



FORTY-NINTH SESSION

Hansard Report

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MADAM SPEAKER TOOK THE CHAIR AT 1.00 p.m.

OPENING PRAYER

MADAM SPEAKER (N. RATTLE): Honourable Members please be seated. It is a bit different in here this afternoon, Honourable Members. It is nice to be back into your regular seat and we can do our business in the regular way that we do it.

First of all, greetings to all Honourable Members that have entered the House this afternoon. Special acknowledgement and greetings to all of our people in the Northern Group, Southern Group and Tumutevarovaro listening in by radio, or viewing on the internet, livestreaming – greetings to all of you. Special greetings to those in the public gallery today, especially the two ladies representing Vai Ora Maori petition – greetings to you both. And to our media representative who is among our guests in the guest gallery today, Kia Orana.

I wanted to say how sweet and beautiful the words that was delivered by our Pastor this afternoon and let that be our guide for our deliberations on the business of the day. I think it is really important also Honourable Members that you know you are being livestreamed and people from the Cook Islands, New Zealand, Australia and as far as the USA are watching you online as we do our business today. Often, people do not hesitate with what they want to make comments on about people's behaviour that is for you to be aware of what is happening.

We will now go to our Question Time, for half an hour today. The Floor is open.

QUESTION TIME

I see the Honourable William Heather, you have the Floor.

MR W. HEATHER: Madam Speaker, my question is to the Deputy Prime Minister. Since he is responsible for Te Mato Vai, that is why I am posing my question to him. Honourable Minister if you can confirm whether the pipes that have been dug out of the ground which the Chinese laid previously, is that being sold or given out?

MADAM SPEAKER: I see the Honourable Minister Mark Brown.

HON. M. BROWN: Thank you very much Madam Speaker. Just to explain to the Honourable Member, the pipes has been dug out of the ground and these are intended to be given out to help our people. If you require any of these pipes, please contact the Project Management Unit so that they can allocate one for you. People have already started obtaining these pipes. Thank you.

MADAM SPEAKER: Thank you Minister and I see the Honourable William Heather.

MR W. HEATHER: Supplementary question, Madam Speaker. From your reply Minister, I would be fortunate if I go to the people concerned and there is still pipes available. My question then is, if there are no more pipes available, how can I obtain any because my children is prepared to pay for this.

HON. M. BROWN: Honourable Member, I liken this matter to an orange tree, if we go and pick some oranges and there are no more oranges, then you will not get any orange. I am not sure Madam Speaker whether the Honourable Member is alluding to payments on this pipes or the remedy cost for these pipes replacement. But I have answered the direct question that he has asked me.

MADAM SPEAKER: I see the Honourable Terepai Maoate and you have the Floor.

MR T. MAOATE: Thank you Madam Speaker and greeting to you and all Honourable Members. Over the last few days we have received some unfortunate news regarding the Covid-19 situation with people leaving the country. Reading the newspaper, the issue with the migrant workers and the assistance paid to them by Government. Madam Speaker if I may be allowed to read the article then I will be able to pose the question to the Minister.

It is my belief, Madam Speaker that the Government and the Opposition are working together for the welfare of our people. However, many people have approached me that they are not receiving this subsidy payment. The Ministry of Finance have set the budget for this program and this issue now rest with the Ministry of Immigration. These employees working for many of our local companies and their employers are cutting their subsidy and paying them less.

I suspect that most of these workers are afraid to come and meet with Government in case they will be terminated from their jobs. I am not sure if the Minister of Immigration is aware of this situation. So, my question to the Minister of Immigration are you aware of this situation since we will be going to the Budget discussion of the round two on the stimulus package. So, I am asking if you have fixed this issue or are you looking at fixing this issues because I only received this statement last night. If you are unable to answer me now, I will give you a few days to come back with an answer.

MADAM SPEAKER: Thank you, and I see the Honourable Prime Minister. Are you answering the question, Prime Minister?

HON. H. PUNA: Thank you Madam Speaker and thank you Honourable Member for this question. I noticed you were looking towards the Deputy Prime Minister but I am

the Minister of Immigration. When you referred to the Immigration I thought to myself that the question is regarding the people from outside the country.

Yes, we are aware of some cases where people have concerns but I would like to assure this House this is not only an Immigration issue but it also includes employer and the employment issues is handled by the Ministry of Internal Affairs.

We recall the legislation we enacted just a couple of years ago regarding the Employment Relations Act.

I know of a problem in Aitutaki that started from Rarotonga. To me we should be mindful and be careful when these issues arise because when this matter was investigated it was found out that some of us Cook Islanders are mistreating our foreign workers. I was very concerned because this will give us a bad reputation and for the years ahead.

We are aware and we know of the situation in Aitutaki, the people concerned the employer, employee as well as issues with Immigration and Internal Affairs. Therefore, I do not want this issue to get out of hand. I would like to minimize the situation because upon the investigation by our Officials it became apparent that it was our own people making these mistakes. I requested the Officials to look at the development or enactment of a law that will prevent our local employers from mistreating foreign workers. We do not want the mistakes of a few to become a bad reputation for the rest of us.

But our Officials are also aware of some people from overseas who are abusing the assistance from Government and I will say that they are looking into it so we can take appropriate action.

