

**TUESDAY, 17 FEBRUARY 2015**

*The Legislative Assembly met at 9.00am pursuant to the Parliamentary Sitting Program 2015.*

*The Speaker took the Chair at 9.00am.*

Prayer.

**MR SPEAKER:** First of all I greet everyone this beautiful morning through God's loving kindness and protection that has enabled us to reconvene once again in Samoa's meeting. I trust that everyone has well received all callings and responsibilities including the Leader of the Government, Cabinet and the Associate Ministers. Greetings to the Leader of the Opposition, Deputy Leader and this entire side of the House.

Greetings also to the Government Heads, Samoa and our children in our presence who are taught in the National University of Samoa. May God be glorified as we once again meet in good health today.

I also express sincere gratitude to the support of the country. Thank you as your Parliament sets out to resume its sitting schedule today. Today is a different day in the history of the Government in essence to rebuilding a new Meeting House at Tiafau. We now resume Proceedings at Tui Atua Tupua Tamasese Efi building. As known, the Meeting House needs improvement after 40 years ago. This huge undertaking has been discussed by your Members for quite some time now for the benefit of the country. Hence, today regardless of the events, the objective is for us to carry on. Hence this is the first ever meeting in the building of Tui Atua Tupua Tamasese Efi to carry on our scheduled tasks. This is the replacement of the Parliament House of Samoa from the Fields of Tiafau. Hence we shall move on as per normal schedule. This is still *Mulinuu* and *Sepolataemo* who is also the lands of *Lalogafuafua* where the decision making of the country is made. The main purpose of this program pursuant to normal procedures is to give God praise for the planning we have achieved.

**OTHER ANNOUNCEMENT BY THE SPEAKER**

**MR SPEAKER:** Before our normal sitting schedule commences, this is a rare morning to the previous sitting, the Chair gave a ruling on the Leader of the Opposition. In belief it is not fitting to move on with our sitting without heeding the normal practice and procedures of the House. Notably, we shall rethink over and over tonight before we come up with the right decision tomorrow. Respectfully, I give the chance to the Leader of the Opposition for your statement this new morning.

27 JANUARY 2015

### Motion for Adjournment

The Deputy Leader has pleaded us on behalf of their Political Party, we have heard the apology. The member for Safata has also given the same, and I have officially accept it nonetheless, have you seen the conduct of your Leader? It is not one's fault, but I shall I leave it with you. I do not know if the advise you make is correct otherwise, I shall leave it to you.

Note that you have two lawyers on that side of the House who knows better. They know the legislation very well. The Pastor is also present who is tasked to pray for the benefit of the Parliament. To the dignified country I do not intend to say anything more. The Deputy Leader has also had his chance in this seat as Speaker which is very difficult as everything is done out of respect. Nonetheless, whatever requests you have, leave them with us as our Sitting is about to adjourn, the motion has been moved by the Prime Minister until next month then we shall proceed. Let us bear limitations and rely on God to guide us appropriately.

To Samoa's Parliament this evening, if east is mistaken let west bear correction. If we have wrong you in way, I beg your pardon, Preachers of God, bear with us in your support and prayers for your Parliament's wellbeing. We now have the set motion to adjourn our sitting until February. Before we disperse, I call upon the member for Vaa o Fonoti since the other pastor has departed, I call the Pastor of Samoa to end our sitting with a prayer.

*Proceedings of the Assembly were adjourned at 9:12pm until 9:00am Tuesday, 17 February 2015.*

17 FEBRUARY 2015

### Other Announcement by the Speaker

**Afioga Hon PALUSALUE FAAPO II (Leader of the Opposition):** Mr Speaker, I rise with respect pardon the respectable House and its significant statuses. Your statement is apparent, the land fields of Tiafau is the sacred lands of Samoa. We have gathered once again given God's loving guidance upon the House and Samoa. We must praise God's grace and mercy. Mr Speaker, although we heed good spirit this morning and have abided your ruling. Nevertheless, I departed with a forgiving heart as I wanted to take part in the Meeting that night, regardless, the ruling you give stands. Despite the submitted requests by the Deputy Leader and this Side, nonetheless your ruling still remained. On to this morning, I thought this is already in the past. This morning is anew, our tasks and duties is visible to God's sight.

Mr Speaker, I believe the only way for us to forgive is through God. I plead God for His forgiveness if the statements made that night sounded offensive, hence I believe that God can hear our forgiveness. Samoa is also supporting us and our callings. Who else can we turn to? We can only receive forgiveness through Jesus Christ.

Therefore Samoa if I had made any mistake, you are a country full of support. Thus the attempts of this Side aims to send a message. We intend to advise the Hon Prime Minister and that Side of the House and its decision-making. That is the entire purpose. Therefore Mr Speaker, I hope a lesson is learnt from what has happened. The only plea is for us to move forward mainly as we come to the final year for this Parliamentary term hence we must heed good lessons as we move on. Hence we ask God to forgive all. That is my confession to God not just for me alone but also the Chair, Hon Prime Minister and the Cabinet as no one is perfect in the eyes of God. In prayer, I ask God to abundantly bless the Chair and he endures his duties in the House.

That is the statement with utmost respect Mr Speaker, have a blessed meeting this morning.

**MR SPEAKER:** I call the Leader of the Government, state your view.

**Susuga Hon TUILAEPFA FATIALOFA LUPESOLIAI AIONO NEIOTI SAILELE MALIELEGAOI (Prime Minister):** Mr Speaker, I cannot just sit, on behalf of the Cabinet and the majority of this Side I extend a big congratulations to the Leader of the Opposition for his apology in the House. *This is the normal spirit in Parliament, every beginning has an ending.* What's happened should not have happened, because reflecting back, the statement relayed by the Hon Minister, Afioga Hon Manualesagalala Enokati Posala was very respectful. It was a very thriving and thoughtful speech however Mr Speaker, it was very insulting. That is entirely the reason I wanted to stand up that day, regardless I thought that it was best to leave the decision to the Chair. Now that we have received the Leader of the Opposition's apology. Hence, let us accept and show appreciation by applauding. *(The HRPP showed appreciation towards the Apology Statement by the Leader of the Opposition by clapping their hands.)*

17 FEBRUARY 2015

### Other Announcement by the Speaker

Mr Speaker, the apology has been accepted. On one condition Leader of the Opposition, when you pray God for forgiveness, focus on your own sins as we too can pray God for our own sins. You now say that you will act like a lamb starting today until the end of our Meeting hence we will keep a close watch on that, we too will behave like a lamb. That is how it is, if that side will behave like a lamb, then so too is this Side so that our Meeting is well maintained. Mr Speaker, well done on your patience and commitment. You against this lot, despite the troubles we give your perseverance conquers all. That is our response with respect.

**MR SPEAKER:** Given the notices I made, I believe the speeches have been laid out accordingly. The decisions of the House is not made outside. With essence to your statements they are properly addressed out of respect as we proceed. Pardon the Constitution and the Standing Orders as Samoa is a country of divisional status. The Leader of the Opposition has rendered a note of apology, hence let us forgive. We use respect and the Samoan way to respond to everything. The Leader of the Opposition has given an apology statement, therefore let us forgive. I only wish to advice the dignified Parliament particularly the Leader of the Opposition, we must heed a ban. This is the country's House, the Paramount Meeting of Samoa and the future's image. The future generation will take after us, we hold today they hold tomorrow. Hence we must lead by example by giving constructive and better decisions.

Therefore Leader of the Opposition, as your Speaker and reflecting back to four years ago, I am still maintaining peace. I pay greatest respect to you as one of the senior members in the House. You are known as the Leader of the Opposition. Samoa will judge the chances I give. I give chance and support because this is the Opposition Side that opposes the Government. You also perceive me differently from up here. I guess you view me lightly like a lad. Palusalua, that is the love. I did not get here for no reason. 37 districts supported me through without having to go through a ballot. All agreed that I take this Chair with the support of the Parliament particularly my district. Samoa has two main genealogies, *Aiga Sa-Tupua ma Aiga Sa-Malietoa and Faletolu* who nurtures these two kings. *Le paia ia Saitupua ma le Atiluatoga, le paia ia Saletolo ma le Atumamoeulupua, Sa-Lealiifano ma Lesasataunamo ma le Lauti na Laulelei. Le paia i Aiga o Mavaega, le mamalu i Aiga, le Falelima o Saeseese ma le Fetalaiga ia Pao. O le Fale Gagaiformauga, o le paia i le Alii o le Itu o Lavea na mua i malae, o Tupu o le Itu ma Tootoo o Finao o lea e tapuai i lou alofaiva.* Palusalua, consider me as I too am considering you. If your apology this morning is truthful by pleading forgiveness, God knows everything including the work we do. Shortly we will arrive to the elections for the next Parliamentary term. God is everywhere, ask yourselves what you have contributed to the wellbeing of the country. What we reap is what we sow.

17 FEBRUARY 2015

### Other Announcement by the Speaker

I do not have to say this Leader of the Opposition, the district is listening in. This is one of the confessions I made to one Spiritual Leader and a member of the Aiga Sa-Tunumafono, Rev Panapa Fata Too, *"I will remove any member during my reign as the Speaker."* But what? I give this House so much respect. I beg tolerance to the Reverend as what I said had not been achieved according to plan. According to God's will, I wish to remind the House. This is not about the laws as everything is rewarded out of respect. The Leader of the Opposition has spoken today, I wish you well on your duties. The same for the Hon Prime Minister and the Cabinet. Well done on your perseverance. To the notable House, we are the representatives of the country. *E leai se tautai matapalapala e atoa liu o lona vaa.* No one is perfect. Hence I plea that we make sound and fruitful submissions in the House in order for Samoa to maintain peace and harmony.

The work we do is done collectively. Because what we do together, we stand together for the prosperity of the country. In final, *Saumani lea Itu o le Maota, Saumani lea Itu o le Maota ae Saumani Afaese*, meaning that we are all one in the House. The aim is to lay this Meeting rightfully. Purposefully, it is not for one to gain popularity rather we must maintain respect in the House. We must heed our Seats and presence as leaders of the House.

