

28 MAY 2019

**TUESDAY, 28 MAY 2019**

*The Legislative Assembly met at 9:10am pursuant to Parliamentary Sitting Programme 2019/2020.*

Prayer.

**MR SPEAKER:** I declare that Proceedings of the Legislative Assembly ha now recommenced.

**MESSAGE FROM THE O LE AO O LE MALO****“MEMORANDUM for:****Mr Speaker:**

Pursuant to Article 59 of the Constitution of the Independent State of Samoa, consent is hereby given to the Legislative Assembly to consider the following Bills:

1. Supplementary Appropriation Bill (No.2) 2018/2019.
2. Supplementary Estimates 2019/2020

GIVEN UNDER my own Hand this Tuesday 27, May 2019”.

(Signed): Tuimalealiifano Vaaletoa Sualauvi II  
**O LE AO O LE MALO**

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**NOTICE FROM THE LEADER OF THE HOUSE**

Pursuant to Standing Order 76 of Parliament the Notice of the Legislative Assembly now presents the following Bills for review:

1. Trustees Companies Amendment Bill 2019
2. Companies Amendment Bill 2019
3. National Provident Fund Amendment Bill 2019
4. Foundations Amendment Bill 2019

GIVEN UNDER my own Hand this Tuesday 27, May 2019.

**Hon TUILAEPA Dr. Sailele Malielegaoi**  
**LEADER OF THE HOUSE**

**CERITIFICATE OF URGENCY**

Pursuant to Standing Order 100(2) presented herewith is the Certificate of Urgency before the Legislative Assembly the following Bills for review.

1. Trustees Companies Amendment Bill 2019
2. Companies Amendment Bill 2019
3. National Provident Fund Amendment Bill 2019
4. Foundations Amendment Bill 2019

GIVEN UNDER my own Hand this Tuesday 27, May 2019

**Hon TUILAEPA Dr. Sailele Malielegaoi.**  
**LEADER OF THE HOUSE**

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**OTHER ANNOUNCEMENT BY THE SPEAKER**

Although we went our separate ways as the Samoan saying goes, ‘*e ui ina vao eseese ao lea ua fuifui faatasi,*’ gratefully, we have reassembled once again due to God’s amazing love and calling upon each and everyone of us.

1. The country is now aware of the outcome from the Election of the Constituency of Faasalaleleaga No.2 carried out on the 22nd of March 2019, in search of a representative to resume the duties and seat of this Constituency. The outcome from this By-Election now appoints Tofa Namulauulu Papalii Sami Leota as the Representative of the Constituency. The Speaker now receives this Memorandum from the Le Ao o le Malo. The House and the Constituency should be notified of the reason why the Swearing in for this member could not be achieved this morning pursuant to Parliamentary practice and procedures.

For the sake of the House specially the Constituency tuning in, the Speaker has accepted Tofa Namulauulu Papalii Sami Leota’s absence to Represent the Country in the Rugby Union Meeting for the Australian and the Pacific Region held in Fiji. Let us wish Tofa Namulauulu all the best in this Regional Rugby position.

2. **UNDP DELEGATION**

Amongst us is the delegation from the Parliament of Australia, Fiji, Tonga, Papua New Guinea, Vanuatu participating under the programme called the Floating Budget of the United Nations Development Program or the UNDP. This program coincides with the seminar for Members of this Parliament in the coming week. On this note and respectfully, I wish to welcome our special guests from Australia and the Pacific this morning and best wishes to all your duties and engagement in our country.

**PRESENTATION OF PAPERS**

*The Clerk presented the Papers tabled pursuant to Standing Order 49(2).*

1. P.P.2019/2020 No.1, Office of the Public Trust Annual Report 30 June 2018.
2. P.P.2019/2020 No.2, Samoa Water Authority Annual Report 2017/2018.

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**Presentation of Papers**

3. P.P.2019/2020 No.3, National Health Service Annual Report 2017/2018.
4. P.P.2019/2020 No.4, Ministry of Police Annual Report 2017/2018.
5. P.P.2019/2020 No.5, Electric Power Corporation Annual Report 2017/2018.
6. P.P.2019/2020 No.6, Accident Compensation Corporation Annual Report 2016/2017.
7. P.P.2019/2020 No.7, Ministry of Finance Annual Report 2016/2017.
8. P.P.2019/2020 No.8, Ministry of Finance Annual Report 2017/2018.
9. P.P.2019/2020, No.9, Samoa Bureau of Statistics Annual Report 2017/2018.
10. P.P.2019/2020 No.10, Samoa Prisons and Corrections Services 30th June 2018.
11. P.P.2019/2020 No.11, Samoa Law Reform Commission Review on the Property Law Act 1952, Final Report 23/18, November 2018.
12. P.P.2019/2020 No.12, Ministry of Women, Community and Soicial Development Annual Report 2017/2018.
13. P.P.2019/2020 No.13, Samoa Shipping Services Ltd Annual Report 2017/2018.
14. P.P.2019/2020 No.14, Samoa Post Annual Report 2017/2018.
15. P.P.2019/2020 No.15, Samoa Law Reform Commission Annual Report 2017/2018.
16. P.P.2019/2020 No.16, Ministry of Communications and Information Technology Annual Report 2017/2018.
17. P.P.2019/2020 No.17, Land Transport Authority Annual Report 2017/2018.
18. P.P.2019/2020 No.18, Samoa Ports Authority Annual Report for Yea Ending 30th June 2018.
19. P.P.2019/2020 No.19, Public Accounts for Year Ending 30 June 2018.
20. P.P.2019/2020 No.20, Samoa Shipping Corporation Annual Report 2017/2018.
21. P.P.2019/2020 No.68, Ministry of Agriculture and Fisheries Annual Report 2017/2018.

