Korman allowed MPs to raise questions concerning the statement.
31. The Hon. David TOSUL, Member for Pentecost, asked about the progress of the land purchased to build the new Correctional Centre. He was aware that there were two favourable lands in question.
32. The Hon. Minister KALTONGGA explained that the land at Etas of which the government had purchased for the said project was under dispute thus it disallowed the construction of the facility there. He said however the government was fortunate to negotiate another piece of land at Erangorango, (land behind Bauerfield airport) and surveying of that land had already taken place and work would begin with construction of roads followed by other activities.
33. The Hon. Jean Ravou Akii KOLOMULE, Member for Santo, enquired if sufficient legal awareness was made to the rural population since he was of the opinion that justice was costly particularly to the rural population.
34. The Hon. Minister KALTONGGA informed the House that a Law Week had been held in Port Vila, Tanna and Santo which highlighted various judicial institutions that the public could go to seek legal assistance.
35. The Hon. Speaker CARLOT KORMAN announced that as it was near to break time, the Minister of Lands would make his statement and the House would ask questions after the break.
36. The Hon. Paul TELUKLUK, Minister of Lands and Member for Malekula, presented a statement concerning the electricity and water supply. **(Text as Appendix VI)**
37. The Hon. Speaker decided to allow questions on the statement made by the Minister of Lands since there was still sufficient time.
38. The Hon. LINI Vanuaroroa, Leader of the Opposition and President of National United Party, pointed out that the statement was made in response to questions raised during Oral Questions nevertheless the information provided shall please the public. He said that certain plans mentioned in the statement did not have funds available for their implementation but hoped that the Minister shall seek financial assistance towards them.
39. Deputy Leader of the Opposition, The Hon. PIPITE declared his interest then questioned the Sarakata Funds if the government reconsider its usage. He claimed that the fund was

unfairly distributed which displeased the Santo population. He continued that electricity and water costs were expensive in Santo thus it should be subject to review.

40. The Hon. Esmon SAIMON, Member for Malekula, suggested more compensation for land owners.
41. The Hon. Minister TELUKLUK agreed that the compensations should increase.
42. The Hon. George WELLS, Member for Luganville, said land owners should understand what is acquiring their land to become public land.
43. The Hon. Minister TELUKLUK explained that a 1(one) month notice is given to the community to determine the rightful land owner and then a statement is made on the evaluation of the land.
44. The Hon. KOLOMULE gave a positive remark on the Imaki project on Tanna. He suggested that the Ministry should organize more projects similar to the above mentioned.
45. The Hon. Minister TELUKLUK explained that the purpose of the Ministry was to prioritize on projects as such. He then assured the House that money was allocated for the projects.
46. The Hon. James BULE, Member for Ambae, commented that the Ministry concentrated too much on suburbs and then asked when the Banks and Saratamata projects would commence.
47. The Hon. Minister TELUKLUK responded that the projects would commence in 2010 and end the same year.
48. The sitting was suspended at 10.50a.m and resumed at 11.20a.m.
49. The Hon. Toara D KALO, Member for Shepherds, thanked the Minister for tabling the statement. He then asked if the Prima land issue had been sorted out or not.
50. The Hon. Minister TELUKLUK responded that the land owner was found and that the Government was currently considering compensation for the owner.
51. The Hon. Philip BOEDORO, Member for Maewo, sought clarification on the Maewo project.
52. The Hon. Joshua KALSAKAU asked if the Government would compensate custom owners for electrification projects in the rural parts of Efate.

53. The Hon. Minsiter TELUKLUK clarified that 10 million vatu was allocated for the Talise project in Maewo. Concerning the Efate rural electrification, he said the Government was still looking for funds to fund the projects.
54. The Hon. Ps. Ton KEN, Member for Malekula, wanted to know when the rural water supply project would commence in Walarano, Malekula.
55. The Hon. Minister TELUKLUK responded that the project was worth 20 million vatu and that the commencement date was still to be decided.
56. The sitting was suspended at 11.30a.m and resumed at 2.00p.m.
57. The Hon. Speaker CARLOT KORMAN noted that the Minister of Finance and Economic Management, who was required to present a statement, was not present in the Chamber.
58. The Hon. Sato KILMAN, Deputy Prime Minister, Minister of Commerce, Industry and Tourism and Member for Malekula, requested suspension to await the arrival of the Minister concerned and also it was important that he was present during the debates of the Appropriation Bill.

