

TUESDAY, 30 MAY 2017

The Speaker took the Chair at 9.00am.

Prayers.

OPENING REMARKS BY MR SPEAKER

MR SPEAKER: I announce that Proceedings of the Legislative Assembly resume. I take this opportune time greet and welcome everyone with the greatest respect to our Sitting this morning.

We pray for God's presence upon our works for the benefit of Samoa and its support. I wish not to speak of your divisional status and honorifics and they remain forever.

I also greet His Highness O Le Ao o le Malo and his Good Lady, the Members of the Council of Deputies and members of the public for your great support. Greetings also to Tutuila and Manua for your support that will enable us to make good and just decisions for the sake of our people and its welfare.

MESSAGE FROM LE AO O LE MALO

The Speaker read out the 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 proceed upon consideration of the following Bill:

1. Appropriation Bill 2017/2018
2. Stamp Duty Amendment Bill 2017.

GIVEN UNDER this Hand this day 26th of May 2017.

(Signed): Tui Atua Tupua Tamasese Efi
O LE AO O LE MALO.”

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NOTICE FROM THE LEADER OF THE HOUSE

The Speaker read out the Notice from the Leader of the House.

MR SPEAKER: Pursuant to Standing Order 100(2), the Legislative Assembly hereby gives Notice to review the following Bills under the State of Urgency:

1. Stamp Duty Amendment Bill 2017.

GIVEN UNDER this day 30 May this year 2017.

(Signed): Susuga Hon Tuilaepa Auelua Fatialofa Lupesoliai
Lolofietele Neioti Aiono Galumalemana Dr. Sailele
Malielegaoi

LEADER OF THE HOUSE.

MOTION BY THE PARLIAMENTARY COMMISSION

MR SPEAKER: With respect, I call the honorable Deputy Chairperson of the Parliamentary Commission Committee, your honorable Deputy Speaker.

Tofa NAFOITOA TALAIMANU KETI (Deputy Chairperson of the Parliamentary Commission): Mr Speaker, the feeling and vision this morning is different because it is not only a dignified morning but also, it is a significant day.

It is no wonder the words of the senior men who made it first in this House goes, *e fai foi o le fale a o le anofale* meaning, it is not just the house but the views voiced from within the House that is important. It is witnessed, *ua atoa tino o le tama* as the Assembly is now reunited in one spirit. I acknowledge the dignity of the House that has come together in unity, *'o lupe na faia mai i le fui*. Henceforth, this Parliamentary Committee wishes not to move on without first acknowledging your dignity and respects this morning.

In all respect, I greet the honorable Speaker and the well said prayer you delivered before our God this morning in response to His everlasting love and kindness. Well done.

I also wish to acknowledge in the spirit of respect the Hon Prime Minister, Cabinet Ministers and Associate Ministers. Well done on your efforts in leading our country.

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Motion by the Parliamentary Commission

Respectfully, I further greet the Chairpersons of all Parliamentary Committees gathered here this morning, well done to all your achievements and dedication, may God receive all exaltations and praises.

I also greet the dignity of the House, may God bless you all and your callings.

With respect to the members of the general public, well done to your determination and prayers, in specific, I wish to acknowledge the Constituency of Gagaemauga No.3 from Fanuatanu and Asofaatau to Malae and Maloamata, thank you for your prayers, perseverance and support that has given me blessing.

Mr Speaker I move the motion, *That the Legislative Assembly approves the following appointed Members to be part of the Special Parliamentary Committee for Healthy Living (SPAGHL) - Samoa Parliamentary Advocacy Group for Healthy Living.*

MEMBERS OF THE PARLIAMENTARY COMMISSION:

- (i) Hon. LEAUPEPE Taimaiono Toleafoa Faafisi - Taitaifono
- (ii) Hon. TUITAMA Talalelei Tuitama - Sui Taitaifono
- (iii) Hon. LOAU Sola Keneti Sio
- (iv) Hon. FAIMALOTOA Kika Iemaima Stowers
- (v) Hon. LAAULI Leuatea Polataivao Fosi
- (vi) Hon. GATOLOAIFAANA Amataga Alesana Gidlow
- (vii) Hon. LAUOFO FONOTOE NUAFESILI Pierre Lauofo
- (viii) Tofa LEALAILPULE Rimoni Aiafi
- (ix) Afioga TAEFU Lemi
- (x) Tofa LENATAI Victor Fafoi Tamapua
- (xi) Tofa SOOALO UMI FEO Mene
- (xii) Afioga FAAULUSAU Rosa Duffy-Stowers
- (xiii) Tofa ILI Setefano Taateo Tafili
- (xiv) Tofa AUMUA Isaia Lameko
- (xv) Afioga SALAUSA John Ah Ching
- (xvi) Afioga TOFA Foleni Lio Tama Galu

SUPPORTING OFFICERS:

- (i) Tofa LEAUSA Dr. Take Naseri - Ofisa Sili o Pulega, Matagaluega o le Soifua Maloloina.
- (ii) Afioga TILAFONO David Hunter - Ofisa Sili o Pulega, Matagaluega o Faatoaga ma Faigafaiva.
- (iii) Tofa FUIMAPOAO Beth Onesemo-Tuilaepa - Ofisa Sili o Pulega, Matagaluega o Tina & Tamaitai, Atinae o Nuu & Afioga ma Agafesootai.

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Presentation of Papers

- (iv) Afioga AFAMASAGA Dr. Karoline Fuatai - Ofisa Sili o Pulega, Matagaluega o Aoga, Taaloga ma Aganuu.
- (v) Afioga SEFUIVA Charlene Malele - Failautusi o le Fono Aoao Faitulafono.

With due respect.

MR SPEAKER: Very well thank you.

Seconded by the member of Faasaleleaga No.1 and the member for Palauli le Falefa.

Motion approved.

PRESENTATION OF PAPERS

Clerk read out the list of Papers pursuant to Standing Orders.48.

1. S.R. 2017/4, Electricity (Fees) Regulations 2017.
2. S.R. 2017/5, Police Service Amendment Regulations 2017.
3. P.P. 2016/2017 No. 189, Annual Report of the Samoa Post Office for the Year 2016.
4. P.P. 2017/2018 No. 3, Annual Report of the Samoa Shipping Services for the Year 2015/2016.
5. P.P. 2017/2018 No.4, Annual Report of the Samoa International Finance Authority for the Year 2015/2016.
6. P.P. 2017/2018 No.5, Annual Report of the Ministry of Police for the Year 30 June 2014.
7. P.P. 2017/2018 No.6, Annual Report of the Ministry of Police for the Year 30 June 2015.
8. P.P.2017/2018 No.7, Annual Report of the Samoa Tourism Authority for the Year 2014/2015.
9. P.P. 2017/2018 No.8, Annual Report of the Ministry of Commerce, Indusy and Labour for the Year 2015/2016.
10. P.P. 2017/2018 No.10, Annual Report of the Unit Trust of Samoa for the Year 2015/2016.
11. P.P. 2017/2018 No.11, Annual Report of the Samoa Tourism Authority for the Year 2015/2016.
12. P.P. 2017/2018 No.12, Annual Report of the Samoa Life Assurance Corporation for the Year 2015/2016.
13. P.P. 2017/2018 No.14, Annual Report of the Land Corporation for the Year 2015/2016.
14. P.P.2017/2018 No.40, Annual Report of the Fire and Emergencies Services Authority for the Year 2015/2016.

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**PRESENTATION OF PARLIAMENTARY COMMITTEE
REPORTS**

Clerk read out the list of Parliamentary Committee Reports pursuant to Standing Order 51(5).