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**PRESENTATION OF PARLIAMENTARY COMMITTEE  
REPORTS**

*The Deputy Clerk read out the Parliamentary Committee Reports tabled pursuant to Standing Order 52(5).*

1. P.P.2019/2020 No.34, Report of the Standing Orders Committee on the Head of State Amendment Bill 2018.
2. P.P.2019/2020 No.35, Report of the Standing Orders Committee on P.P.2018/2019 No.52, Samoa Law Reform Commission Review of the Fabric of Laws of Samoa Project December 2017, Final Report 22/17.
3. P.P.2019/2020 No.36, Report of the Standing Orders Committee on P.P.2018/2019 No.92, Report on Civil Procedure Rules Supreme Court (Civil Procedures) Rules 1980 and Magistrate Rules 1971.
4. P.P.2019/2020 No.37, Standing Orders Committee Reports on P.P.2018/2019 No.95, Office of the Electoral Commissioner Annual Report 2015/2016.
5. P.P.2019/2020 No.38, Standing Orders Committee Reports on P.P.2018/2019 No.96, Office of the Electoral Commissioner Annual Report 2016/2017.
6. P.P.2019/2020 No.39, Standing Orders Committee Report on P.P.2018/2019 No.106, Office of the Electoral Commissioner Annual Report 2017/2018.
7. P.P.2019/2020 No.40, Standing Orders Committee on P.P.2018/2019 No.132, Annual Report of the Office of the Attorney General 2015/2016.
8. P.P.2019/2020 No.41, Standing Orders Committee on P.P.2018/2019 No.133, Office of the Attorney General Annual Report on 2016/2017.
9. P.P.2019/2020 No.42, Standing Orders Committee Report on P.P.2018/2019 No.134, Ministry of the Prime Ministry and Cabinet Annual Report 2017/2018.
10. P.P.2019/2020 No.43, Standing Orders Committee Report on P.P.2018/2019 No.140, Office of the Ombudsman Annual Report 2016/2017.
11. P.P.2019/2020 No.44, Standing Orders Committee Report on P.P.2018/2019 No.164, Samoa Public Service Commission Annual Report 2017/2018.

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**Presentation of Parliamentary Committee Reports**

12. P.P.2019/2020 No.45, Report of the Finance and Expenditure Committee on P.P.2018/2019 No.128, Ministry of Public Enterprises Annual Report July 2017 – June 2018.
13. P.P.2019/2020 No.46, Report of the Finance and Expenditure Committee on P.P.2018/2019 No.136, Scientific Research Organisation Annual Report 2017/2018.
14. P.P.2019/2020 No.47, Report of the Finance and Expenditure Committee on P.P.2018/2019 No.137 & P.P.2018/2019 No.147, Samoa Tourism Authority Annual Reports 2016-2017 & 2017/2018.
15. P.P.2019/2020 No.48, Report of the Finance and Expenditure Committee on P.P.2018/2019 No.139 & P.P.2018/2019 No.149, Samoa Sports Facilities Authority Annual Reports 2016/2017 & 2017/2018.
16. P.P.2019/2020 No.49, Report of the Finance and Expenditure Committee on P.P.2018/2019 No.141, FESA Annual Report 2017/2018.
17. P.P.2019/2020 No.50, Report of the Finance and Expenditure Committee on P.P.2018/2019 No.142, Samoa Life Assurance Annual Report 2018.
18. P.P.2019/2020 No.51, Report of the Finance and Expenditure Committee on P.P.2018/2019 No.143, Samoa Housing Corporation Annual Report 2018.
19. P.P.2019/2020 No.52, Report of the Finance and Expenditure Committee on P.P.2018/2019 No.144, Office of the Regulator Annual Report on 2018.
20. P.2019/2020 No.53, Report of the Finance and Expenditure Committee on P.P.2018/2019 No.145, Central Bank of Samoa Annual Report July 2012-June 2017.
21. P.2019/2020 No.54, Report of the Finance and Expenditure Committee on P.P.2018/2019 No.146, Central Bank of Samoa Annual Report July 2017 - June 2018.
22. P.P.2019/2020 No.57, Report of the Social Sector Committee on the University of the South Pacific School of Agriculture Amendment Bill 2019.
23. P.P.2019/2020 No.58, Report of the Social Sector Committee on S.R.2019/1, Ministry of Health Amendment Act 2019 – Notice of Commencement.

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**Motion by the Leader of the House pursuant to Standing Order 47**

24. P.P.2019/2020 No.59, Report of the Social Sector Committee on S.R.2019/2, Teachers Act 2016 – Notice of Commencement.
25. P.P.2019/2020 No.60, Report of the Social Sector Committee on P.P.2018/2019 No. 148, Ministry of Education, Sports and Culture Annual Report 2017/2018.
26. P.P.2019/2020 No.61, Report of the Social Sector Committee on P.P.2018/2019 No.150, Ministry of Health Annual Report 2017/2018.
27. P.P.2019/2020 No.62, Economic Sector Committee Report on P.P.2018/2019 No.104, Samoa Trust Estates Corporation Annual Report 2016/2017.
28. P.P.2019/2020 No.63, Economic Sector Committee Report on P.P.2019/2020 No.118, Ministry for Revenue Annual Report 2017/2018.
29. P.P.2019/2020 No.64, Report of the Agriculture Committee on P.P.2018/2019 No.12, Ministry of Natural Resources and Environment Annual Report 2016/2017.
30. P.P.2019/2020 No.65, Report of the Infrastructure Committee on S.R.2018/5, Telecommunications License Regulations 2018.
31. P.P.2019/2020 No.66, Report of the Infrastructure Committee on P.P.2018/2019 No.56, Land Transport Authority Annual Report 2017.
32. P.P.2019/2020 No.67, Report of the Infrastructure Committee on P.P.2018/2019 No.131, Samoa Airport Authority Annual Report 2018.

**MOTION BY THE LEADER OF THE HOUSE PURSUANT TO  
STANDING ORDER 47**

**MR SPEAKER:** With respect, I allow the Hon Prime Minister.

**Susuga Hon TUILAEPA AUELUA FATIALOFA LUPESOLIAI LOLOFIETELE NEIOTI AIONO GALUMALEMANA Dr. SAILELE MALIELEGAOI (Prime Minister):** Mr Speaker I rise with respect to greet everyone in this House in good health and spirit. I also greet Samoa in all its honorifics. It has taken almost an hour whilst engaged in presenting the piles of papers and work before us in this House.