### PRESENTATION OF PAPERS

*The Clerk read out the Papers tabled pursuant to Standing Orders 48.*

1. S.R.2015/1, Public Trust (Common Fund Interest Rates) Order 2014.
2. S.R.2015/2, Prisons and Corrections Service (Transfer of Members of the Service) Order 2014.
3. S.R.2015/3, Prisons and Corrections Service (Transfer of Members of the Service) Revocation Order 2015.
4. S.R.2015/4, Prisons and Corrections Service (Transfer of Members of the Service) Order 2015.
5. S.R.2015/5, General Price Order (No.1) 2015.
6. P.P.2014/2015 No.195, Ministry of Commerce, Industry and Labour Annual Report July 2012-June 2013.
7. P.P.2014/2015 No.196, Ministry of Women, Community and Social Development Annual Report 2013/2014.
8. P.P.2014/2015 No.197, Ministry of Education, Sports and Cultural Annual Report 1 July 2013-30 June 2014.
9. P.P.2014/2015 No.198, Ministry of Revenue Annual Report 2013-2014.
10. P.P.2014/2015 No.203, Government Responses on P.P.2014/2015 No. 135, Report of the Works, Transport and Environment Committee on P.P.2014/2015 No.65, Annual Report of the Samoa Ports Authority for the Financial Year Ending 30 June 2012.
11. P.P.2014/2015 No.204, Office of the Attorney General's Annual Report for the Financial Year 2013-2014.

17 FEBRUARY 2015

## PRESENTATION OF SELECT COMMITTEE REPORTS

*The Clerk presented the Reports of the Select Committee tabled before Parliament pursuant to Standing Orders 51(5).*

1. P.P.2014/2015 No.199, Report of the Government Administration Committee on the Statistics Bill 2014.
2. P.P.2014/2015 No.200, Report of the Finance and Expenditure Committee on the Public Finance Management Amendment Bill 2014.

## PETROLEUM AMENDMENT BILL 2014 – second reading

**MR SPEAKER:** For the information of this Parliament, this Bill was read had its first reading on the Sitting Day, 26<sup>th</sup> January 2015. I call the Hon Prime Minister.

**Susuga Hon TUILAEPA FATIALOFA LUPESOLIAI AIONO NEIOTI SAILELE MALIELEGAOI:** Mr Speaker I move, *That the Petroleum Amendment Bill 2014 be now read a second time and I would like to give a brief explanation about it.*”

*Seconded by the Deputy Prime Minister, Minister of Revenue, Minister of Public Enterprises, Minister of Information Technology and Communications & Minister of Women, Community and Social Development.*

**MR SPEAKER:** I call the Hon Prime Minister.

**Susuga Hon TUILAEPA FATIALOFA LUPESOLIAI AIONO NEIOTI SAILELE MALIELEGAOI:** Mr Speaker, since this amended Act is the Principle Act from 1984. The main objective for this tabling Bill is to monitor the bulk fuel importation in the country by the State. This is the main principle highlighted in Section 2 and 3. This means any petroleum imported as fuel in quantities greater than 500,000 litres per annum and includes Liquefied Petroleum Gas in quantities of 500,000 litres per annum. The main purpose of this Bill stipulated under 10 (a) is that any person other than a contractor must not import bulk fuel except with the prior written consent of the Minister. The written consent may be given with or without conditions and must be made in writing. The consent must not be unreasonably withheld by the Minister that is also stipulated under Section 4: at the commencement of this Act, any bulk fuel that has been loaded in the country of export for transshipment to Samoa is permissible as the legislation has not yet been approved.

Mr Speaker, considering this legislation, the Amendments have just been made to the Principle Act 1984 after 24 years. The amendments have just been incorporated to the 1960 Act. This legislation was tabled in the month of October when I was the Minister of Finance in 1984 before any of the back benchers was born.

17 FEBRUARY 2015

### Petroleum Amendment Bill 2014 – second reading

The objective for developing this legislation was due to the difficulty engaged by the country during the HRPP initial administration of Samoa at the time. At the time, there were three Petroleum Companies. These were the British Petroleum, Shell and Mobil. Instead, the problem was the scarce foreign exchange reserve available to exchange internationally including the airline companies. Under the administration of Tofilau Eti Alesana, a solution was sought which resulted to a fuel tender competition.

It was a difficult process that was never done before consequently, the successful bid went to Shell Company which was the smallest fuel companies in Samoa which took place in October whilst the law was passed later in December. Back then we use to follow the Annual Calender I amended in 1989 which initiated the change that was carried out until today on Government Financial Years commencing from July to June, this was so we could be in line with the Financial Years of New Zealand and Australia and become more efficient with them. This reminds me of the legislation we had in the old Meeting House now being replaced with a repaired one, whereby a similar atmosphere was presented by the Opposition Side sitting oppositely close to us to the point where one could easily grab the tie of another member which was the tuneful feeling we had in the past. During then, the most prominent Speaker we had was the member for Falealupo who is now in the Opposing Side.

At the time, we were discussing another amendment to the Financial Year from the month of January to December to July ending June. This legislation was passed in December 1984 to allow the tendering process competition. This Tendering process won the British Petroleum that shocked Mobil company at the time otherwise Mobil was the fuel supplier for Shell and British Petroleum hence the Shell and the British Petroleum were familiar with the fuel prices imported and during the bidding process, these two were aware of the Mobil fuel prices and therefore gave the lowest bid which won the Shell company. Since then all these companies went broke and since their departure they never returned except for Mobil. In 1985, the Government found a new idea set out in this 1984 Act which prevented us from conducting anymore fuel tender process. But something else happened in the 1984 Tender whereby a fuel company from American Samoa won the bid over Mobil, Shell and the British Petroleum, however, fuel tanks were needed which gave Government the idea to produce its own fuel tanks by taking over Mobil and tender fuels price to foreign companies exempting tank costs. In 2005 or 2004, we submitted a request to OBEC which granted a total of \$5million borrowing to build tanks that are now in place for fuel storage and fortunately lowered fuel prices. What does cheap means? The small vessels no longer travels to bring fuels which usually takes a month and the load was very pricey rather with adequate farm supply, one trip of fuel supply can last us three months. Despite the rising price, the old fuel price stood given the old standard price we had for the various petrol and fuel.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

That is reason for this price fluctuation, hence Samoa has the lowest fuel price and many countries have checked our fuel system which until today, no country can do the same. Samoa has the lowest fuel price in the Pacific Region and we now hold ownership and control of fuel prices and tanks for storage. Another big change we had was the direct pumping of.... set out in the 1984 legislation, that had the Government's power, huge pipelines can be installed even if it passes through one's house, it is still pressed through, right? Of course the State will compensate them. This resulted to pipelines instalment around the town area to pump oil that was once stopped by one orator of Apia, who had our agreement after we told him he could be put behind bars, nonetheless, pumping was firstly dispensed directly from under the ocean. When the fuel vessels arrive the anchored beacons are used by these vessels to dispense fuel directly using pipelines under the ocean. The disadvantage is the impact of marine fueling safety such as fuel spills which is why I normally conduct visits by swimming into the sea, the mooring buoy is roughly 55 feet below the ocean and using a humidified bottle I would swim to the fish and sharks that have gone big due to oil inhalation and they would flip their tails whilst I pay my respects when passing through them. The sharks will remove themselves kindly whilst you check the pumps before you swim back up. That was reason for the swift change to my former Ministers, Papalii and Faumui because they could not swim and to keep them away from doing what I did, rather, that is no longer the case, fuel is easily dispensed now and the preservations of our environment is taken into consideration lest everyone is affected by an oil explosion.

Mr Speaker, that is the long explanation and background on the changes we had thirty plus years to hopefully build a port at Vaiusu for fuel storage distantly in case of any explosion that could lead to the destruction of buildings in the town area particularly the Parliament House, hence, this is one good advantage and strategy by the Government. Mr Speaker, that is the short explanation to the brief legislation made up of one clause.

**MR SPEAKER:** Well done, thank you Hon Prime Minister for the clarification. Pursuant to normal practice, the House is now available for any comment. I call the member for Faleata West.

**Tofa AVEAU TUALA LEPALE NIKO PALAMO (Faleata West)**  
Thank you Mr Speaker, the prayer has been delievered, appreciate the Hon Prime Minister or the Minister of the tabling Bill. The thorough statement is well received which has clearly clarified some of the provisions in the Bill. Still, I have a few things to comment on.

On to petroleum, if a person has a source of oil, that person is known as a millionaire like in the Arab countries. The Hon Prime Minister has also touched on economic distribution in the past Sitting. Now that I have confirmation of other Members' views, Samoa approximately receives 100 million litres of oil per annum.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

The distribution of this 100 fuel supply does not seem to comply with the Government statement given the one fuel contractor in Samoa that is tasked with this fuel supply distribution. Then I thought, why not distribute this benefit and purchase amongst the companies in Samoa? Because as mentioned, Samoa receives over 100 million litres of fuel. And according to the legislation if a business person wants to import fuel or petrol in quantities greater than 500,000 litres into Samoa, they must firstly write to the Hon Minister. To my concern, if you look at Section 10(2) it stipulates a statement like this, ‘written consent may be given with or without a consent by the Minister, it is also interpreted in English; ‘unreasonably’, which means, the Minister has no reason to avoid the consent. That is my concern with this legislation, it seems the chicken is stoned whilst the meshstick is held, *‘togi le moa ae uu le afa*, as it says not to....

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker point of order.

**MR SPEAKER:** I appease the member, I recognize the Hon Prime Minister on a point of order.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker, point of order. That is exact interpretation of the clause “must not be unreasonable with held by the Minister under Section 3(2b), you are overlooking that bit, unreasonable. Therefore if unreasonable then there is no basis to avoid it. That is the only bit I stood up as the member is not reading the last part of this Clause which gives a very significant meaning.

**MR SPEAKER:** I call the notable member to carry on with his speech,

**Tofa AVEAU TUALA LEPALE NIKO PALAMO:** Mr Speaker, this is the rightful reason uttered by the Prime Minister in regards to this Bill. The legislation is instructing the integrity of the Minister as if unreasonable, it should not be avoided. The Bill also states....

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker, point of order.