1. P.P. 2017/2018 No.15, Finance and Expenditure Committee Report on the Casino and Gambling Control Amendment Bill 2017.
2. P.P.2017/2018 No.16, Finance and Expenditure Committee Report on the P.P.2016/2017 No.159, Annual Report of the Samoa Housing Corporation for the Year 2015/2016.
3. P.P.2017/2018 No.26, Standing Orders, Electoral, Petitions and Constitutional Offices Committee Report on the Constitution Amendment (No.1) 2016.
4. P.P.2017/2018 No.27, Standing Order, Electoral, Petitions and Constitutional Offices Committee Report on the Constitution Amendment (No.2) 2016.
5. P.P.2017/2018 No.28, Finance and Expenditure Committee Report on the P.P.2016/2017 No.144, Annual Report of the Samoa National Kidney Foundation for the Year 2015/2016.
6. P.P.2017/2018 No.29, Finance and Expenditure Committee Report on the P.P.2016/2017 No.188, Annual Report of the Samoa Sports Facilities Authority for the Year 2015/2016.
7. P.P.2017/2018 No.30, Social Sector Committee Report on the S.R.2017/2, Prisons and Corrections Amendment Regulations 2017.
8. P.P. 2017/2018 No.31, Social Sector Committee Report on the P.P.2016/2017 No.160, Annual Report of the Ministry of Education, Sports and Culture for the Year 2015/2016.
9. P.P.2017/2018 No.32, Economic Sector Committee Report on the Customs Tariff Amendment Bill 2016.
10. P.P.2017/2018 No.33, Economic Sector Committee on the S.R.2017/1 Personal Property Securities Act 2013 – Notice of Commencement.
11. P.P.2017/2018 No.34, Economic Sector Committee on the P.P.2016/2017 No.173, Annual Report of the Ministry for Revenue for the Year 2015/2016.
12. P.P.2017/2018 No.35, Infrastructure Sector Committee Report on P.P.2016/2017 No.100, 101, 102, 103 and 104, Annual Reports for the Samoa Shipping Corporation for Years 2010/2011, 2011/2012, 2012/2013, 2013/2014 and 2014/2015.
13. P.P. 2017/2018 No.36, Infrastructure Sector Committee Report on the P.P. 2016/2017 No.147, Annual Report of the Samoa Airport Authority for the Year 2015/2016.

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**Motion by the Chairpersons of the Parliamentary Commission
Pursuant to Standing Order 45**

14. P.P.2017/2018 No.37, Infrastructure Sector Committee Report on S.R. 2017/3, Samoa Ports Authority Notice (Dues and Rates) 2016.
15. P.P.2017/2018 No.38, Infrastructure Sector Committee on the P.P.2016/2017 No.156, Annual Report of the Electric Power Corporation for the Year 2014/2015.
16. P.P.2017/2018 No.39, Infrastructure Sector Committee Report on the P.P.2016/2017 No.157, Annual Report of the Samoa Water Authority for the Year 2014/2015 and P.P.2016/2017 No.158, Statement of Corporate Objectives of the Samoa Water Authority for the Period 2017-2020.

MR SPEAKER: Very well. We will now have the Motion by the Chairpersons of Parliamentary Committees pursuant to Standing Order 45.

I call the honorable Chairperson of the Standing Order, Electoral, Petitions and the Constitutional Offices Committee.

**MOTION BY THE CHAIRPERSONS OF THE
PARLIAMENTARY COMMISSION PURSUANT
TO STANDING ORDER 45**

Tofa NAFOITOA TALAIMANU KETI: Mr Speaker I move, *That the Legislative Assembly approves time extension for the Committee to review 11 Reports given that its review has not been completed and will report back to the Legislative Assembly in the Sitting of June this year.*

With respect.

Seconded by the member of Faasaleleaga No.1 and the member of Falealili East.

Motion approved.

**APPROPRIATION BILL 2017/2018
– first reading**

Afioga Hon SILI EPA TUIOTI (Minister of Finance): Mr Speaker I move, *That the Appropriation Bill 2017/2018 be read a first time.*

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

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Appropriation Bill 2017/2018

Motion approved and the Appropriation Bill 2017/2018 was read a first time.

APPROPRIATION BILL 2017/2018

– tabling

Hon Minister of Finance Sili Epa tabled the Main Estimates 2017/2018.

APPROPRIATION BILL 2017/2018

– second reading

Afioga Hon SILI EPA TUIOTI: Mr Speaker I move, *That the Appropriation Bill 2017/2018 be read a second time.*

Seconded by the Minister of Education, Sports and Culture, Minister of Women, Community and Social Development, Ministry for Revenue and the Ministry of Forestry and Fisheries.

MR SPEAKER: Parliament will now hear the Budget Address 2017/2018.

BUDGET ADDRESS 2017/18

“Equity and Fairness”

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 2017/18.

I. BUDGET SETTING

Mr Speaker and Honourable Members of the House, during the Parliament sitting of May last year, the Government announced a budget that was framed to set a coherent and affordable agenda for the government as a whole and which aimed to maintain stable and sustainable macroeconomic growth, create employment opportunities for our young people and continue to deliver improved programs and services in areas vital to our continued progress.

The 2016/2017 budget was given the theme 'Strengthening the Foundations:

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Building for Tomorrow' to make it clear that we have work to do if we wanted to continue to strengthen the economy and improve opportunities for our people; and second that this was a process that would require ongoing energy and commitment into the future. We wanted to build a strong and resilient foundation for sustainable growth in the years ahead for a better and equitable tomorrow for our people.

The budget strategy last year was designed to do the following:

- i. to consolidate our public finances and keeping expenditure under control;
- ii. to ensure we continue to provide the best possible access to quality essential education and health services;
- iii. to continue to build the enabling environment needed to support sustainable economic growth.

The Government then announced it would undertake a broad ranging review of revenue, covering all tax and non-tax revenues to ensure that we are not only collecting the revenue we need to maintain fiscal responsibility, and provide improved services and infrastructure, but that we are doing so with fairness and efficiency. The review recommendations provide a sound basis for us to move forward to provide the additional revenue the Government can reasonably expect without imposing unreasonable burdens on individual taxpayers or undermining the competitiveness of Samoan businesses.

Importantly, they will also enable Government to provide some additional spending on priorities in infrastructure, education and health, while maintaining fiscal responsibility. Strengthening compliance and improving the equity of the tax system are central to the Review recommendations.

The theme for the 2017/2018 budget therefore is Equity and Fairness to align with the SDS 2016-2020 theme of 'Accelerating Sustainable Development and Creating Opportunities for All' and to ensure that everyone who should be contributing to tax revenues must do so. We also announced the intention to review the public service with a view to lifting its performance and responsiveness to the delivery of efficient quality services required by our people.

Mr Speaker, I am pleased to say we have completed the public expenditure reviews of the health and education sectors which are key priority sectors in our development agenda. These reviews have raised a number of important pointers that the government will take into account in the design of future programs for these key sectors to ensure the government provides the best health and education service for our people. Preparatory work on the review of the public service is ongoing and we expect this exercise to continue into the next financial year.

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On the productivity dividend, I am pleased to say that we have been able to implement it without any compromise on the services being provided which suggests that efficiency gains have been achieved in the way Ministries have spent their budgets.

II. OUTLOOK

Mr Speaker, I am pleased to inform Honourable Members that our economy has continued to perform well in recent years. This was confirmed by the IMF in their Article IV consultation with the government in February this year. Economic growth was strong in 2015/16 growing at over 6% largely driven by the fishing industry, tourism, lower fuel prices, and further boosted by two major sporting events and infrastructure projects. Inflation remains subdued. The near-term growth outlook is positive. Barring any natural disasters, GDP is expected to grow at around 2 percent per year. Growth will be driven by improvements in the business climate, tourism, and construction, including infrastructure projects. The performance of the tourism sector is expected to further improve in the medium-term with increased funding to support targeted destination marketing in Australia and New Zealand and expected increased air services into the country in the latter part of 2018. The closure of Yazaki the largest manufacturing employer is estimated to reduce growth by about 0.9 percentage points for 2017/18 with a further reduction of about 0.1 percentage points in 2018/19. Average inflation is expected to pick up with increasing commodity prices but remain around 3.0 percent over the medium term.