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**Motion to withdraw Bill pursuant to Standing Order 114**

For the sake of our people, we are engaged with a lot of work all for the welfare of them on the various projects we have been tasked through your callings. I rise with respect to move the motion, *That in 2018/2019 session be carried forward as printed in the Supplementary Order Paper 2019/2020 No.1.*

*Seconded by the Deputy Prime Minister and the Minister of Commerce, Industry and Labour.*

*Motion approved.*

**MOTION TO WITHDRAW BILL PURSUANT TO STANDING ORDER 114**

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

**Susuga Hon TUILAEP AUELUA FATIALOFA LUPESOLIAI LOLOFIETELE NEIOTI AIONO GALUMALEMANA Dr. SAILELE MALIELEGAOI:** Mr Speaker I rise with respect to move, *To withdraw the Returning Offenders Bill 2019 given that parts of this Bill requires further amendments to its fullest, this is the motion with respect.*

*Seconded by the Deputy Prime Minister and the Minister of Commerce, Industry and Labour.*

*Motion approved.*

**MOTION BY PARLIAMENTARY COMMISSION**

**MR SPEAKER:** I call the Deputy Chairperson of the Parliamentary Commission, honorable Deputy Speaker.

**Tofa NAFOITOA TALAIMANU KETI (Deputy Chairperson of the Parliamentary Commission):** Mr Speaker the words of thanksgiving to our Father and Lord Almighty have already been offered in prayer for the sake of our House and the public this wonderful morning. May all praises and glory be unto Him, the God of yesterday, today and forever more.



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### Motion by Parliamentary Commission

I greet the honorable Speaker and everyone in good health and spirit and your good journeys up to this morning. I also greet the Hon Prime Minister, Hon Deputy Prime Minister and Cabinet, Associate Ministers and that Side of the Government, honorable Parliamentary Committees and members of Parliament this morning. I further welcome the heads of Government Ministries and Corporations, greetings and welcome to you all.

Mr Speaker with respect I move, *That the Legislative Assembly approves the new reshuffling of the following Members for the Parliamentary Committees as shown below:*

#### **1. Standing Order, Electoral, Petitions and Constitutional Offices Committee.**

*NAFOITOA Talaimanu Ketu (Taitaifono)*  
*FUIMAONO Teo Samuelu Teo (Sui Taitaifono)*  
*Hon AEAU Peniamina Leavaiseeta*  
*NONU Lose Niumata*  
*AFOA Amituanai Faleulu*

#### **2. Finance and Expenditure Committee**

*ALIIMALEMANU Alofa Tuuau (Taitaifono)*  
*Hon FAUMUINA Tiatia Faaolatane Liuga (Sui Taitaifono)*  
*TOOMATA Aki Tuipea*  
*NAMULAUULU Sami Leota*  
*ILI Setefano Taateo Tafili*

#### **3. Economic Sector Committee.**

*Hon LAUOFO Fonotoe Nuafesili Pierre Lauofo (Taitaifono)*  
*FAALOGO Iosefa Sopi (Sui Taitaifono)*  
*Hon LAAULI Leuatea Polataivao*  
*TOLEAFOA Ken Vaafusuaga*  
*ILI Setefano Taateo Tafili*

#### **4. Social Sector Committee**

*Hon GATOLOAIFAANA Amataga Alesana Gidlow (Taitaifono)*  
*LEAANA Ronnie Posini (Sui Taitaifono)*  
*SULAMANAI Fetaiai Tauiliili*  
*AUMUA Isaia Lameko*  
*OLO Fiti Afoa Vaai*

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## Motion by Parliamentary Commission

### 5. *Infrastructure Committee*

*TAFUA Maluelue Tafua (Taitaifono)*

*OLO Fiti Afoa Vaai (Sui Taitaifono)*

*FAAULUSAU Rosa Duffy - Stowers*

*FAUMUINA Asi Pauli Wayne Fong*

*TAPULESATELE Mauteni Tamasone Metuli II Esera*

### 6. *Parliamentary Commission*

*Hon LEAUPEPE Taimaiono Toleafoa Faafisi (Taitaifono)*

*NAFOITOA Talaimanu Keti (Sui Taitaifono)*

*Hon TUILAEP Auelua Fatialofa Lupesoliai Lolofietele Neiote*

*Aiono Galumalemana Dr. Sailele Malielegaoi*

*Hon AEAU Peniamina Leavaiseeta*

*Seconded by the Cabinet Ministers.*

*Motion approved.*

**Tofa Olo Fiti Afoa Vaai (Salega East):** Mr Speaker just a brief one for your clarification. I only wish to understand about the official appointment of the member of Faasaleleaga No.2 before his swearing in pursuant to Standing Order 14(2) that a member must attend all Parliamentary meetings neither can he/she go through a special vote, otherwise I now hear that he is now appointed into a Parliamentary Committee. It is understandable that Parliamentary Committees work on behalf of this Parliament. On that note, we must comply with our Standing Orders in the future.

That is the comment for your elaboration Mr Speaker in accordance with the set motion before the House. Thank you.

**MR SPEAKER:** Very well thanks, as known the member is now officially been recognized by the Le Ao Mamalu o le Malo to Parliament. His absence to our Sitting today is due to him attending an appointment meeting with Pacific and Australian for the Rugby Union.

It is in this regard that we have accepted his absence for us to gain these regional positions. In terms of code of ethics that is still maintained in the House from the start. As approved by our Parliamentary Committee changes from time to time is the normal procedure in our Standing Order.

In that case, pardon the member that is the procedure for the selection of our Parliamentary Committees.