**MR SPEAKER:** Pardon the member I grant the point of order.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker, we can say that everyone has integrity but this may not be correct all the time. Like the saying, *“E poto le tautai ae se lana atu i ama”*, “the navigator is wise but can go wrong at times’. Meaning we can make wrong decisions sometimes.”

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

That is reason for this consent upon the person or applicant and if they find the Minister's decision unreasonable, that is his or her right to press charges against the Minister using this Section of the Bill. Therefore both the State and the person giving the consent are protected under this legislation in case the Minister utilizes its power which is inappropriate in this case.

**MR SPEAKER:** I take it that this is now clarified, I ask the member to move on to another matter as the Government response is now understandable.

**Tofa AVEAU TUALA LEPALE NIKO PALAMO:** Thank you, the Minister cannot do so according to sections of the Bill. The reason for this is because I am thinking of unreasonable excuses why this was avoided by the Minister? Since it is given, therefore there is none. Hence the Bill permits anyone to import otherwise the Bill now has provisions to avoid this doing.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoui:** If the member is trying to think of appropriate ways, then think of renewable energy. If set plans is a go, in the following year, we will not take in as much fuels which is one way. Once the renewable energy is a hit, this means we will no longer demand as much fuels. If the member of Faleata West wants to import 10billion loads of fuel next month, then he will ask the Minister. If your statement is unreasonable, the load cannot be brought in. The explanation is reviewed by the Minister to see if it is reasonable and lest the Minister's decision is inappropriate, yet you also have a chance to take legal action against him according to the Bill.

**MR SPEAKER:** I call the member, the matter is well defined hence I urge that you move on to the next matter.

**Tofa AVEAU TUALA LEPALE NIKO PALAMO:** Thank you very much, this is reason for my comment as relayed in the beginning, is it possible to distribute this wealth (fuel supply). Secondly, although the Hon Minister can joke it, but these tanks will now be relocated to part of Faleata district as asserted by the Hon Prime Minister. As a recommendation, if these tanks are exploded, they could affect part of Faleata district and its environment. I extend sincere appreciation to the Hon Prime Minister for this Bill with the advise to distribute this benefit amongst the business entrepreneurs.

Respectfully.

**MR SPEAKER:** Well done thank you to the respectable member, the recommendation is well taken on the Bill. I call the Hon Prime Minister.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Thinking of further views on this Bill, I would like to comment on the recent view. The main purpose to conducting a tendering process is to find the lowest bid hence it is inappropriate to seek a company with the lowest bid who has full control over the resources – employees to do the job, there is no better solution than this. This is a very significant matter – when the fuel tender process was conducted in 1987 and if the people are to dig up again, there was a bunch of fake reports on this in the past, the Opposition almost knocked down this House with a strong objection to this matter. The accusations made against the Government on the wrong proposals and bribery troubled the Opposition Leader who could not sit down. With due fuel supply at the time, the dispute disappeared gradually. Most of these good developments and projects resulted to various concerns affirming corruptive moves behind it otherwise, as soon as the implementation process took place, none of these allegation was true. Similarly a fuel tender competition which claimed no competition, yet there was. I am unsure how many times I stood in the House in 1997, 1998 and explained this kind of competition. The explanation I made is no different to the competition we hold as members, made of seven, eight or ten candidates and individually carried out campaigns. The winning candidate will enter the House and make speeches that is heeded by the Constituency. This representative could mistake the district by entering politics and show up near the next Elections resulting to a district's resolution of crossing them out of the elections. Thus similarly to this competition, all consents and bids were obtained and the successful bid was passed by the Cabinet. This is a very difficult process to explain, nonetheless, after we received a group of Pacific representatives who wanted consultations on the utilization of our fuel system, that was when the public were evident of the State's plans. This subjectmatter is not new. Mr Speaker, that is the final clarification on this matter.

**MR SPEAKER:** Well done thank you Hon Prime Minister, point well taken. I call the member for Gagaemauga No.2.

**Tofa LEVAOPOLO TALATONU (Gagaemauga No. 2):** Thank you Mr Speaker for the chance granted to this district to contribute to this Bill. Briefly I wish to comment on competition. The Hon Prime Minister has clearly defined competition and tendering process, personally once the tendering process is scheduled that is the final process. Whereas with business competition, it is an ongoing process taking up two to three years, that is the difference Mr Speaker.

That is the concern that is avoiding opportunities to the Private Sector that is another positive contribution to our economy. In regards to this Bill, there are many avenues the Private Sector to supply fuels should they wish. They would have to go through the Minister, and the Government is also involved with prices of petrol and fuel. If the legislation allows the Private Sector or Companies, why is the Government versus Private Sector involved with these kind of businesses. The State is a referee and are placed as top players. Mr Speaker, it seems to view that...

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker point of order, the member's point seem to build mistake further. The interpretation here is far different, try and read the Bill correctly, it is not avoided for the quantities greater than 500,000. Have you read it? "bulk fuel" mean any petroleum imported as a fuel in quantities greater than 500,000 litres. Therefore you can still import 500,000 or 499,000 but greater than this, this is where the Government comes in. Why? Because plans are already in place. Do you have sufficient place to store them in case you place them behind the gallons resulting to explosion and death destroying the protected measures under this stipulation. For security purposes in terms of importation, the Government is keeping a close watch on this.

**MR SPEAKER:** Very well. I call the member to resume his speech.

**Tofa LEVAOPOLO TALATONU:** Mr Speaker, the explanation is well clarified, the Bill does not ban the private sector from supplying fuel rather it is avoided. Banning is different from preventing.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker it is his fault yet he is pointing fingers again. Are you listening, this process can only be carried out by the State. This is covered under a supplying contract. The State is not involved as it goes through a tendering process hence the winning bid is the winner. Do you get it?

**Tofa LEVAOPOLO TALATONU:** I get it.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** It has taken almost a year now since this bill was received yet it has not been read. The Bill consists of one clause one which remains unread.

**MR SPEAKER:** I call the member to resume his speech.

**Tofa LEVAOPOLO TALATONU:** Mr Speaker, the statement now sheds light about the tendering process which does not involve the State, what about the private sector and the WTO convention law which entitles businessmen to their own human rights?

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** As noted earlier, we are heading towards fuel reduction, that was my word. I thought you are thorough on these things as one of Samoa's prominent owner of renewable energy and you could have supplied the entire country with electricity, however, quit being selfish, that is enough, give the chance to the others.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

That is the case, when it comes to other people you are being smart and when it comes to you, it is hard to sort it out. I thought you understood my point before, right? This is becoming unbelievable after you have your talks with....you are being mistaken further due to Lealailepule.

Your honor I see that the member is now getting it.

**MR SPEAKER:** I call the respectable member.

**Tofa LEVAOPOLO TALATONU:** Mr Speaker thank you I see the point is now well taken. As with your tricky manouvers, I will never be able to catch you with that. One other disappointment I have with the State, it has been 31 years yet this significant view has just come to the State. You see how long it has taken before this was....

**MR SPEAKER:** I call the Hon Prime Minister.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegai:** Mr Speaker the reason is because it has taken 31 years to finally have this plan go through, these fuel companies will no longer exist in 2017 including your company. Why did it take you too long to come forward? You sat until you came forward last year, stop directing the blame at us, look at your people and the Chinese people they bring to Samoa to set up businesses, this a great contribution to the Government. This is one company that should've been given a chance, they could have completed everything themselves. The spirit we aim towards is to give chances.

**MR SPEAKER:** Very well, I recognize the Leader of the Opposition.

**Afioga Hon Palusalua Faapo II:** Mr Speaker, point of order. Peace is still maintained in regards to deliberations on this significant Bill, however due to the accusations against this Side claiming that we are bringing in Chinese people. Yes, I am aware of the member for Faasalaleleaga No.4 who was very busy in transporting the Chinese during the week. It is in this regard Mr Speaker, point of order to the Hon Prime Minister, no, I agree with you. The objective is to support the Government's plans so that the country would prosper. You cannot think of anything else to get revenue.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegai:** Mr Speaker, this is a joke. I am fed up of people coming in to invest in the country yet they do not have money. Finally we have people with money. One thing to heed is to mind their eyes (Chinese people). That is why we refuse to accept them due to their eyes. Mr Speaker, the Germans practically had the same eyes as the Chinese people who are also white.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

Mr Speaker, we may joke about it but this is very important as it regards foreign investors seeking opportunities to setup businesses to develop our country. At least we have this generation, after five years time majority of them will come with qualifications. Where else will they find jobs? That is the exact intention by the Government to encourage more job opportunities for our generations as money is a waste when we push them to school and in the end they become jobless. That is the advantage, we are still in the game and lest we forget, the eyes is one call by our districts for us to use wisely. We came here to talk about the different project developments with constructive reasons to create more jobs for our children. Mr Speaker, that is the final clarification on this very simple Bill.

**MR SPEAKER:** Pardon the member I call the member for Faasaleleaga No.4. What matter Peseta?

**Afioga Peseta Vaifou Tevaga (Faasaleleaga No.4):** Mr Speaker point of order, reference to the statement of the Leader of the Opposition. Perhaps the Opposition Leader is forgetting the involvement of our Ministry. The duties of Associate Minister of this Ministry have been received as allocated and given that I was mentioned in the speech of the Leader of the Opposition. For your information, I have been elected by the Prime Minister to deal with investors, and seek foreign investors to create employment as top priority for our graduating students roaming around town without a job. That is the correction to the Leader of the Opposition with respect.

**MR SPEAKER:** Go ahead Lealailepule....

**Tofa Lealailepule Rimoni Aiafi (Faleata West):** Mr Speaker, I just want to clarify investors is different from tour guide. Does this mean that the investors are given a tour whilst under negotiation on something without authority.

**MR SPEAKER:** Very well, the matter is now received Palusalua, we are leaving our discussion aside and talk about Chinese investors. I call Levaopolo. Move on to another matter.

**Tofa LEVAOPOLO TALATONU:** I do not intend to talk about these things. They are important to us, hence that is the contribution from this Constituency to help improve our Bill, you are aware of what to do to protect our country in regards to any law. With due respect.