Mr Speaker, this is a remarkable performance given the many challenges we have faced in the past few years. But we cannot afford to be complacent. We continue to face downside risks which underscore the need to press ahead with appropriate reforms to improve efficiency within the public sector, improve timeliness and quality of project implementation and to build business confidence.

The policy settings of fiscal consolidation and public sector reform combined with accommodative monetary policy will provide a sound platform to support a resilient economy going forward.

III. BUDGET STRATEGY

Mr Speaker this Budget is about making the right choices to secure a better tomorrow. These choices must be based on the principles of equity and fairness. We must choose to focus on growing our economy to provide more jobs and build a solid foundation for a better quality of life for everyone.

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We must choose to contribute to financing our development in a fair and equitable way. We must choose to guarantee the essential services that all Samoans demand. These are the principles that shape the Equity and Fairness theme of this budget. Every eligible person should contribute to the development of our country. At the same time the fruits of our development must be shared across to benefit everyone.

Mr Speaker the Revenue Review that was announced at the 2016/17 Budget Statement was tasked to examine Samoa’s current taxation arrangements, including:

- Examining current tax bases and rates and providing advice on the extent to which they reflect reasonable contributions by tax payers;
- Identifying anomalies in current tax bases, tax rates and tax exemptions;
- The efficiency and effectiveness of tax collection and tax enforcement.
- The Review was also asked to examine current taxation procedures and recommend improvements it considers will support the purpose and objectives of the review including:
- Reviewing the current arrangements for the granting of exemptions and concessions;
- Improving procedures for dealing with arrears;
- The use of tax holidays or other concessions;
- The use of tax credits;

Mr Speaker the main features of the Review recommendations are:

- Strengthening compliance with existing tax requirements, including compliance by taxpayers and improving the effectiveness of the revenue collecting agencies, including the Ministry for Revenue;
- Removing a number of exemptions and concessions to improve the equity of the tax system;
- Increasing non-tax fees and charges and indexing these fees and charges to ensure that the revenue raised more accurately reflects the costs of providing the services to which these fees and charges relate;
- Increasing a number of duty and excise rates;
- Introducing an equalization charge on EPC; and
- Introducing a Telecommunications levy.

The Review has also recommended changes in current taxation arrangements designed to:

- Ease the income tax burden on lower paid employees and sole traders; and

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- Lower export taxes and some duty and excise rates to support the competitiveness of Samoan businesses.

Mr Speaker these changes would be introduced over the next financial year with timing dependent on changes to legislation and administrative procedures which would be required. The net anticipated revenue gains from this package of reforms are estimated to be \$14.1 million in 2017/18, increasing to \$30.6 million in 2020/21.

Mr Speaker the Review recommendations strike the right balance between raising the revenue we need to continue to strengthen and improve the services and infrastructure which Samoans rightfully expect, but at the same time recognizing that we need to ensure we do not place an unreasonable burden on taxpayers or prejudice business growth and hence employment opportunities.

The findings also highlighted what we have known for some time. Not everyone has been paying their fair share. By removing concessions for which there is no clear justification, and strengthening our compliance mechanisms we can raise additional revenue without increasing the tax burden on ordinary taxpayers. In fact, by doing these things we can provide some modest but important and no doubt welcome tax relief for our lower paid citizens.

Government is pleased to announce that there will be no increase in the rate of VAGST in this budget. But Government is continuing to review ways, including introducing changes to legislation to ensure full VAGST compliance by businesses at customs point of entry and at points of sale. With the consequential revenue increase as a result of the Review, the Government will be in a strong position to honour its long-standing commitment to fiscal responsibility and provide some for additional spending on key priority areas consistent with the priority outcomes in the SDS 2016- 2020. Secondly, by strengthening compliance the recommendations greatly improve the equity of our taxation arrangements and demonstrate our resolve that everyone should contribute their fair share.

IV. BUDGET AGGREGATES

Mr Speaker I would now like to highlight the key components of the 2017/18 budget. The 2017/18 financial year Main Estimates is expected to record an overall fiscal deficit of approximately \$81.9 million which is equivalent to 3.5% of the anticipated level of GDP.

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Government will continue to introduce and implement appropriate measures and revenue reforms to pave the way towards achieving its fiscal target of 2% of GDP over the medium term:

<u>Revenue</u>		<u>\$852.3m</u>
Ordinary Receipts	\$614.9m	
External Grants	\$237.4m	
<u>Expenditures</u>		<u>\$934.2m</u>
Statutory Expenditures	\$120.9m	
Expenditure Programs	\$511.8m	
Development Expenditures	\$286.2m	
Unforeseen Expenditures	\$15.4m	
<u>Overall Budget Deficit</u>		<u>-\$81.9m</u>

Financed by:

Soft Term Financing	\$90.3m
Credit Budget Support	\$12.9m

Cash Surplus after Borrowing **\$21.3m**

V. REVENUE MEASURES

Total Domestic Revenue is expected to increase by 6.3%. Total grants is expected to decline slightly by 1.9% as a result of donor funded project tailing off. It is envisaged that these levels will be sustained over the medium term as a result of the implementation of the Revenue Review recommendations summarized below.

These reforms measures include:

- i. Strengthen the Ministry for Revenue capacity in order to improve revenue collection compliance; This is expected to generate \$4.5million in 2017/18);
- ii. Improved compliance by the Ministry for Natural Resources and Environment in collecting land leases owing to the Government; (\$500,000 for 2017/18);

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- iii. Index fixed excise rates which includes revisiting import duties and excise on certain imported products; (\$2.53million for 2017/18);
- iv. Cease Income Tax Holidays, Income Tax Credits and Import Duty exemptions. This will not generate any income in 2017/18);
- v. Increase Non-tax fees and charges for Government Services. (\$3.1 million for 2017/18);
- vi. Remove certain income tax exemptions so that all eligible tax payers do contribute to the development of Samoa (\$2 million for 2017/18);
- vii. Impose an equalization charge on EPC (\$2 million for 2017/18);
- viii. Impose a Telecommunications Levy on the call charges incurred by users (\$479,167);
- ix. Raise excise on tobacco, alcoholic and sweetened beverages and petroleum fuels (e \$2.53 million).

In line with the Budget theme, the Government is supporting the Revenue Review Recommendations in current taxation arrangements designed to ease the income tax burden on lower paid employees as well as lowering export taxes, duty and excise taxes to support exporting industries.

The assistance package will see the marginal tax rates adjusted by raising the tax free threshold from the current level of \$12,000 to \$15,000. This would see an extra 1,852 employees no longer required to pay income tax, saving them up to \$300 pa each. It would also mean an estimated 14,199 workers in formal employment would not be required to pay income tax. Salary levels between \$15,001 and \$25,000 will be taxed at 20% and over \$25,000 at 27%.

Moreover, to support the drive to expand exports, businesses that export goods and services, (excluding re-exports), get a tax deduction equal to 50% of the profits made on those exports. This effectively halves the tax otherwise payable on those profits. The deduction would only be permitted where the CEO of the Ministry for Revenue MOR is satisfied that the export sale proceeds will be remitted back to Samoa.

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Mr Speaker, it is the Government's belief that the two offsetting measures will trigger increased economic activity which in turn raise commercial activity and eventually raise tax collection.

The additional revenue expected as a result of the Revenue Review to assist with funding the 2017/18 budget is \$14.1 million tala.