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**SUPPLEMENTARY APPROPRIATION BILL (No. 2) 2018/2019**  
**- first reading**

**Afioga Hon SILI EPA TUIOTI:** Mr Speaker I move, *That the Supplementary Appropriation Bill (No.2) 2018/2019 be read a first time.*

*Seconded by the Hon Minister for Revenue and the Minister of Education, Sports and Culture.*

*Motion approved.*

**SUPPLEMENTARY APPROPRIATION BILL (NO 2) 2018/2019**  
**- tabling**

**MR SPEAKER:** I call the Hon Minister of Finance.

*The Hon Minister of Finance, Afioga Hon Sili Epa Tuioti tabled the Supplementary Appropriation Bill (No.2) 2018/2019.*

**SUPPLEMENTARY APPROPRIATION BILL (NO 2) 2018/2019**  
**- motion for second reading**

**MR SPEAKER:** I call the Hon Minister of Finance.

**Afioga Hon SILI EPA TUIOTI:** Mr Speaker I move, *That the Supplementary Appropriation Bill (No 2) 2018/2019 be read a second time including the Appropriation in this Main Address 2019/20.*

*Seconded by the Hon Minister for Revenue and the Hon Minister of Agriculture and Fisheries.*

**MR SPEAKER:** Pursuant to Standing Order 132, debate on the Appropriation Bill 2019/2020 will be adjourned no less than 14 days after the [Appropriation Bill 2019/2020 stands referred to the Finance and Expenditure Committee](#) before reporting to the Legislative Assembly.

**MR SPEAKER:** I call the Hon Minister of Finance.

**Afioga Hon SILI EPA TUIOTI:** Mr Speaker I move, *That the Appropriation Bill 2019/20 be read a first time.*

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**APPROPRIATION BILL 2019/2020**  
**– first reading**

*Seconded by the Minister of Education, Sports and Culture and the Minister of Agriculture and Fisheries.*

*Motion approved.*

**MAIN ESTIMATES 2019/2020**  
**- tabling**

*Hon Minister of Finance Sili Epā Tuioti tabled the Main Estimates 2019/2020.*

**APPROPRIATION BILL 2019/2020**  
**- second reading**

**Afioga Hon SILI EPA TUIOTI:** Mr Speaker I move, *That the Appropriation Bill 2019/20 be read a second time.*

*Seconded by the Minister of Education, Sports and Culture and the Minister for Revenue.*

**MR SPEAKER:** All right, with respect I call the Hon Minister for his Budget Address 2019/2020.

**2019/2020 BUDGET ADDRESS**  
***“A shared vision for prosperity”***

**Afioga Hon SILI EPA TUIOTI:** Mr Speaker:  
 As required under Standing Order 131 it is my pleasure to present on behalf of the Government, the Statement on the Estimates for the fiscal year 2019/20.

**I. BUDGET SETTING**

Mr Speaker, as we begin our journey into the new fiscal year, we take a step back and evaluate the achievements of the past two years.

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**2019/2020 Budget Address**  
*“A shared vision for prosperity”*

**Mr Speaker,**

Following a 7.2% percent peak in 2015/16, economic growth became subdued in 2016/17 registering at only 1% and 2017/18 marking a decline of 2.2% as growth normalized after the grand opening of the two major hotels in Apia and the hosting of the Commonwealth Youth Games as well as following the peak in the performance of the Fishing Industry in 2016. The slowdown was further exacerbated by the closure of Yazaki Samoa in 2017 as well as the effects of Cyclone Gita in February 2018.

The above growth figures have been revised following the completion of the rebasing exercise conducted by the Samoa Bureau of Statistics to establish the base year for calculating the GDP at constant prices from 2009 to 2013. According to international standards, it is highly recommended that these base years be reviewed every 5 years as relative prices and the structure of the economy change over time.

The current 2018/19 fiscal year saw Government’s investments diverted to preparations for the hosting of the Pacific Games to take place in mid to late July as well as the construction and completion of the Waterfront Development and much needed roadworks. In addition to this, the current year also saw Samoa host the Pacific Judicial Conference, the Forum Foreign Ministers’ Meeting as well as the SAMOA Pathway review. On the monetary side, commercial bank’s average liquidity continued to improve in light of strong external inflows while commercial bank interest rates remained relatively stable.

Further, through the course of the past 12 months, the Government has reviewed and developed core policies for continued service improvements in the health, information technology and transport sectors with the overall objective of raising access and quality of life for the citizens of Samoa.

**Mr Speaker,**

In charting our course forward, we take stock of the budgets of the past years. In 2015/16, the budget was built around the theme of “living within our means” a sober reminder that we cannot spend our way into prosperity with money we do not have.

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**2019/2020 Budget Address**  
***“A shared vision for prosperity”***

The 2016/17 budget was guided by the theme “Strengthening Foundations: Building for Tomorrow” which acknowledged the need to consolidate public finances, maintain sound financial management and ensure there is a continued strong focus on improving access to essential services, particularly in the areas of health and education.

In 2017/18, the budget was driven by “Equity and Fairness” to reflect Government’s commitment in making everyone contribute their fair share to the development of the country.

The current, 2018/19 Budget underscores the theme of “The Right Path” which highlights obtaining the right balance between competing priorities and demands, between providing services for today’s generation whilst continuing to build for the longer term. This is strengthened by the emphasis placed on Primary Healthcare and focusing on Early Childhood Education. Mr Speaker, the budgets of the past tells a story of consistency, with the Government continuing to be very clear and committed to addressing the need for improved services and infrastructure across the country and have therefore maintained a well disciplined course.

**Mr Speaker,**

To the best extent possible, we want to shape our path in the future to provide the strongest possible growth and opportunity for all our people. We need to be clear about the path we are taking and confident in our ability to meet our goals because improving the quality of our lives now and the lives of our children tomorrow, depend on it.

## II. OUTLOOK

**Mr Speaker,**

The Global Economic growth has remained subdued over recent years and below long-term averages. Labour market conditions in Samoa’s major trading partners, Australia, New Zealand and the United States have improved slightly. Inflation remains low and inflation rates in our main trading partners are below Samoa’s medium term target of 4 per cent. Risks to the global economy remain high with tensions between the major trading countries of the world intensifying at the start of 2018. These developments pose risks to global recovery and Samoa is not immune to the consequences.



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*“A shared vision for prosperity”*

**Mr Speaker,**

The national developments mentioned before are expected to drive growth within the current financial year and should see the economy record another year of positive growth to be led by the Construction, Travel and Tourism sectors to register at around 3.9 per cent. Conducive to this growth, taxation revenues is also expected to be high for the Government and should contribute to the achievement of the estimated fiscal target for 2018/19.