**MR SPEAKER:** Right I call the member for Faleata West before the member for Vaimauga East, Tofa Lefau Harry Schuster has the final chance.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

**Tofa LEALAILEPULE RIMONI AIAFI:** Thank you Mr Speaker for the opportunity. Thank you for arranging our sitting in this setting. Greetings to the notable Parliament, Samoa and students. During my youthful years as a UPY student like you, Samoa was 25 years old. At such a young age, we were told to paint the Parliament House into silver for the commemoration of the Silver Jubilee Celebration. We had a total of 60 plus students that is dissimilar to the many of you now, I told my class, “One day, I will be in this House.” Now that I am here, I tell you that the wellbeing of Samoa stems from the decision-making made by the Members in this House. Well appreciation to the Government of the day for the good development for the country today, although we may have disputes at times, nonetheless once tender is discussed, we must stand by it. To be clear, if this took five years time and fuel prices have maintained at a much cheaper price today, then I am unsure of this. It could mean two things, either the fuel supplier will not reap any benefit or us the customers. But with the current situation on....

**MR SPEAKER:** I appease the speaking member I recognize the Hon Prime Minister.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker when it comes to things like this I must rise and respond. We too have reduced prices. When price is lowered therefore we must also drop our local prices. That is the meaning of the system used today which is pragmatic. Hence we are wise enough to execute our plans. Lest the member’s statement is mistaken who seems to mean that price value is now down yet the local prices are still up. We are aware of such forecasts from overseas and low price is only temporary. The reason for fuel price fall is due to the many oil supply absorbed by shells in America producing greater volume which causes price fluctuation. The Arab nations is also paying full concern with what to do about it, whether to increase fuel prices because clearly this involves two main things, increase scarce production to price rise. Mr Speaker such initiatives is well noted hence we are prepared of what to come.

**MR SPEAKER:** Very well. I call the member for Faleata West to continue his speech.

**Tofa LEALAILEPULE RIMONI AIAFI:** Thank you for the clarification Hon Prime Minister. What’s happened now is the fast reduction of oil/fuel at 40cents which was the initial price in December. Whereas for us, the reduced fuel price is very small.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker, the price drop we have is quicker than other countries.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

One asked me during my time as Minister of Finance why the price had gone up compared to the cheap cost of imported unfiltered fuels that comes in barrels. In simple response the oil we receive is reheated. It is heated by 100 degrees and the oil/fuel is converted into gas. If gas is turned into water then it will form a precipitation process. And if the heat leaves dirt remains then a tar is formed. I will then say to the member from Savaii, if you want cheap fuels, that is easy, you can swim to Europe with a barrel, fill it with oil, then take the route to the Atlantic and swim back into the Pacific ocean, once you reach your family, take it out and heat it up using a kettle and stay alert in case it explodes ending you up to kingdom come. Meaningfully, it is not easy to convert bulky fuel into fine petroleum which produces different petroleum gases such as gasoline, benzene etc, leaving the oil that is utilized to make road tars and petrol oil for vehicles, this involves various processes including importation from overseas which is not easy.

**MR SPEAKER:** Well done thank you. I call again the respectable member.

**Tofa Levaopolo Talatonu:** Mr Speaker, just a small correction.

**MR SPEAKER:** I call the member.

**Tofa Levaopolo Talatonu:** I appease I am not a member from Savaii but a member from Upolu because the member you are referring is quite dim-witted.

**MR SPEAKER:** I call the Hon Prime Minister.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neiotti Sailele Malielegaoi:** In 1983 this is the response I made, that was when you were in Kindergarten, the passing member who is no longer here is reason why it is easier for me to say he is from Savaii.

**MR SPEAKER:** Go ahead.

**Tofa LEALAILEPULE RIMONI AIAFI:** Thank you the Hon Prime Minister because that is talks regarding the process as for us all we look at price fluctuation because after the process, this fuel is supplied to Samoa, New Zealand and Australia with a price that is the same, and if we see that Tonga and Fiji have cheaper prices, then we ask ourselves why the price value had not been inexpensive. I will come back to the legislation....

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neiotti Sailele Malielegaoi:** Mr Speaker....

**MR SPEAKER:** I beg tolerance to the member.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** I cannot leave false statement aside which is reason I rise to make correction, that is why I made it clear in regards to the system we use even though Mobil had several attempts to avoid it as they were receiving very little revenue. Mr Speaker, I am not making fairy tales, I am giving factual statements. Do not make statements that are uncalled for.

**MR SPEAKER:** I call the member for Faleata West.

**Tofa LEALAILEPULE RIMONI AIAFI:** The legislation says any oil imported in quantities greater than 500,000 litres is prohibited. If a person identifies a cheaper place to get oil, this should have been incorporated into the Bill. On another note, the Bill seems imprecise. What I meant....

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker....

**MR SPEAKER:** Pardon the member.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** That is reason for reminding the member over and over to read the legislation, I shall read it once again; A person, other than a contractor, must not import bulk fuel except the prior written consent of the Minister, (2) The written consent: (a) may be given with or without conditions; and (b) must not be unreasonably withheld by the Minister. I have read Section (b) earlier today. The problem is that you too focused which is why you are forgetful what you present are all in the Bill. Hence read the bill before you upstand because we cannot allow false statements when they are in black and white, try and give perceptive speeches.

**MR SPEAKER:** I call the member.

**Tofa LEALAILEPULE RIMONI AIAFI:** Mr Speaker, I am reading two Bills now, the 1984 Act together with its Amendment, this Act stipulates no immunity.....

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker....

**MR SPEAKER:** Pardon the member, I accept the Hon Prime Minister.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** I will once again correct the member, it is amended in the Bill. What does this signify? If you reject the Bill, say so, as for the stipulations here, it is substituting the 1984 Act.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

This is one reason for fuel reduction hence the Government cannot have people waste foreign reserves when this is no longer needed. Government also takes heed of its expenditure and foreign reserves for its trades which was an issue for us back in 1979, 1980, 1981 and 1982 where we lost all foreign reserves. Therefore the Government takes heed of two things, funding for its developments and secondly, foreign reserves to prevent foreign trade, we have over \$350 million foreign reserve allocation every four to five months.

Mr Speaker your constant upstandings will not avoid me from responding.

**MR SPEAKER:** I call the member.

**Tofa LEALAILEPULE RIMONI AIAFI:** Mr Speaker thank you. The meaning of my words in accordance to this 1984 Act....

**MR SPEAKER:** Very well.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neiotti Sailele Malielegaoi:** Mr Speaker, the member has stood up far too often in regards to the Bill, and I too have made many attempts to correct the member hence we have orders in regards to this kind of conduct.

**Afioga Hon Palusalua Faapo II:** Mr Speaker point of order.

**MR SPEAKER:** Be upstanding.

**Afioga Hon Palusalua Faapo II:** It is better that the member is giving his comments in general but not as....

**MR SPEAKER:** I now get you, this is reason for....

**Afioga Hon Palusalua Faapo II:** The reason why the Sitting prolongs is due to the Hon Prime Minister's regular interruptions....

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neiotti Sailele Malielegaoi:** This is the trouble...Palusalua you too are a former Minister, you too rose up were hard to avoid due to constant responses. What is the response? It is specified that members can interrupt when making corrections hence there is no other time, we must make correct the crooked metal whilst heated, hence you too were here, right? Do you get me, whenever a Minister rises to correct something, it is in the Standing Orders. This is reason the Chair is allowing me due to our Orders. So pay attention in case you make a mistake again and another ruling could be made when you avowed that you will behave like a lamb earlier on today.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

**Tofa LEALAILEPULE RIMONI AIAFI:** Mr Speaker....

**MR SPEAKER:** Well I must make a decision, pardon the member for Faleata West, I must give clarification. All comments must focus on the legislation which is reason why chances are accorded. It is also appropriate to give the Government Leader the chance as the initiator of this Bill. Therefore I beg tolerance if the Government gives response, that is the considerable response. The response given does not need to satisfy one's desire or intention, whatever response the Government gives is final. I call the member to conclude his speech.

**Tofa LEALAILEPULE RIMONI AIAFI:** Thank you. Although the legislation has one or two changes but this is very critical. When we talk about fuel, it is vital because fuel measures the costs of living and our economic wellbeing, I do not intend to go against the bill rather it is assistance and if the Government objects, that is their discretion. Under the 1984 Act, it was permissible to have Ministries invest as shareholders like Polynesia to import cheaper fuel according to the law. Such legislation still exists and remains unamended. Therefore....

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker....

**MR SPEAKER:** Pardon the member.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** I have explained this far too often now, we cannot find anything cheap if we cannot tender, that is reason even with Government plans involving tender, everyone is involved. That is the thought for you to receive, so every week there we find tendering of Government assets because it is good sometimes but not all the times. You now aim to repeal the current Government tendering process. You are talking about a different competition from this specially on fuel. Petroleum is different because the Government now holds tanks for storage which is why fuel/oil is cheap. If you refuse to understand, there is no other clarification behind this other than Government response, that is the final explanation.

**MR SPEAKER:** I call the member to conclude now.

**Tofa LEALAILEPULE RIMONI AIAFI:** Then I come to whilst speaking....

**MR SPEAKER:** Pardon the member, I give the chance to the member for Aana Alofi No.1, Afioga Hon Leaupepe Toleafoa Apulu Faafisi, before the member concludes.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

**Afioga Hon Leaupepe Toleafoa Apulu Faafisi (Aana Alofi No. 1):** Mr Speaker, I wish to make a comment on the Amendment in the legislation, that is reason for upstanding with respect

**MR SPEAKER:** The member for Faleata West's speech will be followed by the next member, I call the member to wrap up his speech.

**Tofa LEALAILEPULE RIMONI AIAFI:** Mr Speaker, since the Hon Prime Minister has mentioned that I intend to stop tender system involving this process, no that is not true. The Hon Prime Minister now speaks of storage facility in query, what is the update on land consultations for this storage facility because as known, the land belongs to a family and according to your statement this (tender) will longfully be controlled by the Government hence it is appropriate to look into this land and the location for this facility....

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker I wish to ask the member which Act stipulates this land, I need to see it. There is nothing like that in the Act.