(Whilst the DPM was talking, news was received that the Minister had arrived)

59. The Hon. Sela MOLISA, Minister of Finance and Economic Management and Member for Santo, apologized for his lateness then went on to present a statement concerning a question raised by the Hon. Alfred CARLOT, Member for Efate during Oral Questions regarding the Vanuatu National Provident Fund (VNPF) contribution. **(Text as Appendix VII)**
60. Deputy Leader of the Opposition, The Hon. PIPITE commented on the statement made and said that the VNPF Act should consider health cover for Members of Parliament and employees as the cost of overseas medical treatment was expensive. He did not hear any mention of the land on Santo purchased by VNPF thus questioned its status. Also he found it rather interesting to see that the advertisement regarding the post of the General Manager had been long running in the newspaper and so wanted more information regarding the vacancy notice.
61. The Hon. KOLOMULE expressed concern that the VNPF loan scheme only benefited employees in Port Vila and those on Santo and other islands were left out.
62. The Hon. Minister MOLISA responded to the concern raised by MP KOLOMULE that all employees whether in Port Vila or elsewhere were eligible to the loan scheme. He added that VNPF contribution of an employee could be used as collateral for bank loans as well.

BILL FOR THE APPROPRIATION (2010) ACT NO. OF 2009

COMMITTEE STAGE (Continue)

Code MH, "**MINISTRY OF HEALTH**"

63. Leader of Government Business, The Hon. SAWON wondered if the increase in the budget also catered for newly graduate doctors and nurses to be recruited in 2010.
64. The Hon. Minister MOLISA clarified that the increase was sufficient to fund new doctors and nurses as well as pay off the 39 retired medical officers in 2010.
65. The Hon. Moses KAHU, Minister of Health and Member for Tanna, confirmed the clarification made by Minister MOLISA.
66. The Hon. Pastor Ton KEN, Member for Malekula, spoke on Activity MHBB, "*Corporate Service Directorate*" and asked if the program cost also covered doctors in other hospitals other than Central Hospital, Port Vila.
67. The Hon. Minister KAHU answered that Ni-Vanuatu students were training in Cuba to become doctors and upon their return in three (3) years time, shall be dispatched to the hospitals in the provinces.
68. The Hon. Solomon LORIN, Member for Santo, expressed concern over the need to have better health facilities and equipment
69. The Hon. Minister KAHU stated that facilities and equipment were dealt through aid assistances.
70. Code MH was approved unanimously.

Code MU, "**MINISTRY OF INFRASTRUCTURE AND PUBLIC UTILITIES**"

71. Deputy Leader of the Opposition, The Hon. PIPITE noted an increase in the budget compared to 2009 and in Activity MUBA, "*Director General and Cooperate Services*", of which special projects came under; he wanted to know the update on the work carried out at the main wharf.
72. The Hon. Minister VOHOR said that the renovation work currently being done at the main wharf was carried out through the assistance of Japan International Corporation Agency (JICA) and the work done at the Star Wharf was carried out by Ifira Trustees Ltd.
73. The Hon. Peter VUTA, First Deputy Speaker and Member for Ambae, on Activity MUFA, "*Development and Maintenance of Government Infrastructure*", asked whether it

was true that the Public Works Department (PWD) had tendered work to maintain roads in the rural to communities instead.

74. The Hon. Minister VOHOR explained that it was part of PWD program to encourage community participation in road maintenance in the rural areas.
75. The Hon. Patrick CROWBY Manarewo, Member for Port Vila, commented also on Activity MUFA about the depth of the tar to be laid on the roads around Efate and if the Vt449million also covered roads around Port Vila as he was of the understanding that the Pacific Nations Forum will be held in the capital in 2010.
76. The Hon. Minister VOHOR was unsure about the depth of the tar but affirmed that the roads by the Millennium Challenge Fund (MCF) would last a long time. As for the roads around Port Vila, he said that it was the Government's responsibility to maintain.
77. The Hon. Joshua KALSAKAU, on Activity MUFB, "*Airport Upgrade Projects*", requested enlightenment on the construction of the new 747 airport project.
78. The Hon. Minister VOHOR explained that the upgrade projects were mainly for the Lonoror (Pentecost), Longana (Ambae) and Norsup (Malekula) airports. The 747 airport project was yet to be finalized.
79. The Hon. George A. WELLS, Member for Luganville, on Activity MUCA, "*Civil Aviation Management and Administration Support*" spoke on the different categories of which airports in the islands were listed under and expressed concern on the Peko International Airport (Santo) which was listed under Category 6 but did not reflect the criteria for Category 6. He claimed that facilities were not of standard and vehicles particularly the fire engine had been removed and placed at the Bauerfield Airport (Port Vila) instead and firearms that were used to scare off birds and animals from the runway should be restocked.
80. The Hon. Minister VOHOR clarified that Airports Vanuatu Ltd (AVL) was a corporate company and the MUCA budget covered only the Civil Aviation Management thus it was the responsibility of AVL to handle the concerns raised by MP WELLS.
81. The Hon. KOLOMULE spoke on Activity MUFA. He had noted that there was an increase in the budget but questioned why it did not cover the construction of new roads as well.
82. The Hon. Minister VOHOR replied that it was the government's priority to construct new roads around Malekula, Santo and Efate.
83. The Hon. Pastor KEN, on Activity MUFB, asked if the Norsup Airport (Malekula) which was currently under dispute was also included in the upgrade of airports.