Growth is also anticipated to continue into the new fiscal year 2019/20 at around 4.9 per cent associated with the hosting of the Pacific Games as well as ACP Fisheries’ and Aquaculture Ministers’ Meeting, the Regional Energy and Transport Ministers’ Meeting and the Pacific Ocean Climate Change Conference in addition to continued bridge and roadworks, port developments and the Waterfront Development.

As Government, investments expand and development works continue, the outlook for the economy over the medium term remains positive although lower than the projections for 2019/20. However, the Government will not be complacent as Samoa remains at risk due to the Global Economic challenges previously stated as well as the adverse impacts of Climate Change. Risk management and forward planning remains at the forefront of policy and project development at all levels of Government to ensure that whilst growth is driven and fiscal responsibility is maintained, preparedness is also a priority.

### **III. BUDGET STRATEGY**

**Mr Speaker,**

Over the past years, Samoa has suffered enormous physical damage from cyclone and other natural events. These have imposed on us large financial burdens as the country worked to restore key infrastructures as well as to rebuild livelihoods. At the same time, the country also felt the adverse effects global economic and financial events that have required a quick and [pre-emptive response from the Government to buffer the economy from these challenges.](#)

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**Mr Speaker,**

Given the extent of the challenges that Samoa has faced in the past, we should be proud of the way our country has responded with our resilience and ability to quickly recover improving as indicated by the time it took for all essential services to be up and connected during Cyclone Gita of 2018.

In moving forward, the Government understands the need to ensure an all-encompassing approach that will see the key socio-economic sectors of the economy strengthened to continue sustaining quality of life for its citizens through a longer term planning approach. This is in line with the launch of Samoa’s 2040-development plan, which targets raising the economy’s growth path by focusing on key transformative sectors.

It is around this objective that the new fiscal year’s budget has been developed and will be implemented around the theme of “...a shared vision for prosperity...”. The 2019/20 Budget comprises a mix of priorities that will push not only the key transformative sectors of the economy but will also strengthen those remaining sectors to provide the necessary support that will drive the implementation of the Samoa 2040.

The core objective of the Samoa 2040 is addressing the structural barriers that hinder growth and acknowledges to potential strain it might take on existing capacities and resources. In this regard, the Samoa 2040 has identified 7 key thematic areas to pave the way for a longer more sustaining growth pattern.

The thematic areas are enhancing digital development; raising tourist numbers and spending, greater labour mobility, boosting agriculture, resilient development, a safe and secure Samoa and effective investment in human capital.

In line with investing into human capital, the Government of Samoa in the new fiscal year 2019/20 will look at resourcing options to establish a Hardship Scholarship Scheme with the National University of Samoa to assist students who achieve academic excellence but are hindered by the economic and financial hardships of their families.



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Further commitments into each of the above thematic areas are evident in the investments made into digitally transforming Government services, increased investment into tourism and the Waterfront Development, the launch of Samoa’s National Security Policy and the proposed Police Academy as well as the pending cross island road infrastructure and completion of the West Coast Road.

**Mr Speaker,**

I am also pleased to announce in this statement, our continued close partnership with the private sector in recognition of their contribution to the economy as the “engine of growth” through ensuring the hosting of a quarterly dialogue with Government and their key members. It is also the intention of Government to secure a seat for a member of the private sector on key Boards of Government to ensure they have a voice in the decision making process.

**Mr Speaker,**

The budgets of the past few years have prepared us for the long-term objective of implementing the Samoa 2040. We have consolidated spending to pull them down back to pre-crisis and pre-disaster levels, we have identified and began the implementation of key revenue reforms to expand the Government’s resource base, all in the hopes to be able to support a prosperous future for our country and its people.

Samoa continues to build resilience and buffers to ensure its sustained development and at the same time secure fiscal sustainability through its fiscal policy as the key instrument of macro management. In saying this, I am happy to announce that the 2019/20 budget will only register a 1 per cent deficit of GDP, 2.5 per cent lower than the current financial year.

This target is in line with the Strategy for the Development of Samoa and supports another of Government’s fiscal targets to reduce its debt ratio target to within 40% of GDP therefore reducing debt distress risks. Further, this narrowing of the budget deficit and containment of debt will create fiscal space for the Government to respond to both natural disasters and any adverse effects of global economic challenges.

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*“A shared vision for prosperity”*

**IV. BUDGET AGGREGATES**

Mr. Speaker, I would now like to highlight the key components of the 2019/20 budget:

<b>REVENUES</b>		<b><u>\$ 826.6 million</u></b>
Ordinary Receipts	\$ 646.4 million	
External Grants	\$ 180.2 million	
		<b><u>\$ 913.6 million</u></b>

**Expenditures**

Statutory Expenditures	\$ 145.6 million
Expenditure Programs	\$ 583.7 million
Unforeseen Expenditures	\$ 17.5 million
Development Expenditures	\$ 166.8 million

**OVERALL BUDGET DEFICIT****FINANCED BY:**

Soft Term Financing	\$ 26.1 million	<b><u>-\$ 87.00 million</u></b>
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**CASH DEFICIT AFTER BORROWING** **-\$ 60.90 million**

The 2019/20 financial year Main Estimates is expected to record an overall fiscal deficit of approximately \$87.5million. Accounting for Government-to-Government revenues and expenditures further narrows this deficit to \$28.5million as illustrated within the Forward Estimates Statement that accompanies this budget ultimately establishing the estimated 1% of GDP Budget Deficit for the new fiscal year.

**V. REVENUE**

**Mr Speaker,**

**Total Domestic Revenue** is expected to increase by \$18.4million or 2.9% in the new fiscal year to be driven primarily by projected increases in tax collections in line with the anticipated economic activity generated by the hosting of the Pacific Games and other meetings as previously mentioned. Taxation Revenue is anticipated to increase by 3.1% attributed to the following:

- 15% increase in collections from Duty;

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- 11% increase in collections VAGST imports;
- 3% increase in collections from VAGST Private Sector;
- 2% increase in collections from Excises.
- Non Taxation Revenues or Fees and Charges is expected to increase by only 0.7% due to ongoing review of fees and charges as well as increased compliance.
- Grants are expected to fall by 21% to signify down of some major development projects of Government, which are nearing completion.