**MR SPEAKER:** Pardon the member I have now given you a reminder.

**Tofa LEALAILEPULE RIMONI AIAFI:** I shall move on to the next one. I have heard the wonderful speech by the Prime Minister on swimming under to see the tanks and its good clarification....if that was me, I would not take swim, instead, I would call the shark to take me under and above nonetheless, thank you for your statement, the old man has many talents, this is why he lives long because he thinks all the time.

But please consider this legislation which states the banning of quantities greater than 500,000 litres, what this means is that we can import quantities of 400,000 litres per person on a monthly basis without any warranty because according to the legislation it is unclear whether 500,000 litres within a month or per annum? Because this means we can import 499,000 litres of fuel per month that by the end of the year, this will amount up to 60million litres. Have a blessed meeting, thank you.

**MR SPEAKER:** Well done thank you.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker, the question on....let me read it out, ““bulk fuel” means any petroleum imported as a fuel in quantities greater than 500,000 litres per annum. Mr Speaker, this is all in the legislation, we have a few months before we finish, let me remind again, do not make mistake in our other Sittings, read the Bill thoroughly.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

**Tofa LEALAILPULE RIMONI AIAFI:** Since the old man is referring to part two, well I am talking about part three and amendment in Section 10 provision 10A, although the description is given above, but it should have been stated again under 10A otherwise, the Prime Minister is now whispering perhaps that is his legal opinion, thank you.

**MR SPEAKER:** We now come to our normal recess hour, I believe we shall take a break. I apologize the House as this is our first time in this building, we have our morning tea prepared and our toilet facilities situated downstairs. In prayer, we must heed this temporary location, given the notices, at the completion of our permanent meeting house, we shall go back to normal. I also beg tolerance in regards to our sitting arrangement this morning the aim is to for the senior members to take the front row whilst the youth members take the back bench. Proceedings of the Legislative Assembly now suspended for its normal morning recess.

*Proceedings of the Legislative Assembly set aside for recess at 10.43am and resumed at 11.20am.*

**MR SPEAKER:** I now announce the Proceedings of the Legislative Assembly now resumed.

I believe you have been rejuvenated from our morning break. I appreciate your patience during the first part of our session. There is plans that we may have our sittings in this house for the next four or five months until the end of the Commonwealth Games in Tuanaimato which will be our new location before we end this Parliamentary term. I ask everyone to heed patience and perseverance because this is no difference with the captivity of the children of Israel. Let us proceed as improvement is made to the old Meeting House. If completed, we can resume as per normal in the fields of Tiafau. During break the member for Faleata West was speaking on the Petroleum Amendment Bill 2014. I call the member for Vaimauga West before I give the chance to the member for Salega, Afioiga Afualo Wood Uti Salele, followed by the member for Aana Alofi No., Afioiga Leaupepe Toleafoa Apulu Faafisi.

**Tofa LEFAU HARRY SCHUSTER (Vaimauga West):** Thank you Mr Speaker for the opportunity. The submission I wish to present before the Hon Prime Minister and the Ministry is short. The Bill is well defined reference to the succesful bidder to bring fuel supply. The Prime Minister asserted the price for purchasing fuel was cheap and so should the selling price. Part of another legislation bans the successful bidder from owning a store nor sell petrol station to resell fuel to the public. The only recommendation particularly the Ministry is to taboo this individual from importing fuel that is re-negotiated with other retailing shop owners.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

This is the only chance for the private sector to resell fuel. If we look at the fuel quantities of 100 litres this is the total value of money we receive from buying and reselling the fuel price. The main idea is for the Ministry to protect the legislation because business operators can also be very smart. Hence the winning bidder should not have any way to resell fuel to the public. Thank you for the chance Mr Speaker.

**MR SPEAKER:** I call the member for Salega, Afioga Afualo Wood Ut Salele.

**Afioga AFUALU WOOD UTI SALELE (Salega):** Thank you Mr Speaker for the opportunity. I greet all as we resume our work this part of the day. I believe everyone has enjoyed our tea break, hence I rise on the Bill beforehand.

Thank you Hon Prime Minister or the Minister of Finance for this last Amendment to the Bill. This is a condition that is appropriate to the long sitting legislation, yet this is the perfect time to put into effect the strategic plans of the Government using renewable energy. The quantities of 500,000 litres is now stipulated in the Bill addressed to the Minister before a company or private business is allowed to import fuel supply and given the insufficient tanks available for fuel storage, why not incorporate 500,000 and 1 million litres to make easier negotiations specifically to secure and strengthen the ties between the Government and the Private Sector which is the main objective. This is a good challenge for us. This change will also help build more tanks. Another important component although the State is controlling and managing fuel/petroleum imported by the winning Company through the tender process, the Government has more control over these petroleum items before distribution. In advise to the Prime Minister and the Committee reviewing fuel prices, although it is true the fuel price have dropped and receiving them on a quarterly basis, however, the prices must be considered appropriately as we move towards the utilization of renewable energy which is probably the answer for Samoa in the future.

Thank you for the Amendment to the Bill as not many changes were incorporated before, hence you have the support of Salega, thank you Mr Speaker for the chance.

**MR SPEAKER:** Well done thank you to the statement of the member. I call the member for Aana Alofi No. 1, Afioga Leaupepe Toleafoa Apulu Faafisi.

**Afioga Hon LEAUPEPE TOLEAFOA APULU FAAFISI:** Thank you t Mr Speaker for the opportunity. The view is brief. Lest no contribution is made then it is observed mistakenly, sitting from the Opposition Side to oppose the Government we can say that we support the Amendment Bill. That is the supporting view the district of Aana Alofi No.1 and Siumu as agreed, on behalf of us, that is our view on the Bill.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

**MR SPEAKER:** Pardon the member I give the Leader of the Opposition the chance.

**Afioga Hon Palusalue Faapo II:** Pardon the statement of the member. I do not intend to interrupt, regarding the Opposition Side sitting arrangement, there was plan to follow the old sitting arrangement we had at Tiafau to avoid the mix up of seats for the members. In plea we will rearrange our sittings in accordance to the old one at Tiafau.

**Afioga Hon LEAUPEPE TOLEAFOA APULU FAAFISI:** Mr Speaker, this is well taken. I only wish to remind in case my silence is taken by mistake, I affirm that we support the baseless views of the Opposition Side.

**MR SPEAKER:** That is not the intention member for Aana Alofi No.1. The sitting arrangement we had at Tiafau is the same one for you here. The only reminder I gave is the narrow set up we have the current. The Clerk has also confirmed a slight change to the sitting arrangement whereby the senior members of the Opposition Side will shift to the front whilst the youth members will sit in the back.

**Tofa Lealailepule Rimoni Aiafi:** Mr Speaker point of order to the speech of the member for Aana Alofi No.1. That is intolerable to the Opposition Side, the member for Siumu had longed to be part of our team but we disallow it. Respectfully.

**MR SPEAKER:** That will not matter, I call the member to resume his speech.

**Afioga Hon LEAUPEPE TOLEAFOA APULU FAAFISI:** Reference to the Bill I heed appreciation to neutrality. This protection resulted to this Amendment on Private Sector requiring the importation of fuel quantities less than 500,000 litres. A request cannot be repealed according to the legislation rather it must be made in writing to the Minister which is the Government itself. Therefore there is always opportunities available.

I wish to voice appreciation since the beginning of this month the fuel price have changed which is incurred on a monthly basis for fuel, petrol and kerosene. Petrol, kerosene and diesel have dropped to 30 sene per litre. Hence this is good news for the locals considering the drop in prices to the three which is the main objective to planning one's living. Although it is a loss to some businesses with filled tanks of ten litres, however, this is the norm consistently mentioned by the Prime Minister, this loss can be replaced with profit. Sometimes loss sometimes profit. That is the normal business fluctuation. Furthermore and introducing soon, all tanks will be empty leaving the public nowhere to go and in addition, we have some silly businesses pardon the language, despite the loss they incur, nevertheless, their top priority is quality service to satisfy the needs of the customers.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

This is different to waiting to receive a loss or profit. Hence, sincerest appreciation to the Government for this change. Now that reduced 30 sene is received, perhaps we are the cheapest in terms of petrol and fuel prices. Therefore, for the record, I wholly support this Amendment which stipulates permission to import quantities greater than 500,000 litres or less per annum.

Respectfully, thank you.

**MR SPEAKER:** Well I give the first chance to one of the members for Salega.

**Afioga Afualo Wood Uti Salele:** Point of order it is not...the legislation is now clear about quantities should now be greater than 500,000. The statement to allow to import quantities of more than 500,000 litres is wrong. 500,000 litres is the only controlled measure in the Bill addressed to the Minister. Thank you.

**MR SPEAKER:** Well I call the Hon Prime Minister.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neiote Sailele Malielegaoi:** Mr Speaker, we have an important recommendation by the member for Vaimauga Sisifo, Tofa Lefau Harry Schuster, the Government aims not have the winning company own a station of their own. This is a very critical recommendation as it generally affects the public specially the retail shops. This issue has been in Parliament for sometime now in fact, these companies also hold wholesale enterprises as well as retail shops. That is the concern the Government is considering through these businesses owners that is also impacting the young ones. What happens now is that these businesses have expanded to what we call in English, great grandfather, grandfather, father, son, grandson etc. Hence this is exactly where monopoly is concealed by extending authority over the local business operations. This is why it is important to undertake consistency in the tender process, unfortunately if this is the case, then we cannot play the consistency game. Therefore the matter at hand is very sensitive and in consequence the Government is seeking better solutions to solve it progressively.

Mr Speaker, those are the set out plans and projections we have for the future, and truthfully speaking, the requesting companies aims to provide potential renewable energy that are powerful to meet the target of erasing fuels we currently use to generate electricity. Therefore having these electric generators as stand by as sometimes, there is no sunlight. Sometimes there is rain yet we still have other technologies such as the sunlight we could depend on. During the daylight, the electric generators must be fed. Also we do not know yet comes 2020 we may obtain another new technology at a size of 6 inch or a plastic whereby your vehicle is lifted and its electric system can easily get direct power from the sun to start your car. Such vehicles is now available but it is very pricey.