84. The Hon. James BULE, Member for Ambae, also on Activity MUFB, asked if the ATR72 aircraft could land on Ambae, and on Activity MUDA, “*Weather Forecasting, Monitoring and Research*” noted that there was no fund towards climate change.
85. The Hon. Minister VOHOR confirmed that the Government would compensate the custom owners of Norsup Airport and it too was earmarked for upgrade in order to accommodate ATR 72. He added that it was possible for ATR 72 to land on Ambae however AVL was yet to place a fire engine at the Longana Airport before the aircraft could land there. He went on that funds for climate change programs was not included in the budget but a funding had already been secured.
86. The sitting was suspended at 3.40p.m and resumed at 4.05p.m.

WRITTEN MOTION

87. The Hon. Speaker Maxime CARLOT Korman quoted Section 34 (2) and (3) of the Standing Order (SO) and declared that the motion no. 3 and no. 4 of the Second Ordinary Session of 2009 were contrary to the SO.
88. The Hon. Sela MOLISA, Minister of finance and Economic Management and mover of motion no. 3 referred to SO 34(3) and then asked clarification since Section (3) provided for the contents of a question.
89. The Hon. Speaker referred to Section 35 (3) of the SO and declared that the rules contained in SO 34 shall apply to the contents of any written motions. He added that because that the matter has been taken to court the motions were a violation of the SO.
90. **The sitting was adjourned at 4.15p.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

SECOND ORDINARY SESSION OF 2009

WEDNESDAY 16 DECEMBER 2009

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

PRESENT: 44 Members

ABSENT: The Hon. David AREIASUV, Member for Paama
The Hon. Donna BROWNY, Member for Malekula
The Hon. Bob LOUGHMAN, Member for Tanna
The Hon. Edward N. NATAPEI, Member for Port Vila
The Hon. Ralph REGENVANU, Member for Port Vila
The Hon. Eta RORY, Member for Malekula
The Charlot SALWAI, Member for Pentecost

LATE:

1. The sitting commenced at 2.40p.m.
2. The Hon. Dunstan HILTON, Member for Banks/Torres, said the prayer.
3. The Hon. Speaker read the agenda.
4. The Hon. Sela MOLISA, Minister of Finance and Economic Management, suggested the tabling of documents should come first and the other businesses later.
5. The Hon. Speaker accepted the proposal and said that the each statement should be based on a specific subject. He added that all statements should be handed over to the Parliament Secretariat for records and proceedings.