VI. EXPENDITURE PRIORITIES

Mr Speaker and Honourable Member, the Total Expenditures for 2017/18 is expected to be \$934,244,759 which is 4.4% higher than the current financial year.

This increase in expenditure results from continuing efforts by Government to develop key priority areas which I will now highlight

1. Education

The total budget allocation for Education is approximately \$100.3million and is equivalent to 19.6% of total Government expenditure programs for the financial year 2017/18:

- \$80.7 million is allocated to the Ministry of Education, Sports and Culture which includes financing for key items that includes:
 - Financing to continue towards the School Fee Grant Scheme for Primary Schools and Secondary School classes Years 9 to Year 11;
 - Re-instatement of School Review Officers;
 - Appropriations for teachers upgrade scholarships;
 - \$12.6million allocated for the National University of Samoa;
 - \$5.3million for the Samoa Qualification Authority;
 - \$1.7million for the operations of the Samoa Sports Facility Authority.

Additionally, there are also development projects for the sector funded by development partners amounting to \$2.4million.

2. Health

A total of \$88.5million has been allocated to the Health Sector which represents approximately 17.3% of the total expenditure program of Government and is allocated as follows:

- \$69.3million has been allocated to the National Health Services which include the following:

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- \$6million allocated for the Overseas Medical Treatment Scheme;
- \$4million allocated for the procurement of pharmaceutical drugs;
- \$3.9million for the procurement of pathology lab reagents and consumables;
- \$1.6million for catering services for the hospital;
- \$1.5million for procurement of medical consumables required for the hospital.
- \$12.2million for the Ministry of Health which includes \$3.3million for the orientation program of new nursing and doctor graduates as well as \$1million for continuing the nurses scholarship program;
- \$6.9million for National Kidney Foundation which includes \$2.5million for medical supplies as well as \$300,000 to assist in the renovations and extension of the existing buildings

The Health Sector also has proposed development programs to be implemented with the assistance of development partners and these amount to approximately \$5.5million.

3. Infrastructure

The total appropriation for Infrastructure is \$46.99million which accounts for 9.18% of Government's total expenditure programs and includes the following:

Transport and Infrastructure

\$26.77million has been allocated to the Transport and Infrastructure sectors and has been allocated as follows:

- \$5.5 has been allocated to the operations and administration of the Ministry of Works, Transport and Infrastructure;
- \$21.2million is appropriated for the Land Transport Authority for routine maintenance and construction of roads and bridges planned for the country. It is anticipated that the LTA will be collecting up to \$14.5million in revenues from their operations which will also contribute to these key road works.

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There are also a number of infrastructural projects; ongoing and pipeline funded by development partners to the value of \$58.4million in grants and \$52.0 million in concessional financing

Electricity

\$2million has been allocated for Community Service Obligations of the Electric Power Corporation to supplement the cost of ensuring rural areas have access to electricity as well as to assist families who cannot afford connection costs.

Additional resources collected by the EPC will be used to finance its usual operations to the general public.

The Electricity Sector also has projects to the value of \$4million in grants and \$31.8million in loans provided through the cooperation of Government and its partners.

Water

2million has been appropriated for Community Service Obligations of the Samoa Water Services Authority to ensure access to water in rural communities. As per usual, the SWA will also be collecting resources from their services to assist in other areas which need financing.

An additional \$8.6million has also been provided for the Samoa Water Authority through budget support from the EU.

Communications

E \$7.7million has been allocated to the communications sector and is allocated as follows:

- \$5.9milliona 9million for the operation of the Ministry for Communications and Technology which include co-location, electricity and spectrum fees for the Samoa National Broadband Highway;
- □\$1.75million has been allocated for the normal operations of the Office of the Regulator.

It is anticipated that the Tui Samoa Cable will be commissioned towards the end of this year. This has been made possible through funding from the ADB, World Bank and the Australian Government. It is expected that a total of approximately \$50million in grant assistance is appropriated for the new financial year.

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Integrated Flood Management

It is worth noting that the Green Climate Fund has approved Samoa’s project proposal worth US\$57m intended to reduce the impact of recurrent flood related impacts in the Vaisigano river catchment. The project has three

interlinked project components as follows:

- i. Capacities and mechanisms in place for an integrated approach to reduce vulnerability towards flood-related risks;
- ii. Strengthened adaptive capacity and reduced exposure to climate risks of vulnerable communities, livelihoods and infrastructure in the Vaisigano Catchment;
- iii. Upgraded drainage in downstream areas for increased regulations and rapid discharge of water flows.

Implementation is expected to commence around the end of 2018 when all the contractual arrangements have been finalized.

4. Tourism

\$11.4million has been allocated to the Samoa Tourism Authority for the

implementation of its planned activities which includes the marketing and promotion of Samoa as a tourist destination. \$2.0 million is earmarked for the marketing of Samoa in the New Zealand and Australian markets which have the greatest potential for increased tourists to visit Samoa as well as easy airline connections to Samoa. The more tourists that visit our shores means good business for our hotels, provide the much needed employment opportunities as well as providing a market for our local produce and handicrafts.

The New Zealand Government will work with the Samoa Tourism Authority in promoting Samoa in NZ and Australia and will contribute \$4.5m in 2017/18 to assist with that work.

The Apia Waterfront Development project is expected to commence construction next year and the New Zealand government is contributing \$3.56m towards that project.

5. Commerce

\$7.7million has been allocated to the Ministry of Commerce, Industry and Labour which include a contribution to the private sector of \$200,000. \$4.25million will also be made available from the UNOP for the sector under the Enhanced Integrated Framework.

6. Agriculture and Fisheries

An appropriation of \$14.1 million has been allocated to the Ministry of the Agriculture and Fisheries for their normal operations.

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\$3.2million has been appropriated for the Scientific Research Organisation of Samoa to support their continuing research efforts.

\$6.5million in grants and \$6.5million in loans will also be made available from the World Bank in conclusion of the SACEP Project for the Agriculture Sector while \$4.3million will be sourced from the ADB and the Australian Government to continue the Agribusiness Project.

VII. UNFORSEEN EXPENDITURES

The total estimated appropriation for Unforeseen expenditures based on the total expenditure programs of Government for 2017/18 is \$15.35million.

VIII. SUPPLEMENTARY ESTIMATES 2016/17

Mr Speaker I am pleased to inform Honorable Members that we are not tabling a Second Supplementary Budget for the current financial year. This demonstrates that Ministries have kept within their spending limits and therefore do not see the need for additional resources.

IX. CONCLUSION

To a large extent, the Government has delivered on what we said we will do. A lot remains to be done though. In the course of the next financial year, we will continue implementing the reform agenda that will provide the solid foundation for a resilient economy and to ensure the Samoan community receives the service they demand.

Our economy continues to perform well and the medium term outlook looks good provided we do not get hit by a cyclone or other natural disasters. We must take note of these downside risks and design appropriate strategies to ease the adverse impact of natural disasters on the economy when they strike.

As a responsible government, we will continue to do just that. We will continue to put in place the policy framework that will ensure macroeconomic stability. We will continue to implement the development agenda articulated in the Strategy for the Development of Samoa. We will press ahead to ensure our people can proudly call this place home.

This is not an agenda for the government alone. It calls for the contribution of the community as well. It is a partnership and for that, I would like to invite the community to actively participate in the development of our country in whatever capacity and role.

30 MAY 2017

Motion to deliberate the Bills under the State of Emergency

At this point, I would like to acknowledge the support and generosity of our development partners whose ongoing assistance continues to play a critical role in Samoa's development.

In closing, I would like to thank the citizens of our country for their support in all the Government's endeavours. It is our prayer that God will continue to protect and shower His blessings upon us all as we embark on celebrating our 55th Year of Independence.