17 FEBRUARY 2015

**Petroleum Amendment Bill 2014 – second reading**

This is no different to computers. Since the initial set up of NPF, the cost of computers back then can fall a house given its price value of \$100,000, today we have a variety available including the handy size that is easy to carry around. The first computer we received in 1972 was unplanned. Today is a new era and perhaps in the next 20 years, these vehicles may no longer exist at the replacement of new modernized motors with windows less than five inches installed in the rooftop to capture energy from the sun to start the battery to your car. That is the perspective today and moving on to the conferences conducted with the National Leaders and the ones internationally, such is the main idea behind these proposed legislations. Very soon, the fuel is no longer needed whilst legislations aims to minimize these large volumes of fuel supplies putting a waste to our foreign reserves. Mr Speaker, that is addition to the concerns voiced this morning.

*Motion was approved and the Petroleum Bill 2014 was read a second time.*

**MR SPEAKER:** Pursuant to Standing Order, this bill is now referred to the Works, Transport and Environment Committee for their consideration and report back to the Legislative Assembly in a future meeting.

**CREDIT UNION BILL 2014 – second reading**

**MR SPEAKER:** For the information of Parliament this Bill had its first reading on the Sitting 26<sup>th</sup> January 2015. I call the Minister of Commerce, Industry and Labour, the Deputy Prime Minister.

**Tofa Hon FONOTOE NUAFESILI PIERRE LAUOFO (Deputy Prime Minister, Minister for Business, Enterprises and Labour):** Mr Speaker, I move, *That the Credit Union 2014 be now read a second time and I would briefly like to clarify it.*”

*Seconded by the Minister for Revenue, Minister of Public Enterprises.*

**MR SPEAKER:** I call the Deputy Prime Minister.

**Tofa Hon FONOTOE NUAFESILI PIERRE LAUOFO:** Thank you I wish to make a brief statement on this Bill. This Bill substitute the passed Credit Union Bill in 1960 before we gained Independence, given the number of years and the several changes, such is the purpose and requirement for a new legislation to the Credit Union terms and conditions. Consultations were conducted with the members of the Credit Union in the country – hence this legislation stipulates the proceedings of its progress, records and implementation in the country and also sets out its objectives, power and provisions engaged by the Registrar and its duties on the registration of Credit Unions.

17 FEBRUARY 2015

### Credit Union Bill 2014 – second reading

Currently, we have a total of 15 registered Credit Union Companies which are all operational. In the past in 1960 as mentioned by the Prime Minister, there were no computers at the Registrar Office. The Office of the Registrar and some Credit Union now uses computers which are not too difficult but helpful with their work, Unions are small associations that offers loans to its members from time to time. One must a valid reason when borrowing such as paying for the childrens' school fees and other family obligations. The Bill therefore reviews the old Bill and amend some of its provisions to be in line with the changes we have today. The laid out proposal requires a set out principles in the registration of Credit Unions, requiring 12 members, memorandum of association, signatures of the 12 members, By-laws to control the processing of loans including interests etc. Under this bill it includes the various powers in relation to the kind of association intending to set up a Union such as for instance Teachers Union. The main objective is to offer loans in small amounts to fund the small activities such as school fees and support the families. This registration should also set out its main objectives they aim to achieve, the election of directors and committees, the duties of directors, appointment of officers, duties of supervisory committees, duties of credit committees, and the different Credit Union committees. Membership abilities and qualifications is also provisioned, taskforce committee remuneration, monthly meetings of members to see the progress of tasks performed by the Credit Union. A low interest rate of 1% is now made law to assist the low income earners. Most credit unions today impose interest rates greater than 20% opportunely at least less burden is provided by these small unions. This is reason for reviewing an update of this Bill to protect the progress of these Unions and personal investments employed under these Unions. Also under powers for registration that can repeal or terminate a Credit Union from committing an offense nor failed to comply with the provisions of this Act. Mr Speaker, that is a brief summary on this Bill with very few changes in the spirit to update it given its maturity of 55 years. Have a blessed meeting.

**MR SPEAKER:** Well done thank you. The House is now clarified of the Prime Minister's presentation given this critical tabling Credit Union Bill by the Government. I call the member for Faleata East.

**Tofa AVEAU TUALA LEPALE NIKO PALAMO:** Thank you for the chance Mr Speaker, thanks to the Minister and the Ministry also for this legislation. Firstly, the basis of the bill is very positive. The Minister has confirmed the bill is now 50 years yet we only have 15 unions, is there a reason for this small figure...if it is beneficial? I speak of sections 18 and 19 on objectives and powers of unions. Does the Government have any set plans to set up a bank for membership investments? Under the committees power it is up to them which bank to invest in hence we also have the Deveopment Bank, UTOS and NPF. Why not use these organisations?

17 FEBRUARY 2015

**Credit Union Bill 2014 – second reading**

The reason for asking is because banks impose interests on loans, that is well aware, you cannot go to a bank and get 1%. If I were to loan from the Credit Union's 1% investment how much charge does the bank impose on the Credit Union where our investment is stored?

**Tofa Hon Fonotoe Nuafesili Pierre Laufo:** Mr Speaker...

**MR SPEAKER:** Pardon the speaking member, I recognize the Prime Minister.

**Tofa Hon Fonotoe Nuafesili Pierre Laufo:** For the information of the member, these huge financial institutions are all provisioned under the State's law, hence the Development Bank is also monitoring the work they do. Credit Union involves small unions that incurs very minimal interests for the low income earners and has no intention of making more money through high profits such as the Union for teachers. So far we have 15 Credit Unions. Although it has taken 50 years since Credit Unions became active and established that is the condition of interest rates that should not be compared to large bank institutions.

**MR SPEAKER:** Well done thank you Deputy Prime Minister. I call the member to conclude now.

**Tofa AVEAU TUALA LEPALE NIKO PALAMO:** Thank you Hon Minister for your statement, I am very sad to see this large Bill in comparison to the 15 Credit Unions, hence the Minister has now noted that it is not very essential. Why make this law then when it is very important? These laws....

**Tofa Hon Fonotoe Nuafesili Pierre Laufo:** Mr Speaker, I did not the legislation is now important....

**MR SPEAKER:** I appease the member, I call the Deputy Prime Minister.

**Tofa Hon Fonotoe Nuafesili Pierre Laufo:** I said we currently have 15 Credit Unions – hence to my belief, given the small population and employment rate we have, 15 is very big. Therefore they need memberships and....to borrow funds if you are a member that is the policy. The importance of these small loans is specifically for education, borrow to fund school fees and such small events, which excludes borrowings of thousands and higher.

**MR SPEAKER:** I call the member to resume his speech.

**Tofa AVEAU TUALA LEPALE NIKO PALAMO:** 15 is a very small number, we have a total 40,000 households in Samoa and 20,000 public enterprises, therefore 15 is not a big number, so why create this new development when we already have the NPF or the National Bank to undertake this task, why set up this Bill?

17 FEBRUARY 2015

**Credit Union Bill 2014 – second reading**

Mr Speaker my concern according to recent views, a person has preference to the bank they wish to invest in, however it is stated, less the burden, the public is well aware that when a person loans from a bank, the bank always incurs interest. That is reason for asking, is there Government plan to set up a bank for the Credit Union? Because if so, good, it would be nice for the public to use it as it the same is applied by....

**MR SPEAKER:** Pardon the member, I call the Deputy Prime Minister.

**Tofa Hon Fonotoe Nuafesili Pierre Laufo:** Mr Speaker, Credit Unions are private organisations who have the freewill to set up their own banks upon their wish, there is chance with the Central Bank to submit requests of this sort if they want however the Government does not push Credit Unions to set up a bank, that is the discretion of the Credit Unions themselves.

**MR SPEAKER:** I take it that your view is now clarified according to the Deputy Prime Minister's statement, the review by the Government of the Bill beforehand was also not easy that by the time it comes into effect, at least there is a guide in the future. I call the member to conclude.

**Tofa AVEAU TUALA LEPALE NIKO PALAMO:** Mr Speaker, as some of us lack insight of Credit Union, therefore it is best that we....because if this is the clarification on public enterprises investments, however the legislation stipulates 12 membership to form investments under a Union, this involves a lot of process, then money is deposited in the bank and when I want to withdraw it yet NPF has the same benefit that is what I meant, while the public is listening, what sort of benefit, if deposited in the bank, everyone is aware of the interest on borrowings. The legislation is owned by the Government not the members. If the purpose is to reduce the burden then so be it. If there is proposal to set up a bank for the Credit Union, that is also beneficial to the union membership....with respect Mr Speaker.

**Tofa Hon Fonotoe Nuafesili Pierre Laufo:** Mr Speaker the member has queried a bank for a Credit Union three or four times now. The Government cannot respond to that, it is for you to ask the Credit Union on that. Utmostly, we aim to set up laws and provisions to guide the Credit Unions whereas Credit Unions has the discretion to set up their own Credit Unions for Association. That is the correction.

**Tofa Levaopolo Talatonu:** Mr Speaker....

**MR SPEAKER:** I give the chance to the Hon Minister for Revenue.

**Tofa Hon TUILOMA LAMEKO (Minister for Revenue):** Mr Speaker and members of the House, I rise to express view on this legislation before the Parliament.

17 FEBRUARY 2015

**Credit Union Bill 2014 – second reading**

I wholly support the legislation and its amendments – thus I testify this is one way to collect money specially for these Credit Unions that could involve the old aged who receive more money for investment. This is not something new...it is now over 55 years since it was established and credit unions of 15 I think is good. Therefore, they could set their own meetings, percentages, policies to make good investment. So Mr Speaker, I wish to note one thing on....which allows young girls and boys, have a look and see if I am correct. I also believe that should not be avoided, if a bank needs set up, because Teachers Union is also involved, if possible with thousand teachers, they too could set up a bank of their own to assist with paying school fees which is one objective of credit unions. Therefore Mr Speaker and respectable members, I appreciate the Hon Minister by supporting this Bill. Respectfully.

**MR SPEAKER:** Well done thank you Hon Minister for the assistance, the legislation is further clarified given your statement.

I call the member for Gagaemauga No.2, Afioga Papalii.

**Tofa LEVAOPOLO TALATONU:** Mr Speaker, I am quite blurred on this matter now, but I wanted to ask the Hon Minister if this is the exactly what the Teachers Association is doing according to the Hon Minister for Revenue, thank you.