STATEMENT BY MINISTERS

6. The Hon. Sela MOLISA, Minister of Finance and Economic Management, presented a statement on the Vanuatu Agriculture Development Bank (VADB). **(Text as appended VIII)**
7. The Hon. Ham LINI, Leader of Opposition and Member for Pentecost, thanked the Minister for the statement and then said that he was pleased with the updates and that the Opposition would support the Government on the Development of the Bank.
8. The Hon. Marcellino PIPITE, Deputy Leader of Opposition and Member for Santo, commented that the operations and management was the sustainability of the bank. He added that the Bank must be in liaison with the Agriculture College. Moreover he said that although the Bank had some negative impact, he supported the statement and hoped that the Bank will be well managed for the benefit of the people.
9. The Hon. Joshua KALSAKAU, Member for Efate and President of the Vanuatu Labor Party said he believed that Vanuatu stood on strong democracy. He went on to say that the bank served the purpose for people to benefit from. He continued that however, capital was very important and that the bank needed capital to begin operations.
10. The Hon. Samson SAMSEN, Member for Santo, said that there was no grace period agreement for loan repayment between the bank and the borrower. He then asked if amendments would be made to Section 3 of the Act that provided a time frame for the loan repayments.
11. The Hon. Minister MOLISA explained that at this point in time the bank must assess the ability of the repayment of the borrower. He added that it was not necessary to amend Section 3 because the agreement would be made between the bank and the borrower according to the earnings of the borrower.
12. The Hon. Solomon LORINE, Member for Santo, asked how many of the 41 applicants mentioned were from each Province.
13. The Hon. Minister MOLISA said he did not have the information.
14. The Hon. Morkin STEVEN, Member for Tanna, raised a point of order and stated that according to SO 19 Members may be permitted to address questions thereon to the Minister.
15. The Hon. Speaker said he only allowed two members to ask questions. He apologized to the other Members and then asked them to make sure their hands were raised to indicate that they wanted to question the Minister.
16. The Hon. Moana CARCASSES, Minister of Internal Affairs, presented a statement on the situation of Gaua Volcanic activity. **(Text as Appendix IX)**

17. The Hon. LINI thanked the Minister and the National Disaster Management Office (NDMO) for the statement and said he was delighted that the Office received contributions from donor partners, the Government and Provincial Governments. He also hoped that the money would be wisely spent.
18. The Hon. PIPITE thanked the Government on behalf of the Opposition block for the donation towards the people of Torba Province.
19. The Hon. Thomas I SAWON, Leader of Government Business and Member for Banks/Torres, asked how many medical officers were sent to Gaua for medical relief.
20. The Hon. Minister CARCASSES responded that there were two medical officers on the site to assist and control the medical supply.

BILL FOR THE APPROPRIATION (2010) ACT NO. OF 2009

COMMITTEE STAGE (Cont’)

Code MU “**Ministry of Infrastructure and Public Utilities**” (Cont’)

21. The Hon. Toara D KALO, Member for Shepherds, asked why the budget allocated under the activity MUEA continued to decrease each year especially when wharf renovation projects were planned to take place. He also commented that local ships did not meet service requirements and then asked what the Government intended to do about the situation.
22. The Hon. Minister MOLISA asked the Minister concerned to respond to the questions raised.
23. The Minister of Infrastructure and Public Utilities and Member for Santo, Hon Serge VOHOR, responded that the budget reflected the work of the administration. He added that the increase in the last budget was used to cover the outstanding.
24. The Hon. STEVEN wanted to know who was responsible for airport security.
25. The Hon. Minister VOHOR clarified that the budget covered salaries for airport security officers.
26. Code MU was approved unanimously.

Code MI “**Ministry of Internal Affairs**”

27. The Hon. LINI asked the Minister to emphasize the cost of the Ministry’s project proposals.

28. The Hon. Minister MOLISA said 195 million vatu was allocated for new initiatives. He then listed the new project proposals for all the Government institutions and the money allocated for each.
29. The Hon. George WELLS, Member for Luganville, asked if it was necessary for the Government to find 50 million vatu worth of funds to fund the Independence celebrations. He also wanted to know what process and under what criteria could a person be qualified to become a member of the Vanuatu Mobile Force (VMF). He added that political influence could be the reason behind the recruitments.
30. The Hon. Minister MOLISA responded that we needed to be well prepared for the country's 30th anniversary which was why the Government needed to allocate more funds.
31. The Hon. Minister CARCASSES supplemented that it was very important to commemorate and celebrate our country's 30th anniversary. Concerning the recruitment of the VMF, he said the Ministry would open an investigation on the last recruitment. He then assured that the Force should not be involved in politics.
32. Since there were no written questions in the order of the day, the Hon. Speaker adjourned the sitting.
33. **The sitting was adjourned at 4.05p.m.**

**PARLIAMENT OF THE
REPUBLIC OF VANUATU**

NINTH LEGISLATURE OF PARLIAMENT

SECOND ORDINARY SESSION OF 2009

THURSDAY 17 DECEMBER 2009

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

PRESENT : 44 Members

ABSENT : The Hon. David AREIASUV, Member for Paama
The Hon. Bob LOUGHMAN, Member for Tanna
The Hon. Edward N. NATAPEI, Member for Port Vila
The Hon. Ralph REGENVANU, Member for Port Vila
The Hon. Eta RORY, Member for Malekula
The Hon. Esmon SAIMON, Member for Malekula
The Hon. Charlot SALWAI, member for Pentecost

LATE :

1. The sitting commenced at 8.50 a.m.
2. The Hon. Kisito TEILEMB, Member for Malekula, said the prayer.
3. The Hon. Speaker read the agenda.