Mr Speaker and Honourable Members, I now commend the 2017/18 Main Estimates to the House.

Soifua

MR SPEAKER: Pursuant to Standing Order 133, debate on the Appropriation Bill 2017/2018 will be adjourned no less than 14 days after the Appropriation Bill 2017/2018 stands referred to the Finance and Expenditure Committee before reporting back to the Legislative Assembly.

MOTION TO DELIBERATE THE BILLS UNDER THE STATE OF URGENCY

Susuga Hon TUILAEP AUELUA FATIALOFA LUPESOLIAI LOLOFIETELE NEIOTI AIONO GALUMALEMANA Dr. SAILELE MALIELEGAOI: *Mr Speaker pursuant to Standing Order 45 (n), I move, That the Legislative Assembly proceed with the Stamp Duty Amendment Bill 2017 under the state of urgency given very important reasons.*

Seconded by the Minister of Forestry and Fisheries, Minister of Works, Transport and Infrastructure and the Minister of Works, Transport and Infrastructure.

Motion approved.

STAMP DUTY AMENDMENT BILL 2017

– first reading

Afioga Hon SILI EPA TUIOTI: Mr Speaker I move, *That the Stamp Duty Amendment Bill 2017 be read a first time.*

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

30 MAY 2017

Stamp Duty Amendment Bill 2017
- second reading

Motion approved and the Stamp Duty Amendment Bill 2017 was read a second time.

STAMP DUTY AMENDMENT BILL 2017
- second reading

Afioga Hon SILI EPA TUIOTI: Mr Speaker I move, *That the Stamp Duty Amendment Bill 2017 be read a second time and I wish to elaborate it.*

Seconded by the Minister of Education, Sports and Culture, Minister of Communications and Information Technology and the Minister of Justice and Court Administration.

MR SPEAKER: This is the chance for the Hon Minister of Finance for your clarification on the Amendment Bill.

Afioga Hon SILI EPA TUIOTI: Thank you for the chance to make a brief clarification on this Bill. I trust that we have had sufficient chances yesterday to further clarify the amendment to this Bill together with the members of the Ministry of Finance, Ministry of Natural Resources and Environment and the Ministry for Revenue and the Office of the Attorney General.

This amendment is short, firstly to amend section 2 of the principal Act by inserting definitions for capital assets and capital gains.

Secondly to amend section 4 of the principal Act to provide an obligation on a person who owns a capital asset (and makes a capital gain on the sale of such) to settle his/her capital gains tax before the relevant instrument for sale is stamped under the Stamp Duty Ordinance and that the Ministry of Finance or Ministry of Natural Resources and Environment may seek assistance from Ministry of Revenue to verify any information provided by a person to be stamped. This is it. The amendment is very short.

MR SPEAKER: Thank you. Chance is now open for anyone wishing to comment on this Amendment. I call the member of Alataua West.

Afioga ALIIMALEMANU ALOFA TUUAU (Alataua West): Greetings Mr Speaker, Hon Prime Minister and esteemed members of the House and Samoa listening in most especially the constituency of Alataua West. The legislation before the House aims to collect revenue by the Ministry for Revenue from selling capital assets or capital gains.

30 MAY 2017

Stamp Duty Amendment Bill 2017
– second reading

Other related legislations such as the Complimentary Bill and the Fees and Charges Bill with the ongoing preparations of revenue reforms should have all been submitted together with this Bill as a package for review. The only concern is that unless excess payment for capital asset or capital gain is made then the stamp duty can be released. What about in a case where the owner of a tax-free asset proceeds to sell his/her vehicle and is later required to pay a stamp duty charge? How does the Ministry determine these kinds of issues? I suggest that you reconsider these concerns.

Another issue if I was to buy a land and this process is put on hold or is being avoided due to a dispute on capital gain and therefore this could pose a great impact on me requiring this land urgently to secure my mortgage.

Those are some of the submissions for your review Hon Minister for Revenue together with related legislations to be submitted in the future for easier assessment and scrutiny.

With respect thank you for the opportunity.

MR SPEAKER: I call the member of Vaimauga East.

Afioga SULAMANAIA FETAIAI TAUILILI TUIVASA (Vaimauga East): Thank you for the chance Mr Speaker. I greet the Hon Prime Minister, Hon Ministers and their Associate Ministers and all the Parliamentarians of Samoa.

I wish to note my support for this Bill in that it guarantees that capital gains will be paid where applicable. I wish to note my appreciation to the Hon Minister of Finance for the enforcement on stamp duty tax until it is referred to the Ministry for Revenue. This is a good trio partnership between these Ministries in collecting revenue for the country. Because the major concern as the lady Minister says is the delay purchasing of land by the new owner due to capital gain tax.

I urge the Hon Minister and the Ministry to set up a process for the new land owner so that he/she is not affected by this tax which the former owner has to the Ministry for Revenue to provide clearance and be able to release this land to the new owner because any time one finds a land, the delay is always with land registration at the MNRE and stamp duty due to late payment

Secondly as reported by the recent member, all the related legislations should have been submitted together with this legislation given that if this capital gain is approved but going forward lest this 27% is...

MR SPEAKER: Pardon the member the State is giving clarification.

30 MAY 2017

Stamp Duty Amendment Bill 2017
– second reading

Susuga Hon Tuilaepa Auelua Fatialofa Lupesoliai Lolofietele Neioti Aiono Galumalemana Dr. Sailele Malielegaoi: Mr Speaker point of order. The amendment to this Bill is well given however this is good, one thing amendment at a time. This amendment is appropriate to capture the illegal land owners. Another thing is the correct term used which is contribution and not taxation which a person's contribution for its beloved country of Samoa.

MR SPEAKER: Go ahead.

Afioga SULAMANAIA FETAIAI TAUILILI TUIVASA: In regards to the Hon Prime Minister's statement on zealous well I meant that the Hon Minister has had an amazing knowledge given his greatest vision for the Ministry of Revenue and the Ministry of Finance to work together with the Ministry of Natural Resources and Environment.

I wish to note my support for this Bill in that it guarantees that capital gains will be paid where applicable. However, in regards to possible delays for land buyers who may not be able to register their land due to the seller failing to pay capital gains tax, the existing time frame for assets for which capital gains tax is applicable is 3 years. This timeframe should increase to 10 years that is if one has owned land for more than 10 years he or she is exempt from paying capital gains tax.

But thank you for the collaborative effort between the two Ministries which is also my intention seeing that this Budget is very small. It is good thought to gain revenue through tax and those uncollected tax from Church Ministers to assist us further in our developments. Have a blessed Sitting.

MR SPEAKER: I call the member of the Urban Seat West.

Afioga FAUMUINA ASI PAULI WAYNE FONG (Urban Seat West): Thank you Mr Speaker I greet everyone this morning. I will speak directly now on the Bill.

Firstly, there are a few lands sales that would be affected by the amendment, in terms of reveue, those who have the least will struggle the most. It would be make it harder for the average person (particularly those who are purchasing their first property) to buy land as a result of the tax.

Lastly most of the customary lands have the authority of the sao or the high chiefs of the families. But I suggest the imposition of stamp duty on the Sao or the Chief of the family which could perhaps build up more revenue earnings for the State than the private land buyers.

Respectfully.

30 MAY 2017

Stamp Duty Amendment Bill 2017
– second reading

MR SPEAKER: Very well, the floor is still open. I call the member of Vaisigano No.1.

Tofa LOPA00 NATANIELU MUA (Vaisigano No.1): Thank you. Greetings Hon Prime Minister and the Cabinet, Honourable Associate Ministers and the notable House.

Greetings to the heads of Government Ministries and Corporations as well as my constituency and all your honorifics.

By observation I see the amendments to this law will be made accordingly and whenever necessary. However, emphasis is for land ‘buyers’.