**MR SPEAKER:** Very well. Papalii, this is your last chance. Pardon me, I give the Prime Minister the chance before....

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoui:** Mr Speaker, this Bill is very significant, truthfully, we have several investment businesses already. But it requires legislations. Some state-owned enterprise end up depositing money into the President's account. In essence to this Bill, it clarifies the processes for investments. We have received a number of issues addressed specifically with the Rugby Union Clubs, it is shocking to see some presidents being thrown out by their clubs because of money. This also applies to teachers investments at the Ministry of Education whereby special treatment is applied to avoid the misuse of funds which is similar result to some credit unions due to fraud. Essence to this Bill it covers registration to monitor and follow up the Unions to comply with appropriate requirements set out to protect personal investments and develop our people on laws like...three people approach us with their signatures, two signatures is allowed to draw money. This is a very easy approach however one can be misinformed when a president or chairperson gives his/her personal account which is fraud. That is reason why more investments are at stake due to these outdated law, otherwise, we now have the latest one, which perhaps helps improve and grow investments that most rural communities are carrying out. Union investments is a guarantee to continuously gain interest considering section 65; the income of a credit union is exempted under this Income Tax Act.

17 FEBRUARY 2015

**Credit Union Bill 2014 – second reading**

Therefore if they create investments including these provisions, they can request for refund because even in banks, the income of a credit union is exempted.

Mr Speaker, that is slight addition to this critical legislation.

**MR SPEAKER:** Well done. I call the member for Faasaleleaga No.2.

**Susuga PAPALII LIO FAAVAIIVAIOMANU TAEU MASIPAU (Faasaleleaga No. 2):** Thank you Mr Speaker for the opportunity, thank also to the House. Briefly, the statements by the Hon Minister and the Government Leaders is now apparent. The only concern is powers vested to those depositing money in any bank under the State's guarantee – it does not say, freewill, the wording I aim to stress is investing in the Unit Trust which is the basis of the bill to assist the disadvantaged and the low number of an association. That is the assistance to the Bill, it does not say or; rather it is says and. Therefore all this is covered. With respect.

**MR SPEAKER:** Well done. There is chance for a final speaker. I call the member for Faleata West.

**Tofa LEALAILEPULE RIMONI AIAFI:** Thank you Mr Speaker for the opportunity, thank you also Hon Minister for the Bill. I seek to find which change we have in this Bill because it is like a house that is painted without considering any change. The only change here is the appointment of a Registrar by PSC that is now CEO of MCIL and fees. The people's fees and charges have now gone over 200%. That is the only amendment in this Bill.

**MR SPEAKER:** I grant the Hon Deputy Prime Minister the chance.

**Tofa Hon Fonotoe Nuafesili Pierre Laufo:** Mr Speaker, when we speak of change, this excludes the old Act, yet the new legislation is being discussed. It is very simple, a number of amendments are incorporated, I will give one example, just one. Yes. If the old Act is de-registered or when a credit union is repealed, before a request is passed to the Cabinet, it is given to the Le Ao o le Malo for his approval. That was a lengthy process. I guess it was applicable back in 1960. Whereas today, the power is now vested in the Registrar I speak of power that you queried. The aim and objective is to form an easier borrowing system for the people. As aware, in the banks, it takes four days to two weeks of working days, whereas (with unions), if you hold membership, you can easily approach them, easier application process how much borrowing you need to pay the children's school fees. The current union holding the majority are the teachers who have been very active for some time now. Hence the aim of the Bill is to renew, improve and protect situations we discussed including investments to avoid the fraud and penalties are also stipulated in the legislation.

17 FEBRUARY 2015

**Credit Union Bill 2014 – second reading**

**MR SPEAKER:** Well done thank you. I call the member for Faleata West.

**Tofa LEALAILPULE RIMONI AIAFI:** If the HonMinister was patient enough as I said, there are only two main amendments, the Chief Executive Officer is the Registrar for Credit Unions and powers.

You see I have not finished my explanation right? And raising fees, two hundred plus percent from...that is the fee. Whereas for percentage, it should be raised, I thought the Hon Minister should have changed it. The total number of membership for credit union should have changed. Because it was 12 members since the start. Why retain 12? It should be lower as the people are now making more money. If five say for instance, Tautua then only 12 which means....because if we had 11, we would not...

**MR SPEAKER:** Pardon the member I tolerate the Deputy Prime Minister

**Tofa Hon Fonotoe Nuafesili Pierre Lauofo:** Mr Speaker, the Bill states no less than 12. Which means it can be more than 12, whereas fees, I am confused with the member's statement. Do you mean to say that we should still use the fees from 1960? A lot of changes have been made such as raising registration costs, computerised registrations and the new processes are under control to strengthen this Bill. The service fees should also be raised.

**Tofa LEALAILPULE RIMONI AIAFI:** Mr Speaker, raise is something to be done depending on inflation and living cost, however a raise by 200% is unacceptable. I refer to the Minister's statement, less than 12. I mean to say that Tautua wants to set up a credit union of just 12. If Levaopolo is no longer here, we cannot set up a credit union. In meaning, like me, if it was me, my wife and our three children, we would like to set up a credit union but we only make up five, why protect this? We want a credit union.

**MR SPEAKER:** Pardon the member I call the Prime Minister.

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker, point of order. Reference to Political Parties, Keep in mind that this Political Party (HRPP) is not the same as those making the decisions. Therefore as an example if 11 of you, 400 well I get it there is also no *Puletua* in the 11, well that is a pity. How then will you vye in the election with just 11? That is why I made attempt, what whisper is Aeau saying to you? Well sometimes we need some laughter, we were anxious thinking you had reached 500 members yet this morning it is now known you only have 11. That is a pity, we have no Opposition to oppose us.

**MR SPEAKER:** Conclude your statement as you are left with....

**Tofa LEALAILPULE RIMONI AIAFI:** Your honor I have just started as you can hear....

17 FEBRUARY 2015

**Credit Union Bill 2014 – second reading**

**MR SPEAKER:** You mentioned only two amendments which you already explained.

**Tofa LEALAILEPULE RIMONI AIAFI:** No I meant time and year have changed. The legislation we are currently discussing is 55 years old and was drafted in 1960. Yet I stood up to thank the Deputy Prime Minister who said expensive fees and making of this Bill. I wonder how much it cost to produce this thick (Bill) yet it is the same legislation. It is said 15 credit unions yet probably the motive behind it is the need for more members. Because as given earlier, if my wife, children and I or if my siblings and I make up five and we are loaded with cash, the aim is to set up a credit union, then why avoid it? Another thing is the 1% interest rate. Thank you for retaining this, hence, power is retained to borrow from banks. If borrowing is open, this percentage should not retain the borrowing amount. Money is meant to feed and grow. Part of this should've been amended. Nonetheless, this Bill is only repainted and renewed. That is the recommendation, we need Bills with better amendments to discuss instead of Bills that are only renewed. Thank you very much. Blessed meeting.

**MR SPEAKER:** I call the Deputy Prime Minister.

**Tofa Hon Fonotoe Nuafesili Pierre Lauofo:** Mr Speaker thank you to the member for the statement. Although it is renewed yet we give emphasis to the implementing process through the credit unions. I normally hear complaints on interests rates in the banks from this member. Now that the interest has dropped to 1%. The interest rate has gone very low. It gives lesser burden. In fact, this has been discussed and agreed to by the 15 credit unions. Therefore this Bill is extremely very helpful. Have a blessed meeting.

**Tofa Lealailepule Rimoni Aiafi:** This is correct, I will always speak on interest rates from a borrower perspective until the end of this Parliamentary term, contrarily, I am discussing credit union now right? When I become a credit union owner. Otherwise, I am wearing a different hat now. According to the Bill, you are not entitled to vote until the minor has reached 16 years. To become a Director, you must be 21 years first, why is this prohibited when voting is permissible at the age of 16. For the record, once you vote you are legally binded under the law. For consideration, let me give the response once again.

**MR SPEAKER:** I beg tolerance member, the Deputy Prime Minister needs to respond.

**Tofa Hon Fonotoe Nuafesili Pierre Lauofo:** Lealailepule, remember the voting age is 21, well that is the reason.

**MR SPEAKER:** I call the Deputy Speaker.

17 FEBRUARY 2015

**Credit Union Bill 2014 – second reading**

**Tofa AGAFILI PATISELA ETEUATI TOLOVAA (Palauli West):** Mr Speaker, thank you for the chance. Greetings to the House. I wish to show support to the tabling Bill. Number 12 as mentioned is a good number given the credit unions policies, a non-member cannot guarantee the loan for a credit union member. Any borrower must be guaranteed by a member of the credit union. I was employed at the Development Bank in 1984 and during that time, this task was referred by the State to the Development Bank with the aim to improve this good undertaken. The purpose was for the Development Bank to work collaboratively with its partners in the private sector in order to increase credit unions and to lessen micro-financing or small loans of \$500 that could fund small developments like pancake shop. The hope was to remove micro-financing altogether which was a lengthy process at the time. In spite, the Development Bank became one of the strongest unions until today. Hence the setting up of credit unions were very significant even towards the communities. Most families acquired much benefit as a result this (credit unions) establishments including the insurance company from America. On similar note, we have had passing Samoans who have benefited greatly out of this (system) through the survival of their spouses and children obtained double or thrice the total amount and they have become debt-free. Mr Speaker, I give thanks to the Speaker and the Hon Minister for this legislation. The number of credit unions we had in the past was not 15 but more than that. In America, the Credit Union Bank is one of the largest financial institutions in the country. As for us who have been to the World Bank, no building is closer to the eight storey house of the Credit Union Banks. Therefore this is a very crucial initiative. This process has not yet been implemented, when a credit union is being discredited, the process again begins from the Le Ao o le Malo. Thank you for allowing this task to be executed by the Registrar and the Ministry Head for efficiency purposes. In belief, if credit unions is well secured then so as its members and its set policies.

As a former employee of the Development Bank, a borrower was entitled to one and a half of the contribution he/she has in the bank. If your share was \$100, you can loan \$150 under the guarantee of a credit union member. Therefore, it was a very critical and accommodating process for our people.