STATEMENT BY MINISTERS

4. The Hon. Moana CARCASSES, Minister of Internal Affairs and Member for Port Vila, raised a point of order quoting Standing Orders section 19 and questioned the court case before the court and a letter forwarded to the Speaker concerning the issue.

5. The Hon. Speaker stated that the motion was no longer valid since the date he had set (15 December 2009) to discuss the motion had already passed.
6. The Hon. Minister CARCASSES retorted that the motion was still valid since it was the government's advocate that had asked the Court to look at their grievance.
7. The Hon. Speaker was displeased with the government's advocate's continuation to address correspondences to him as Speaker and not to his lawyer instead. He continued that the said lawyer was also interfering with parliamentary affairs which were ruled under Standing Orders of Parliament. He continued that the Parliament had separate powers as did the Judiciary. After that intense remark, he asked Minister HILTON to present his statement.
8. The Hon. Danstan HILTON, Minister of Cooperatives and Ni-Vanuatu Business and Member for Banks/Torres, presented a statement concerning the Department of Cooperatives. (**Text as Appendix X**)
9. The Hon. David TOSUL, Member for Pentecost, questioned the Ombudsman's report regarding the VCMB loan funding. He wanted to know how much had been repaid and lent.
10. The Hon. Minister HILTON answered that about Vt 40million had been given to VCMB as a loan and of which only Vt1 million had been repaid.
11. The Hon. Sato KILMAN, Deputy Prime Minister, Minister of Commerce, Industry and Tourism and Member for Malekula, supplemented that a statement would be made regarding the spending of the Vt40 million. He then went on to ask if other statements yet to be made be withheld due to time constraints. He wanted the Parliament to pass the budget first.
12. The Hon. Speaker accepted the request thus requested all remaining statements be withheld in order for Parliament complete the budget.

BILL FOR THE APPROPRIATION (2010) ACT NO. OF 2009

COMMITTEE STAGE (Continue)

Code MI, "**MINISTRY OF INTERNAL AFFAIRS**"

13. The Hon. Jean Ravou Akii KOLOMULE, Member for Santo, on Activity MICA, '*Grants to Provinces*' noted an increase in the budget but questioned whether or not there was an increase in the Councillors' allowances.
14. The Hon. Minister CARCASSES responded that there was a need to consider whether or not to increase the salary or provide allocations.

15. The Hon. TEILEMB wanted to know how many times during the year the provinces' budgets were reviewed.
16. The Hon. Minister CARCASSES replied that the provincial budgets mainly relied upon the revenue collection of each province.
17. The Hon. Solomon LORIN, Member for Santo, on Activity MICB, '*Grants to Municipalities*' asked if the increase in the budget was because of the proclamation of the new Lenakel, Tanna Municipality. He was also concerned over the different rates applied for sitting allowances for the Port Vila and Luganville Municipalities thus wanted to see the rates to be altered and equilibrium. He was also discouraged over the non election of the Tanna Municipality seeing that Port Vila and Luganville had to go through the arduous electoral process.
18. The Hon. Minister CARCASSES confirmed that the budget rise was due to the new municipality declaration on Tanna. He went on that the government was considering when to call the municipal election for Lenakel as is done for Port Vila and Luganville.
19. The Hon. KOLOMULE on activity MIEB, '*Electoral Services*' commented on the recruitment of unnecessary workers in the Council offices.
20. The Hon. Minister CARCASSES said he noted the concern raised and shall look into it.
21. The Hon. Joshua KALSAKAU, Member for Efate, on Program MID, '*Internal Security and Border Control*' wanted to know why the fire services was not under essential services and could not be placed under the control of the municipality instead of the Police.
22. The Hon. Minister CARCASSES noted the concern raised for consideration in finding a solution to the issue for the betterment of the fire services towards the population of the two towns.
23. The Hon. Willie LOP, Member for Tanna, on Activity MIEF, '*National Disaster Management*' enquired whether or not the government ever considered establishing a reserve to be used towards disaster.
24. The Hon. Sela MOLISA, Minister of Finance and Economic Management and Member for Santo, firstly apologized for his lateness then said that the government had already considered issues in the National Disaster Management Office (NDMO).
25. Code MIA was approved unanimously.