## VI. EXPENDITURE PRIORITIES

### **Mr Speaker and honourable Members,**

Total expenditures of Government is expected to drop by 3.3% to register at \$914.1million pulled down primarily by the reduction in grant financed developments due to the trickling off of resourcing for some projects near completion.

Expenditure Programs of Ministries is anticipated to increase by 3.4% attributed to the following key developments planned for the new financial year:

- Phase II of the Cost of Living Adjustment;
- Phase I of the NPF Contribution increase;
- Pacific Games;
- New Electoral Building;
- VAGST Electronic Register Project;
- Tiavea Airport;
- Digital Transformation Authority;
- National Digital Identification Project;
- New High Commission in Wellington;
- ACP Fisheries’ and Aquaculture Ministers’ Meeting;
- Regional Energy and Transport Ministers’ Meeting;
- Pacific Festival of Arts in June 2020;
- Hosting of the Post Cotonou Agreement in June 2020;
- New Road at Vaiaata/Patamea;
- New Consular Building in American Samoa; and the
- 5 Story Building at Savalalo;
- Self Insurance Fund;

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- \$500,000 for the SRU to assist with the Manu Samoa’s preparations for the World Cup;

**Mr Speaker,**

I will now summarize the individual appropriations allocated to Ministries for the new financial year:

***1. Ministry of Agriculture and Fisheries***

- \$18.6million in total for the Ministry of Agriculture that includes:
  - \$11.6million for the Ministry’s operations and;
  - \$3.5million for Transactions on Behalf of the State that include:
    - ✧ \$500,000 towards hosting the Annual Agriculture Show;
    - ✧ and \$100,000 for the proposed Agro-Tourism Project.
- Also included in the Ministry’s provision is a \$340,000 assistance extended to the Women In Business Development Incorporated.

***2. Ministry of Commerce, Industry and Labour***

\$6.8million in total for the Ministry comprising \$4.9million for their normal operations, \$1.4million for Transactions on Behalf of State that includes the annual \$200,000 assistance to the private sector and \$500,000 for third party transactions that include \$450,000 to the Small Business Entreprises and \$50,000 to the Chamber of Commerce;

***3. Ministry of Communications and Information Technology***

\$5.6million in total for the Ministry comprising \$2.4million for their normal operations \$3.2million for Transactions on Behalf of State that include in large part the Management of the Samoa National Broadband Highway;

***4. Ministry of Education, Sports & Culture***

\$92.3million to the Ministry comprising \$70.8million for its normal operations, \$14.4million to facilitate the One Government Grant to all schools of the nation and \$6.2million below line that includes \$1.3million Budget Support from the Governments of New Zealand and Australia, \$1million for the Teachers’ Higher Education Scheme, \$500,000 to the Samoa Rugby Union to assist in preparations for the World Cup, \$200,000 to assist various Sports Development Assistance, \$150,000 to the Netball Association as well as \$500,000 to host the Pacific Festival of Arts.

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***5. Ministry of Finance***

\$98.5million to the Ministry including \$15.1million for its normal operations and \$83.4million for Transactions on Behalf of the State that comprises counterpart provisions for many of our country’s development projects. Also included in the Ministry’s below line items is a \$1million provision for the VAGST Electronic Register Project, \$15million for the Pacific Games, \$2.5million to facilitate EIB repayments with the DBS and \$1.3million for the New Wellington High Commission.

***6. Ministry of Foreign Affairs and Trade***

\$23.6million for the Ministry comprising \$17.3million for its operations and \$6.3million for Transactions of Behalf of the State that includes \$3.2million for Scholarships, and resources for hosting of the aforementioned meetings.

***7. Ministry of Health***

\$104.5million for the new Ministry comprising \$73.2million for the operations of the Ministry including the hospital, \$8.4million in grants and subsidies that include \$8million for the Overseas Treatment and \$23million in Transactions on Behalf of the State, which is comprised largely of supplies for the hospital.

***8. Ministry for Justice and Courts Administration***

\$13.1million for the Ministry comprising \$11million for its normal operations and \$2million Transactions on Behalf of State comprising largely of the Establishment of the Community Law Centre and the Survey of Atua Boundaries.

***9. Ministry of Natural Resources and Environment***

\$25.3million that includes \$12.8million for the operations of the Ministry and \$12.5million for Transactions on Behalf of State comprising of Waste Management Contracts and Land Compensations.

***10. Ministry of Police***

\$25.8million for the Ministry including \$24million for its normal operations which now includes Traffic Services as well as \$1.7million for Transactions on Behalf of State comprising largely of financing for uniforms and overseas missions;

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***11. Ministry of the Prime Minister and Cabinet***

\$8.5million for the Ministry including \$6.2million for normal operations and \$2.3million allocated for Transactions on Behalf of State.

***12. Ministry for Revenue***

\$12.5million for the Ministry, which includes \$10.5million for its normal operations and \$1.95million for below line items.

***13. Ministry for Women***

\$10million allocated to the Ministry including \$9.1million for its normal operations and \$0.98million for Transactions on Behalf of State.

***14. Ministry for Works, Transport & Infrastructure***

\$17.4million for the Ministry comprising \$4.8million for the Ministry's operations, \$10.6million for Third Parties that include \$4million in total for CSO's of the SWA and EPC as well as \$6.6million Budget Support for the SWA from the EU. Transactions on Behalf of the State for the Ministry totals \$1.99million comprised largely of Safety and Security Levy provisions for Aviation developments.

***15. Office of the Attorney General***

\$5.3million for the operations of the Office.

***16. Office of the Auditor General***

\$3.9million appropriation for the Office's operations.

***17. Office of the Electoral Commissioner***

\$5.97million for the Office comprising \$2.1million for normal operations and \$3.9million in below line including a \$3million provision for their new building.

***18. Office of the Legislative Assembly***

\$6.5million appropriated to the Office to Service the Legislative Assembly.

***19. Office of the Ombudsman***

\$1.2million for the operations of the Office.

***20. Public Service Commission***

\$4.99million for the normal operations of the Office of the Commission.

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***21. Samoa Fire and Emergency Services Authority***

\$7.2million for the operations of the Authority.

***22. National Kidney Foundation***

\$7.94million for the normal operations of the Foundation.

***23. Public Trust Office***

\$2.8million for the operations of the Office.