If land was purchased in June from a Company and the Company does not balance their books until December. The possible issue in such a scenario would be that the new owner would have to wait for six months before he or she can register their land, as the previous owner (the seller) has yet to pay their capital gain tax.

Both Ministries under this legislation should work collaboratively. Citizenship for those purchasing land should have protection to gain more revenue for our people.

In conclusion, I extend great appreciation to the Hon Minister for Revenue for the presentation of this Budget Statement this morning.

Thank you.

MR SPEAKER: Go ahead member of Faleata West.

Tofa LEALAILEPULE RIMONI AIAFI (Faleata West): Thank you and congratulations Hon Minister for the Budget Statement this morning.

Speaking of land buyers, land costs will continue to fluctuate owing to taxes. The taxation rate would vary due to the cost of land and therefore I suggest that land valued below \$100,000 have a different tax rate (not 27%) from land valued at \$100,000. I also request the Ministry to look into the existing processes for the transfer and **disposal of assets** (specifically land), where many people gift land to others in order to avoid paying capital gains tax.

With respect thank you.

MR SPEAKER: Very well, I give the chance to another member. I call the member of Palauli le Falefa.

30 MAY 2017

Stamp Duty Amendment Bill 2017
– second reading

Afioga Hon FAUMUINA TIATIA FAAOLATANE LIUGA (Palauli le Falefa): Thank you Hon Prime Minister and the esteemed Cabinet and Samoa. I greet the Hon Minister of Finance for this well prepared Budget Statement.

The amendment on the rearrangement of 3 to 4 tiers for land valuation for this Bill was done 5 to 6 years ago. Rather this amendment is not specific on stamp duty but contribution as reiterated by other members. The contribution is made by purchasing land using capital gains

There are times when we want to gift our children with lands. So the question I have in mind is what is the value of a capital gain tax? Or is it free because parents have the intention of giving land to their children. Have a blessed Sitting, thank you.

MR SPEAKER: Well done thanks since we now arrive at our usual break therefore proceedings of the Legislative will now set aside for its normal recess.

Proceedings of the Legislative Assembly suspended at 10.38am and resumed at 11.17am.

Deliberations over the second reading of the Stamp Duty Amendment Bill 2017 now resumed.

MR SPEAKER: I announce that Proceedings of the Legislative Assembly resumed. I trust we have been restored with new energy for us to resume our work.

During our break the member of Faleata West was speaking. I take it that we have a few more remarks on this Bill including the member of Falealili East.

I call the member of Falealili East.

Afioga FUIMAONO TEO SAMUELU TEO (Falealili East): Gratefully we have gained new energy from our morning tea break.

I greet the honorable Speaker

MR SPEAKER: I beg your pardon member of Falealili East I wish to allow the Hon Prime Minister first before you have your turn.

With respect I call the Hon Prime Minister.

30 MAY 2017

Stamp Duty Amendment Bill 2017
– second reading

Susuga Hon TUILAEP AUELUA FATIALOFA LUPESOLIAI LOLOFIETEELE NEIOTI AIONO GALUMALEMANA Dr. SAILELE MALIELEGAOI: Mr Speaker comments on this Bill are very significant for me.

This is one way to avoid the capital gains or capital asset given that the old man has gifted his children with this asset or land. Government's main concern is to record the land sale transactions and at some point in time, most landowners would eventually sell their land. The proposed amendment is to provide a mechanism for the Government to monitor all land sales. The purpose of this Bill seeks to capture this monetary payment or transaction at the time this capital asset is made as this money is needed to pay up the tax.

I heard a complaint by one old man who said, "I have several lands and my head is going crazy" I asked him why? He said, "I have distributed lands amongst my children, I think six of them. I have this specific plot that I am willing to give my eldest son who is very dear to me. Some three months later, people came over and researched this land. I asked them what they were doing? And they said 'look for another place to live, we have bought this land from your son'. The old guy lamented, 'Oh my poor son, if only I was dead before I had this coming yet why did this had to come whilst I am still alive'. Then he spread the news amongst all the landowners to forbid from doing such act that is the nature of people. Mind you this son is also married and they too have their own personal talks and plans about these things. They probably want to travel the world as soon as they became ownership of this land as the old man no longer has rights to it. This kind of act is not in the law and is called tax avoidance which further allows free tax for the business operators. The main intention by the State is to create further employment for our locals. Such will allow them free duty on imported vehicles and free tax for the initial year by the State on the idea to plow back revenue to fund national development that benefits all Samoans.

Mr Speaker we have two different concepts here which are Tax Avoidance and Tax Evasion. Forgetting to pay up tax is against the law whilst not meeting tax payment under the Law is fine. Most of the good businesses in 1930 are no longer alive today. Majority of the 10 year old businesses we have today would also go through the same thing due to the nature of things and other requirements they must meet whilst the State is specifically aiming at earning more revenue to better our local economy.

30 MAY 2017

Stamp Duty Amendment Bill 2017
– second reading

Therefore, most of these assets are under the possession of one person which is the main reason for setting up death duties to break these assets for these assets or lands to be allocated to other members of the public.

This is reason for going back to 1950 as we have very few land holders due to death duty. Until 1987 when the new Government came into being, this death duty was repealed by the Coalition government. I recall making a statement in this Parliament about this process which was easy to violate and was not easy to rebuild up to today.

Mr Speaker we have put in a lot of effort into making this Bill which has affected just a few people on the objective of earning more income to improve our country.

MR SPEAKER: Well done. I take it that we have enough clarification of this Bill in regards to the Prime Minister's statement.

I call upon the member of Falealili West to continue with your speech.

Afioga FUIMAONO TEO SAMUELU TEO: Thank you Mr Speaker. it is good to gain four responses from the Prime Minister out of five queries I gave. Getting into one more query on whether there are provisions for diplomatic missions where vehicles are not taxed and would required additional tax if their vehicle is sold at a later date.

That is all but thanks for the precise clarification on all the other concerns, thanks for the chance.

MR SPEAKER: Thank you. I allow the member for Anoamaa West.

Tofa Hon LAUOFO FONOTOE NUAFESILI PIERRE LAUOFO (Anoamaa West): Mr Speaker I wish to be brief.

This legislation on Capital Gains Tax is nothing new. Do correct me if wrong in regards to possible safeguards for land buyers. Because there may be cases where a land sale has taken place but the seller does not pay the capital gains tax which could cause the delay because the buyer is not able to register his or her land. I suggest that the Ministry look into safeguards for buyers for such cases.

MR SPEAKER: Very well thanks. I take it that we have enough submissions and recommendations to the State from this Parliament unless the Hon Minister of Finance has anything further to say rather the statement by the Hon Prime Minister has provided sufficient clarity to the amendment of this Bill.

30 MAY 2017

Stamp Duty Amendment Bill 2017
– consideration in detail

Afioga Hon SILI EPA TUIOTI: Thank you the only purpose for this Bill is to include the Ministry of Finance in the stamp duty process to aid the Ministry of Revenue in monitoring of land sales to ensure capital gains tax are paid when applicable. But thank you for the recommendations.

Motion approved and the Stamp Duty Amendment Bill 2017 was read a second time.

STAMP DUTY AMENDMENT BILL 2017
– consideration in detail

MR SPEAKER: Since the Motion on the Bill was approved under a State of Urgency the Legislative Assembly will now proceed with its Consideration in detail.

Pursuant to Standing Order, the Consideration of the Bill will commence with Clause 2.

CLAUSE 2: Clause 2 amended.

Approved.

CLAUSE 3: Clause 4 amended.

Approved.

CLAUSE 1 AND TITLE:

CLAUSE 1: Short Title and Commencement.

TITLE: Stamp Duty Amendment Bill 2017.