Code ML, "**MINISTRY OF LANDS, GEOOGY AND MINES**"

26. The Hon. LORIN, on Activity MLCB, '*Mines and Minerals*', enquired about the study carried out several years ago.
27. The Hon. Paul TELUKLUK, Minister of Lands, Geology and Mines and Member for Malekula, informed the House that following that study, licence has been approved for four(4)companies to excavate.
28. The Hon. Joshua KALSAKUA asked if Vt5million in Activity MLED, '*Customary Land Registration*', was sufficient enough to compensate landowners for the quarry used
29. The Hon. Pastor Ton KEN, Member for Malekula, on Activity MLEA, '*Land Survey*' questioned the lands surveyed to build government schools.
30. The Hon. Minister TELUKLUK replied that Vt200million has been budgeted for that would go towards the compensation payments to customary landowners.
31. The Hon. Minister MOLISA clarified that the Vt200million was under the Ministry of Finance budget.
32. The Hon. Joshua KALSAKAU repeated his question concerning the Vt5million to be paid as compensation to customary landowners.
33. The Hon. Minister MOLISA explained that compensation payments were under the Ministry of Finance and payments could not be made till disputes were resolved.
34. The Hon. Joshua KALSAKAU supplemented that he did not see the revenue forecast for trust accounts that land rents/premiums were supposed to have been paid to for land under dispute.
35. The Hon Minister MOLISA informed that the trust account no longer existed since 1998 because payments were paid directly to the customary landowners instead.
36. The Hon. Minister TELUKLUK stated that a trust account should be re-established so that funds paid to disputed lands could be saved until a real custom landowner be established.
37. The Hon. Iouko H. IARIS, Member for Tanna, remarked that the funds collected by the government in fact belonged to the landowners and since 1980 the government had been collecting funds thus it was this fund that was being questioned.
38. The Hon. Minister MOLISA said that there were in fact two separate issues being raised and the budget allocated would go towards both these issues.
39. The Hon. Speaker CARLOT KORMAN directed the House to shorten the discussion on the Ministry of Lands budget.

40. The Hon. Willie Rueben Abel TITONGOA, Member for Tongoa, on Activity MLCA, '*Energy Management and Assessment*' questioned what the government would do to develop energy resources.
41. The Hon. Speaker CARLOT KORMAN ruled that questions raised concerning UNELCO and particularly about energy he disallowed as a statement had already been made clarifying the issue.
42. The Hon. TITONGOA wanted further information on the Land's Policy.
43. The Hon. Minister TELUKLUK informed that there was a policy in place concerning the query raised.
44. The Hon. TOSUL, on Activity MLGA, '*Rural Water Supply*', asked if a survey had been carried out at Pangi, Pentecost and if a fund for the survey was also included in the budget.
45. The Hon. Minister TELUKLUK replied in the affirmative.
46. Code ML was approved unanimously.
47. Code MJ, "**MINISTRY OF JUSTICE AND SOCIAL WELFARE**" was approved unanimously.
48. Code MY, "**MINISTRY OF YOUTH DEVELOPMENT AND TRAINING**" was approved unanimously.
49. Total Government Expenditure of Vt 15,501,115,261 was approved unanimously.
50. Section 1, "**Appropriation**" was approved unanimously.
51. Section 2, "**Commencement**" was approved unanimously.

SECOND READING

52. The Hon. Sela MOLISA, Minister of Finance and Economic Management, thanked the House for its support and contributions made, then moved that the Bill be read a second time and do pass.
53. The motion that the Bill be read a second time and do pass was carried unanimously.
54. The Hon. Speaker CARLOT KORMAN informed that the House that it had completed its work for the session then proceeded to send seasonal greetings to distinguished personnel

and the population of Vanuatu. He permitted the government and Opposition to make their seasonal greetings. He hoped all shall have a prosperous New Year 2010.

55. Deputy Prime Minister KILMAN made the seasonal greetings on behalf of the government to distinguished personnel and the people of Vanuatu. He too hoped the year 2010 shall be a blessed year.
56. Leader of the Opposition, Hon. LINI Vanuaroroa also sent seasonal greetings to distinguished personnel and the people of Vanuatu. He hoped that the New Year 2010 shall be prosperous not only for the nation but the government in particular.
57. The Hon. Speaker then went on to declare the session closed.
58. **THE SECOND ORDINARY SESSION OF 2009 OF THE NINTH LEGISLATURE WAS OFFICIALLY CLOSED AT 10.20A.M.**