***24. Samoa Qualifications Authority***

\$4.1million for the operations of the Authority including \$0.97million in Budget Support from the Governments of New Zealand and Australia.

***25. Samoa Tourism Authority***

\$13.1million to the Authority, which includes \$10.8million for its normal operations and \$2.3million for Below Line Activities that includes a \$1million provision for National Tourism Marketing initiatives;

***26. Office of the Regulator***

\$2million for the operations of the Office.

***27. Scientific Research Organisation of Samoa***

\$3.8million for the operations of the Organisation.

***28. National University of Samoa***

\$20.3million for the operations of the University including \$0.7million in Budget Support from the Governments of New Zealand and Australia.

***29. Samoa Sports Facility Authority***

\$2.15million for the operations of the Authority.

***30. Ministry for Public Enterprises***

\$2.7million for the normal operations of the Ministry.

***31. Samoa Bureau of Statistics***

\$5.4million to service the Bureau comprising \$3.9million for its normal operations and \$1.5million for Transactions on Behalf of State comprised largely of provisions for the Demographic Health Survey and the Agriculture Census.



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**32. Land Transport Authority**

\$42.7million for the operations of the Authority.

**33. Law Reform Commission**

\$1.5million for the operations of the Commission.

**34. Ministry for Prisons**

\$7.1million for the operations of the Ministry as well as below line items.

**VII. UNFORESEEN EXPENDITURES**

The total estimated appropriation for the Unforeseen Vote based on the total expenditure programs of Ministries for 2019/20 is \$17.5million.

**VIII. DEVELOPMENT EXPENDITURES****Mr Speaker,**

Complementing the efforts of Government are the assistance provided by our development partners through grants and loan funded projects that contribute to the overall envelope for the new financial year.

New Development Programs include:

- Samoa Agriculture & Fisheries Productivity and Marketing Project under the auspices of the World Bank and IFAD;
- Electronic Phyto Sanitary Certification System Set Up under the auspices of the Australian Government;
- Samoa Health Program for Results Program targeting NCD's under the auspices of the World Bank;
- Nursing Workforce Development under the auspices of the NZ Government;
- Samoa Climate Resilience Transport Project also under the auspices of the World Bank;
- Samoa Port Development Project through the assistance of the Asian Development Bank; and the
- Cross Island Road Project also under the auspices of the Asian Development Bank.

It should be noted however that these are all in addition to development projects already on the ground.



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**IX. SECOND SUPPLEMENTARY ESTIMATES 2018/2019****Mr Speaker,**

The Government is also proposing to table a Second Supplementary Budget for the financial year 2018/19. The supplementary budget is cost neutral, as it will be funded from the reallocation of existing resources.

**X. CONCLUSION****Mr Speaker,**

And honourable Members, the Budget before Parliament underscores a Government committed to forward planning through its ability to evaluate priorities and identify the right mix of policies to solidify a prosperous future for our people.

It emphasizes that the Government will remain vigilant in ensuring a resilient socio-economic and financial system that will support the continuous development of its nation without compromising the quality of life of its citizens. It further realizes the need for longer term consistent planning that will not only raise efficiency of service provision but also promote investment and employment creation within the country.

The above aspirations and objectives have been mapped out and will be implemented with the assistance from our development partners and I would like to take the opportunity, on behalf of Government, to thank them for all their continued support towards the development of Samoa. Faafetai, faafetai tele lava!

In closing, I would like to thank the citizens of our nation for their patience and support throughout the course of the current 2018/19 financial year and would like to wish you all on behalf of Government and Happy and Safe 57th Independence Celebration this week.

**Mr Speaker,**

I commend the 2019/2020 Budget to the House. Soifua.

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### Ministerial Statement by the Hon Prime Minister

**MR SPEAKER:** Very well thank you to the Hon Minister of Finance for his address, this is no easy work however Parliament has received this statement specifically tasked by the various Ministries and Corporations of the State and the support of Samoa. Pursuant to Standing Order 132, debate on the Appropriation Bill 2019/2020 will be adjourned no less than 14 days after the Appropriation Bill 2019/2020 stands referred to the Finance and Expenditure Committee before reporting back to the Legislative Assembly. I recognize the Hon Prime Minister for your Ministerial Statement.

### MINISTERIAL STATEMENT BY THE HON PRIME MINISTER

**Susuga Hon TUILAEPA AUELUA FATIALOFA LUPESOLIAI LOLOFIETELE NEIOTI AIONO GALUMALEMANA Dr. SAILELE MALIELEGAOI:** Honourable Speaker and the dignity of Members of the Legislative Assembly, I rise with due respect to convey a word of thanks to the Hon Minister of Finance for the thorough presentation detailing the Main Budget for the Government's new Financial Year which will guide our multiple works and tasks for the next financial commencing from July to the end of June next year.

As heard and in accordance with Parliamentary procedures, the Main Appropriation will be referred to the Finance Committee to consider and report back to Parliament for approval. To the selected Committee, I wish you the best in this engagement that will take about two weeks of consultations with the respective CEOs to further clarify some of the key areas for your reporting back to the House.

This is a new and very unexpected, serious matter that is now undertaken by this Parliament this Parliamentary term concerning the position of the President of the Lands and Titles Court that is now temporarily vacant following the decision of the Judicial Services Commission (JDC) or the Judiciary body.

However, this matter will never reach a decision until it has the approval of this Parliament whether or not this position should be resumed. This appointment is now before this Parliament to decide through a motion by the Government and if we can recall the previous decision made recently within this Chamber, to establish a Committee to scrutinize and find solutions to the various problems engaged with this branch of Government specifically unresolved cases with the Land and Titles Court requiring decisions.

### Ministerial Statement by the Hon Prime Minister

Amendments are now referred to the designated Committee, which includes important recommendations put forth by the appointed Committee during the course of its deliberations.

That important work is now finished, however another challenge has come up and for the first time this Parliament through its decision-making will decide the position of a Judge or President of the Lands and Titles Court. This will be an extraordinary case that will be undertaken by the members of this Parliamentary Term and no doubt, it will be a huge task for this Parliament.