**Tofa Lealailepule Rimoni Aiafi:** Mr Speaker....

**MR SPEAKER:** Pardon the respectable member, I call the member for Faleata West.

**Tofa Lealailepule Rimoni Aiafi:** Pardon me....the member's statement is vital, I wish to query the drop in credit unions number to 15. Why is this exactly, does this amendment have anything to do with this? Respectfully.

**MR SPEAKER:** I call the Hon Prime Minister.

17 FEBRUARY 2015

**Credit Union Bill 2014 – second reading**

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker, well done to the recent member, the notices he gave is very important, majority have benefited from this death insurance scheme. Could you elaborate on this insurance relationship, is it possible to draw insurance whilst living rather than obtaining it when passing to confirm the amount in total, does this (scheme) still exists, is the family members entitled to it?

**MR SPEAKER:** I call the Deputy Speaker.

**Tofa AGAFILI PATISELA ETEUATI TOLOVAA:** Thank you to the member for Faleata West's interjection and the Prime Minister's question. I cannot comment on the reduction of credit union number. I only heeded confirmation if this was done legally. There are credit unions involving families in the town area, up to date, it is still going strong and surely the member for Faleata West knows it too. On to the Prime Minister's statement on insurance, I confirm there was benefit obtained by the spouses and children back then, this was spearheaded by the Development Bank including an Insurance Company from America which had then covered insurance for all the credit unions in the country including other countries in the world. With the tabling Bill, it has provided an easier move for the enterprises and households to take, even Tautua and Number 12, because a credit union member cannot guarantee the loan for another credit union member. Because if your loan is troublesome, the member for the same credit union will have to pay for it. This is the support to the tabling Bill. Thank you.

**MR SPEAKER:** Well done thank you. I will grant the final chance to the member for Salega, Afioga Afualo Wood Uti Salele before I put the question. I call the member.

**Afioga AFUALO WOOD UTI SALELE:** Thank you Mr Speaker, Hon Prime Minister for this important Bill. Perhaps the legislation has the State's intention to lessen the burden. I refer to Section 65 which exempts taxation of those utilizing this opportunity to develop their families and private businesses.

In query, as mentioned the credit union funds will be deposited in the banks with imposed fees collection under the Capital Gains Tax Act. How does this work, does the union need to present a registration confirmation letter to withheld bank fees from incurring even with extended investments. In meaning, bank fees is still collected for the credit union investments. To note, the legislation is vitally important taking into account exempted tax. I wholly support the Bill to assist the members of the public. Thank you Mr Speaker.

**MR SPEAKER:** Well done thank you.

17 FEBRUARY 2015

**Credit Union Bill 2014 – second reading**

**Susuga Hon Tuilaepa Fatialofa Lupesoliai Aiono Neioti Sailele Malielegaoi:** Mr Speaker there was a question put forward reference to the Ministry for Revenue. As per normal, the banks can easily reduce their fees before it is referred to the Ministry of Revenue. Comes the end of the year, returns can be claimed including the members of the Committee (Parliament) regarding taxation cuts to their allowances which can be claimed by presenting their income report to confirm paid tax in order to get a refund.

Mr Speaker, Government policies have been laid out through the Ministry to implement these tasks.

*Motion approved and the Credit Union Bill 2014 was read a second time.*

**MR SPEAKER:** Pursuant to Standing Order, this Bill is now referred to the Revenue and Expenditure Committee for their consideration and report back to the Legislative Assembly in a future meeting.

**CITIZENSHIP INVESTMENT BILL 2014 – second reading**

**MR SPEAKER:** For the information of this Parliament, this Bill had its first reading on the 26<sup>th</sup> January 2015.

I call the Hon Minister of Commerce, Industry and Labour or the Deputy Prime Minister.

**Tofa Hon FONOTOE NUAFESILI PIERRE LAUOFO:** Thank you Mr Speaker. I move, *That the Citizenship Investment Bill 2014 be now read a second time and I would briefly like to elaborate on it.*”

*Seconded by the Minister of Public Enterprises, Minister of Information Technology and Communications, Minister of Women, Community and Social Development.*

**MR SPEAKER:** I call the Deputy Prime Minister to clarify the Bill.

**Tofa Hon FONOTOE NUAFESILI PIERRE LAUOFO:** Thank you Mr Speaker. This Bill has the State’s belief it will benefit the country. The tabling Bill had the appointment of a Committee to deeply review, investigate and obtain findings on it. It also sets out a program for anyone or any country to set up a business investment needed to develop the country. Before I touch on the Bill, a few investors have showed interest by setting up businesses with the assistance of the Government. This legislation also stipulates temporary resident permit. Under this legislation the five year requirement must be met by permanently staying here first, make investment or set up a local business before you are eligible to a Samoan citizenship.

17 FEBRUARY 2015

### **Citizenship Investment Bill 2014 – second reading**

This considers two main things by the State, one being to seek ways to attract foreign individual or business investors, to generate investment in the country. This is nothing new, the only change is the integration of this program under this legislation. Note, the Yazaki company has been in Samoa for a while now. The Committee has further considered possible gains through foreign investors and their businesses. Critically for this program, both advantages and the disadvantages have also been reviewed. There is not one corner that the Select Committee has not explored. This Committee was appointed by the State comprising of the Government heads and agencies engaged with our investments and to boost the economic status. The Committee keeps in mind the integrity and mainstay of the citizens of Samoa which means that when someone becomes a citizen they are also eligible to have a Samoan passport. The applications are screened by an external agency specialising in investigating the credibility of the investor and see if all the requirements are met under the programme. There will also be an institution framework for the programme to control this scheme or programme. The bill was not an instant concept or something that was done without any knowledge. The Committee have investigated all areas and many countries in the world also have conducts the same programme. The Bill was drafted at least four times. The first draft has had its consultations with the business sector where good thoughts were shared with varied ideas. The Committee again reviewed the Bill and made changes and members of the public were also consulted. Government shareholders and those affected in the bill were also consulted. Many countries have benefited from the programme and they don't face problems probably just difficulties because in anything, nothing is whole. Countries like the United States, Canada, Australia, New Zealand and Fiji have a similar programme. This means they also benefit from it and the Select Committee believes that the government should initiate such programmes. The first objective is to attract foreign investors to generate investment. Foreign investors should bring money to generate investment in the country and setup developments that the government believes we need, such list is attached in the Schedule at the end of the bill. Secondly, job creation. Not long ago we had a graduation and many graduates are seeking employment. One main aspect of the Bill is job creation for businesses, manufacturers and other developments through this programme. The third aspect of the Bill is sustainable growth and development of our country. Mr Speaker, there are vital areas that the government is considering under the programme. Honorable Speaker, there are many writings and threatening words made about the Bill but I want to assure you the country has nothing to worry about. We are well aware of our properties, the protection of our citizens and our Passports. Words on our Passports and citizenship being put for sale are hearsay and unfounded comments made to frighten us. No country sells passport for free. It is clear in the legislation that selling passports is taboo. If you understand the process of the programme in the Bill (Citizenship Bill), there is nothing like that. Remember that we too are also citizens of Samoa.

17 FEBRUARY 2015

### Citizenship Investment Bill 2014 – second reading

There is no intention from the Government to cause damage but we only aim to boost the economy and create jobs for the betterment of the country. Mr Speaker, hearsay causes divisions within people. Continuing on with my explanation regarding this new programme. The only improvement in the Bill is the programme through foreign investors scrutinized by the Government and the various processes to set up businesses, create employment to be enjoyed by the people for its wellbeing. The bill does not specify any particular race. All applications needs to be investigated by a special committee that is referred to the State to see if all the requirements are met.

We have various kinds of investments such as qualify investment. This includes location for local tourism businesses. This is one sector that has the government support as it generates good income and assistance to our local economy. It also generates good benefits for the country. I refer back to Citizenship Investment Committee. The members are made up of government heads who have sound knowledge of this program to scrutinize applications. Their duty is to thoroughly review these investors to make right decisions and recommendations for the Minister, Government and the Cabinet. If application is rejected, the investor is allowed to file an appeal with condition to invest in the country. What are the eligibility requirements for investment a company or applicant? The Bill sets out eligibility. These eligibility requirements are considered by the members of the Committee. The committee consists of very brainy people who are familiar with this kind of programme. The applicant must also provide an investment plan; worth of current business and its history; the investor's police report; a medical report, audited financial statements and other documents.

Mr Speaker before I discuss this lot, it seems like....and listening to hearsay, it seems to mean Samoa has one citizen, when born in Samoa, you are entitled to one Samoan citizen. I would like to speak on the different kinds of citizenships and its requirements. The first citizenship....

### ADJOURNMENT

**MR SPEAKER:** I appease the statement of the Prime Minister. The presentation is wonderfully received in the House. However we have reached normal adjournment and the noisy Palusalua, hence I agree we must take a rest. We must seek energy to resume our work tomorrow and the continuation of the Prime Minister's productive statement. Clearly, the Opposition is also playing their part. I see your well preparations for tomorrow's long proceedings and chances to be granted.

Sincerest appreciation to everyone. We have reached the end of our Sitting given your support. Although I have attempted earlier on in the day to heed patience as this is our first time in this Meeting House, nevertheless, at least we tried.

*17 FEBRUARY 2015*

### **Adjournment**

The Clerk and staff will also assist on the technology side on your microphones, earphones and such, if you have any questions, our staff is on this side, the usual service and assistance is heeded. The hope and spirit is to achieve our work as per normal. Well done on achieving today's tasks. We had two legislations plus one now given response by the Prime Minister. Thank you also to the Government Heads and Public Enterprises specially the students we had. I hope they have gained something important out of this House for their future. Thank you also Samoa for your support. We ask for your continuous support and prayers in order to achieve tomorrow's program. I ask the Business, Standing Orders, House and Electoral Committee we must convene to reach a final decision today regarding the proposed legislation (Electoral Bill) before a Sitting in the future. This is a very critical Bill. A decision must be reached as the election day is nearing in order to execute the works of the Electoral Office specifically the involvement of everyone and preparations of the electoral candidates under this Bill. Before we adjourn, I ask the Pastor of the House, Tapuai Toese to end us with today's message.

*Proceedings of the Legislative Assembly now adjourned at 1:05pm until 9:00am on Wednesday, 18<sup>th</sup> February 2015.*