Approved.

The Stamp Duty Amendment Bill 2017 progressed without Amendments.

30 MAY 2017

STAMP DUTY AMENDMENT BILL 2017
– third reading

Afioga Hon SILI EPA TUIOTI: Mr Speaker I move, *That the Stamp Duty Amendment Bill 2017 now read a third time.*

Seconded by the Minister of Justice and Court Administration and the Minister of Education, Sports and Culture.

Motion approved and the Bill was read a third time and had passed the Legislative Assembly.

CONSTITUTION AMENDMENT BILL (NO.1) 2016
– consideration in detail

MR SPEAKER: This Bill had its second reading on the 25th of January 2017 and was referred to the Standing Order, Electoral, Petitions and Constitutional Offices Committee for its consideration.

Pursuant to Standing Order 107 the Legislative Assembly must first approve the Committee's Report on the Bill to allow for its Consideration in detail.

I call the Deputy Chairperson of the Standing Order, Electoral, Petitions and the Constitutional Offices Committee.

Tofa NAFOITOA TALAIMANU KETI: Mr Speaker I move, *That the Legislative Assembly approves the Report of the Committee which recommends, That the Constitution Amendment Bill (No.1) 2016 progress with Amendment.*

Seconded by the member of Faasaleleaga No.1 West.

Motion approved.

MR SPEAKER: I announce that the Legislative Assembly approves the Report of the Standing Order, Electoral, Petitions and the Constitutional Offices Committee on the Constitution Amendment Bill (No.1) 2016.

Pursuant to Standing Order, the Consideration in detail commences with Clause 2.

CLAUSE 2: Article 41A repealed

Approved.

30 MAY 2017

**Constitution Amendment Bill (No.1) 2016
– consideration in detail**

CLAUSE 3: Article 41 amended.

Approved.

CLAUSE 4: Consequential Amendment.

Approved.

CLAUSE 5: Transitional Provision.

Approved.

CLAUSE 1 AND TITLE:

TITLE 1: Short Title and Commencement.

TITLE: Constitution Amendment Bill (No.1) 2016.

MR SPEAKER: The Committee has an Amendment to the Title of the Bill.

I call the honorable Chairperson of the Committee.

Tofa NAFOITOA TALAIMANU KETI: Mr Speaker i move the Amendment as follows:

“AMENDMENT:

To omit 2016 to the name of hte Act to and substitute 2017, thus the Title of the Act reads as:-

Constitution Amendment Bill (No.1) 2017.”””

Amendment approved.

Clause 1 and Title approved as amended.

30 MAY 2017

**Constitution Amendment Bill (No.1) 2017
– third reading**

The Constitution Amendment Bill (No.2) 2017 progressed with Amendment.

**CONSTITUTION AMENDMENT BILL (NO.1) 2017
– third reading**

Susuga Hon TUILAEP AUELUA FATIALOFA LUPESOLIAI LOLOFIETELE NEIOTI AIONO GALUMALEMANA Dr. SAILELE MALIELEGAOI: Mr Speaker I move, *That the Constitution Amendment Bill (No.1) 2017 be read a third time.*

Seconded by the Minister of Commerce, Industry and Labour, Minister of Works, Transport and Infrastructure and the Minister of Forestry and Fisheries.

MR SPEAKER: Pursuant to provisions in Article 109 of the Constitution, in order for the 2/3 votes to be achieved, I turn to the Clerk to ring the bell for two minutes.

The bell was rung.

Question: Is the Motion approved. All those in favor be upstand. Once your name has been called do take your seat.

DIVISION VOTE S.O.93(1)

1. Susuga Hon Tuilaepa Auelua Fatialofa Lugesoliai Lolofietele Neioti Aiono Galumalemana Dr. Sailele Malielegaoi.
2. Afioga Hon Lautafi Fio Selafi Purcell.
3. Susuga Hon Papaliitele Niko Lee Hang.
4. Susuga Hon Laauli Leuatea Polataivao Fosi.
5. Afioga Hon Tialavea Fea Leniu Tionisio Hunt.
6. Tofa Hon Faimalotoa Kika Iemaima Stowers.
7. Afioga Hon Sili Epa Tuioti.
8. Afioga Loau Sola Keneti Sio.
9. Afioga Hon Faaolesa Katopau T. Ainuu.
10. Afioga Peseta Vaifou Tevagaena.
11. Afioga Taefu Lemi.
12. Afioga Tuifaasisina Misa Lisati Leleisuiuo Palemene.
13. Afioga Salausa John Ah Ching.
14. Afioga Amituanai Fagaivalu Kenrick Samu.

30 MAY 2017

**Constitution Amendment Bill (No.1) 2017
– third reading**

15. Susuga Seiuli Ueligitone Seiuli.
16. Tofa Hon Faasootauloa Pati Taulapapa.
17. Tofa Sooalo Umi Feo Mene.
18. Afioga Tofa Foleni Lio Tama Galu.
19. Susuga Mulipola Leiataua Laki.
20. Afioga Alaiasa Moefaauouo Malagaitutogiai Sepulona Moanau.
21. Tofa Lenatai Victor Faafoi Tamapua.
22. Tofa Lealailepule Rimoni Aiafi.
23. Afioga Hon Faumuina Tiatia Faaolatane Liuga.
24. Tofa Hon Lauofo Fonotoe Nuafesili Pierre Lauofo.
25. Afioga Tafua Maluelue Tafua.
26. Afioga Hon Gatoloaifaana Amataga Alesana Gidlow.
27. Afioga Toomata Aki Tuipea.
28. Tofa Nonu Lose Niumata.
29. Afioga Aliimalemanu Alofa Tuuau.
30. Tofa Lopao Natanielu Mua.
31. Afioga Tapulesatele Mauteni Tamasone Metuli II Esera.
32. Afioga Afoa Amituanai Faleulu Maui.
33. Afioga Faaulusau Rosa Duffy-Stowers.
34. Afioga Pau Sefo Taumata Pau.
35. Tofa Nafaitoa Talaimanu Ketu.
36. Tofa Ili Setefano Taateo Tafili.
37. Afioga Faalogo Iosefa Sopi.
38. Afioga Sulamanaia Fetaiai Tauiliili Tuivasa.
39. Afioga Faumuina Asi Pauli Wayne Fong.
40. Afioga Fuimaono Teo Samuelu Teo.
41. Afioga Leaana Ronnie Posini.
42. Tofa Aumua Isaia Lameko.
43. Afioga Toleafoa Ken Vaafusuaga.

MR SPEAKER: All those on the contrary to the Motion please rise..

This is the result of our Division Vote for the Constitution Amendment Bill (No.1) 2017. All those who supported the Motion is 43 and those who oppose none.

I therefore announce that majority of the Parliament have supported the Motion.

Motion approved and the Bill was read a third time and had passed the Legislative Assembly.

30 MAY 2017

CONSTITUTION AMENDMENT BILL (NO.2) 2016
– consideration in detail

MR SPEAKER: This Bill had its second reading on the 25th of January 2017 and was referred to the Standing Order, Electoral, Petitions and Constitutional Offices Committee for their review.

Pursuant to Standing Order 107 the Legislative Assembly must first approve the Report of the Committee on the Bill to allow the Consideration in detail of the Bill.

I allow the honorable Deputy Chairperson of the Standing Order, Electoral, Petitions and the Constitutional Offices Committee.

Tofa NAFOITOA TALAIMANU KETI: Mr Speaker I move, *That the Legislative Assembly approves the Report of the Committee which recommends, That the Constitution Amendment Bill (No.1) 2016 now progress with Amendments.*

Seconded by the member of Faasaleleaga No.1 West.

Motion approved.