The Three Arms of the State refers to the Judiciary, Parliament and the Executive, which exists to check each other. Henceforth, this is the normal address for the Three Arms of the State. According to the Constitution of the Independent State of Samoa, which is the most sovereign law in the democratic system, one cannot overlap the affairs of another institution, and therefore should be independent of each other.

Thus, provided in the case of special appointments, the Parliament of Samoa is allowed to do so including the appointment of your honorable Speaker, Prime Minister and Judges should there is a need to do so on any serious matter. How so? The short answer is because this Parliament comprises of the representatives and leaders of all the Constituencies of Samoa, which makes up the entire traditional honorifics of Samoa. No one is above that.

If serious disputes surfaces, this Parliament is responsible for setting out principles to counter this sort of problems in the country. This is why we are addressed as the Legislative Assembly of Samoa. If this House passes any law, whether waste management act or an act referred to taxation, everyone is required to comply.

I therefore move a motion to refer this matter to the Special Inquiry Committee to consider the reason and validity of the decision of the Judiciary Services Commission and report back for a final decision of this Parliament. Parliament has set procedures and practices through a Committee to initiate a hearing these serious cases as per directive of the House to analyse and thoroughly research before reporting back to this *Parliament rather than making instant decisions which we lack details about.* The President of the Lands and Titles Court in this case was the former Clerk of the Legislative Assembly for several years and therefore is no one new to the members of Parliament, as he is known as someone who is very reliable.

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### Ministerial Statement by the Hon Prime Minister

Accordingly, the charge against the President as stated is bodily harm to one of his staff, a night watchman because of him disobeying his order under the influence of alcohol, which is inappropriate during the Ministry's party. This is the entire purpose for this matter that will be tasked by this Parliament about a Judge charged with bodily harm during an office party, which is something we are all aware of.

Overseas Judges had already fined the President however; the Judges of the Court of Appeal recommends that they do not have the final say upon the President's appointment, as there are specific areas for this job, which is the Judiciary Services Commission and this Parliament. They can only extend their assessment to the behavior of the Judges who are like angels. In a sermon given by one of the church Ministers to the prisoners of Tafaigata, "behave, the only difference between you and us is that you are now caught while we are not".

Your honorable Speaker and distinguished Members of the House, this is a very important matter in the history of the Independent State of Samoa and its Parliament, in relation to international democratic principles. The core purpose for the three strong Arms of Government, the Judiciary, Parliament and Executive is now exercised for the first time through its decision making for the welfare of Samoa.

One body overlaps another to maintain peace for Samoa and to avoid the abuse of power or the doctrine of checks and balances of power to highly sustain and uphold the Supremacy of Parliament.

Your honourable Speaker, with all due respect, I stand to move a motion, *To refer this matter to the previous Special Inquiry Committee that was tasked with reviewing matters from the previous year, to review the decision of the Judicial Services Commission and report back to this Parliament for a final decision in regards to the termination of the appointment and service of the current President of the Land and Titles Court.*

Your honourable Speaker, that is the official motion of this Government with all due respect.

**MR SPEAKER:** Very well thanks. The matter has been rightfully made. Thank you Hon Prime Minister for the clarification...Everyone is well clarified from Samoa to the heads of Government Ministries of this statement all for the various works of the State.

The motion and precedent has been set by the Hon Prime Minister as previously set last year although this topic is not new rather it is nothing new to the practices and procedures that guides this body of the Government. On that note, the motion has been moved with thought that...

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**Ministerial Statement by the Hon Prime Minister***Seconded by the Deputy Prime Minister.**Motion approved.*

**MR SPEAKER:** I call the Hon Prime Minister for the motion on the Budget Address to be tabled. I call the Minister for the motion.

**Afioga Hon FIAME NAOMI MATAAFA (Deputy Prime Minister):** Mr Speaker I move with respect, *That the Hon Prime Minister's Budget Address be tabled.*

*Seconded by the Ministers of Cabinet.**Motion approved.*

**MR SPEAKER:** I allow the Hon Prime Minister for the names of the Committees in accordance to the set motion:

**Susuga Hon TUILAEP AUELUA FATIALOFA LUPESOLIAI LOLOFIETELE NEIOTI AIONO GALUMALEMANA Dr. SAILELE MALIELEGAOI:** Mr Speaker, I present these names for the following Committees:

*NAFOITOA Talaimanu Ketu  
FAUMUINA Tiatia Faaolatane Liuga  
ALIIMALEMANU Alofa Tuuau  
FAAULUSAU Rosa Duffy  
ILI Setefano Taateo Tafili  
TOLEAFOA Ken Vaafusuaga  
FUIMAONO Teo Samuelu Teo*

**Assistants:**

*Attorney General  
Commissioner of the Office of Ombudsman  
CEO of the Ministry of Justice and Court Administration  
Clerk of the Legislative Assembly*

*That is the motion for the Committee.*

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**Motion for adjournment**

*Seconded by the Deputy Prime Minister and the Minister of Commerce, Industry and Labour.*

*Motion approved.*

**MR SPEAKER:** Very well. We come to the end of our session today. I call the Hon Prime Minister for his statement and Motion to conclude our Sitting.

**MOTION FOR ADJOURNMENT**

**Susuga Hon TUILAEPA AUELUA FATIALOFA LUPESOLIAI LOLOFIETELE NEIOTI AIONO GALUMALEMANA Dr. SAILELE MALIELEGAOI:** Mr Speaker I move, *That Proceedings of the Legislative Assembly adjourned until Tuesday 18<sup>th</sup> of June 2019 at 9.00am.*

*Motion approved.*

**MR SPEAKER:** Very well thanks. Everything has an end. Well done for your perseverance and patience. Thank you also to Members who gave their statements this morning for the sake of the public and their ongoing support.

I extend great thanks to the heads of the Ministries and Public Enterprises gathered here this morning, may God bless you in your efforts and endeavours for Samoa. I also wish our guests from UNDP all the best in their works and may it bear fruits for the benefit of their countries.

Before we adjourn until the 18<sup>th</sup> of June 2019, I will conclude us with a prayer.

*Proceedings of the Legislative Assembly adjourned at 11:05am until Tuesday 18 June 2019 at 9.00am.*