MR SPEAKER: I announce that the Legislative Assembly approves the Report of the Committee on the Constitution Amendment Bill (No.1) 2016.

Pursuant to Standing Order, the Consideration in detail commences with Clause 2.

CLAUSE 2: Article 1 amended.

Approved.

CLAUSE 1 AND TITLE:

CLAUSE 1: Short Title and commencement.

TITLE: Constitution Amendment Bill (No.2) 2016.

MR SPEAKER: The Committee has Amendments to the Title of the Act.

I call the Deputy Chairperson of the Committee.

30 MAY 2017

**Constitution Amendment Bill (No.2) 2017
– third reading**

Tofa NAFOITOA TALAIMANU KETI: Mr Speaker I move the Amendment as follows:

“AMENDMENT:

To omit 2016 to the Title of the Act and thereby substitute 2017, to read the Title of the Act as:-

Constitution Amendment (No.2) 2017.””

Amendment approved.

Clause 1 and the Title approved as amended.

The Constitution Amendment Bill (No.2) 2017 was approved with Amendments.

**CONSTITUTION AMENDMENT BILL (NO.2) 2017
– third reading**

Susuga Hon TUILAEP AUELUA FATIALOFA LUPESOLIAI LOLOFIETELE NEIOTI AIONO GALUMALEMANA Dr. SAILELE MALIELEGAOI: Mr Speaker I move, *That the Constitution Amendment Bill (No.2) 2017 be read a third time.*

Seconded by the Minister of Finance, Minister of Forestry and Fisheries, Minister of Works, Transport and Infrastructure, Minister of Commerce, Industry and Labour.

MR SPEAKER: Pursuant to provisions in Article 109 of the Constitution, in order for the 2/3 votes to be achieved, I turn to the Clerk to ring the bell for two minutes.

I call the Clerk now to ring the bell for the sake of those who are not in the House for our Division Vote.

30 MAY 2017

**Constitution Amendment Bill (No.2) 2017
– third reading**

Question: Is the Motion approved, all those in favor be upstanding, after your name is called out do take you seat.

DIVISION VOTE S.O.93(1)

1. Susuga Hon Tuilaepa Auelua Fatialofa Lupesoliai Lolofietele Neioti Aiono Galumalemana Dr. Sailele Malielegaoi.
2. Afioga Hon Lautafi Fio Selafi Purcell.
3. Susuga Hon Papaliitele Niko Lee Hang.
4. Susuga Hon Laauli Leuatea Polataivao Fosi.
5. Afioga Hon Tialavea Fea Leniu Tionisio Hunt.
6. Tofa Hon Faimalotoa Kika Iemaima Stowers.
7. Afioga Hon Sili Epa Tuioti.
8. Afioga Loau Sola Keneti Sio.
9. Afioga Hon Faaolesa Katopau T. Ainuu.
10. Afioga Peseta Vaifou Tevagaena.
11. Afioga Taefu Lemi.
12. Afioga Tuifaasisina Misa Lisati Leleisiuao Palemene.
13. Afioga Salausa John Ah Ching.
14. Afioga Amituanai Fagaivalu Kenrick Samu.
15. Susuga Seiuli Ueligitone Seiuli.
16. Tofa Hon Faasootauloa Pati Taulapapa.
17. Tofa Sooalo Umi Feo Mene.
18. Afioga Tofa Foleni Lio Tama Galu.
19. Susuga Mulipola Leiataua Laki.
20. Afioga Alaiasa Moefaaouo Malagaitutogiai Sepulona Moanau.
21. Tofa Lenatai Victor Fafoi Tamapua.
22. Tofa Lealailepule Rimoni Aiafi.
23. Afioga Hon Faumuina Tiatia Faaolatane Liuga.
24. Tofa Hon Lauofo Fonotoe Nuafesili Pierre Lauofo.
25. Afioga Tafua Maluelue Tafua.
26. Afioga Hon Gatoloaifaana Amataga Alesana Gidlow.
27. Afioga Toomata Aki Tuipea.
28. Tofa Nonu Lose Niumata.
29. Afioga Aliimalemanu Alofa Tuuuu.
30. Tofa Lopao Natanielu Mua.
31. Afioga Tapulesatele Mauteni Tamasone Metuli II Esera.
32. Afioga Afoa Amituanai Faleulu Mauli.
33. Afioga Faaulusau Rosa Duffy-Stowers.
34. Afioga Pau Sefo Taumata Pau.
35. Tofa Nafaitoa Talaimanu Ketu.
36. Tofa Ili Setefano Taateo Tafili.

30 MAY 2017

Motion for Adjournment

37. Afioga Faalogo Iosefa Sopi.
38. Afioga Sulamanaia Fetaiai Tauiliili Tuivasa.
39. Afioga Faumuina Asi Pauli Wayne Fong.
40. Afioga Fuimaono Teo Samuelu Teo.
41. Afioga Leaana Ronnie Posini.
42. Tofa Aumua Isaia Lameko.
43. Afioga Toleafoa Ken Vaafusuaga.

MR SPEAKER: All those on the contrary to the Motion please rise.

This is the result of our Division Vote on the Constitution Amendment Bill (No.2) 2017. All those in favor of the Motion is 43 and those who opposed none.

I wish to announce that majority of the Parliament vote supported the Motion

Motion approved and the Bill was read a third time and had passed the Legislative Assembly.

MR SPEAKER: I take this chance to extend great appreciation to all the works that has now come to a completion. Before carrying on I give this opportunity to the Hon Prime Minister.

MOTION FOR ADJOURNMENT

Susuga Hon TUILAEPA AUELUA FATIALOFA LUPESOLIAI LOLOFIETELE NEIOTI AIONO GALUMALEMANA Dr. SAILELE MALIELEGAOI: Mr Speaker respectfully I wish to acknowledge everyone most specifically your good self for managing our Sitting this morning. We have approved two significant amendments to the Constitution in one of the State's core objectives where 'Samoa is founded on God' and such words have finally become official in the Constitution since 1962. Since then we have become a laughing stock by God all this time until these words have finally become official under the Constitution.

This is a milestone for all the Churches of Samoa now that Constitution has finally set up a foundation since our State's establishment.

The main purpose for this Sitting is the Budget beforehand that is will be deliberated after 14 days. We have our Independence Celebration tomorrow that will attended by the Prime Minister of New Zealand and her visit in Samoa for the first time. As such and as per normal standards the police will conduct its usual march as a symbol of respect for the honorable Prime Minister of New Zealand who will be here for the first time.

30 MAY 2017

Motion for Adjournment

I therefore extend great thanks to everyone from His Highness O Le Ao o le Malo, Members of the Council of Deputies, the Three Pillars of the State and Samoa in all your salutations aua Aiga ma latou Tama o Tama foi ma Aiga, faapea foi le usoga a Tumua ma Puleono i Salafai and the prayers of God's servants. ma le faanonogamanu a auaua o le Talalelei. That is the word of thanks and we shall resume our works as per usual Sitting Schedule.

I move the motion, *That Proceedings of the Legislative Assembly now adjourn until Wednesday 21st of June 2017.*

Seconded by the Minister of Commerce, Industry and Labour and the Minister of Agriculture and Fisheries.

Motion approved.

MR SPEAKER: We have come to the end of our session and thankfully, we have achieved so much works today. The Leader of the Government has made his statement and has given a word of gratitude which I trust is more than enough words for all of us.

I wish our Parliamentary Committees well on our Budget Statement before we deliberate further in the Sitting of June.

I wish to extend great thanks to all the heads of Government Ministries and Corporations and the Office of the Legislative Assembly and its tasks for the safety of the representatives of the country.

Before we adjourn, I will finish our Sitting with a prayer.

Proceedings of the Legislative Assembly adjourned at 12:07pm until Wednesday June 21, 2017 at 9.00am