While we are on this subject, a request has been received by Government to consider returning voluntary foreign workers if they want to go back to their countries. Some of our major employers have advised that they have many foreign workers who want to return to their countries. Government fully supports this request because in the long run this will minimise the resources that we are carrying these people. It is Government's intent to preserve our limited resources to look after our people. But we will see in the coming days if this notion will progress and we will come back to you. So thank you, Honourable Member for your question.

Madam Speaker, if I may finish answering the question of the Member from Ruaau posed yesterday because yesterday I text the Officials to give me the background on his question.

My friend, I have been advised that you only made one request back in 2017 on 20 September 2017. I received the request from Aponga Uira and on 9 October I signed the approval and returned it to TAU. The good thing about your request it was only worth about 500 dollars not like those other two friends of yours next door to you, quite a lot. I am not certain maybe there was a mishap of the notification from Aponga Uira but they did not include that in their explanation.

Regarding the streetlights of Akaoa, yes, the request was received on 14 November 2018 and on 26 November, I gave my approval to Aponga Uira. His request was not that much it was only \$39,000. That is my explanation, Honourable Member so make more requests. Thank you, Madam Speaker.

MADAM SPEAKER: Thank you, I see the Honourable Vaitoti Tupa, you have the Floor.

MR V. TUPA: Thank you, Madam Speaker. My question is directed to the Minister of the House of Ariki. I have just been advised by the Honourable Member for Ngatangia that you were on television last night regarding our Marae. My friend and I we did take a brief moment to visit the Marae that has been organised by the House of Ariki. I feel it is right what is happening now because for those of us when we go there now we can see our Traditional Leaders facing us.

Madam Speaker, my question to the Minister is whether you will put a roof over this Marae because I had a discussion with the Clerk regarding the time when it rains. I recommended to the Clerk to consider what have been established by the Avarua Primary School and I know they have established a dome but this was through a grant. So a request to the Minister if you will consider putting a hat over this place.

MADAM SPEAKER: Thank you and I see the Honourable Minister George Angene.

HON. G. ANGENE: Firstly, thank you Madam Speaker, your staff and all of us in this House. When I follow your train of thought, Honourable Member regarding our Are Ariki I would like to clarify that this is not ours, this belongs to the House of Ariki of the Cook Islands.

Regarding the second question whether I will roof this place. I would like to confirm I did have discussions with Madam Speaker yesterday. In addition, this morning I had a discussion with the Acting Clerk. The idea was to obtain some of the posts at the back of the House of Parliament to put up a roof over the Marae and to be completed on the 3rd before the 4th National day of the Cook Islands so we can all come, view, and enjoy it.

MADAM SPEAKER: Thank you and I see the Honourable Tamaiva Tuavera you have the Floor.

MR T. TUAVERA: Thank you, Madam Speaker. Because of the good reply from the Prime Minister regarding foreigners who want to return to their country, now I have received a text, so my question Prime Minister is, these people who want to return to their country, who will pay their fares. Are the people who brought them in responsible for that or is the Government going to meet the return costs?

MADAM SPEAKER: Thank you, I see the Honourable Prime Minister you have the Floor.

HON. H. PUNA: Thank you, Madam Speaker. The answer is easy, Honourable Member. The people who bring these foreign workers in are required to pay for the return fare or pay a bond. This is the meaning their return fares are covered. I think if

we are careful at looking after the people's money, that is what we look to first to bring the cost to the country down.

But let's also keep in mind now the borders are closed particularly the countries where most of these foreign workers are from; Fiji, Philippines, Samoa, Tonga their borders are all closed. So, even if we come to an answer to this question, we cannot do anything until the borders are open. That is the answer to your good question, Honourable Member.

Thank you, Madam Speaker.

MADAM SPEAKER: Thank you. I see the Honourable Vaitoti Tupa.

MR V. TUPA: Thank you Madam Speaker. This question is to the Minister of FDSA or FIU. Can you please look into this issue, and I believe you are aware of this problem. One woman came to see me about this the reason I am asking this question Honourable Minister because two women lost their jobs at FDSA.

MADAM SPEAKER: Thank you. I see the Honourable Mark Brown.

HON. M. BROWN: Thank you Madam Speaker and thank you Honourable Member for Matavera for this question.

I can clarify that members of the FSC (Financial Supervisory Commission), which is separate from the FSDA, the organisation was subject to a review earlier this year. My understanding in my reporting that I received from the Board of the FSC was that there was recommendations to offer redundancy to some members.

I believe some of these redundancy offers were taken up, and some were not. Right now, the organisation is going through further restructuring to separate the operations of the FSC and the Financial Intelligence Unit. These matters are now in the hands of the Public service Commission, and I look forward to the final determination in the final weeks.

While I am standing Madam Speaker, if I may respond to a question raised yesterday by the Member for Ivirua, regarding investigations conducting on Government Agencies. I had a response from the Director of Audit, and aside from the heavy work load of auditing Crown Agencies and Government Departments, they are also tasked with conducting investigations based on complaints that maybe raised by individuals or organisations without providing too much detailed information on these investigations.

I can confirm that there are three current investigations undertaken. One is with the Energy Division of the Penrhyn Island Administration, the second one is with the Ministry of Justice, and the third one is regarding a possible conflict of interest with the CEO of the Support Office for the Ministry of Corrective Services. These are all undergoing their own processes Madam Speaker, and I have no doubt that very shortly when they have completed their investigations, their report will be submitted to Parliament.

Currently, they have received a complaint into the affairs of the Mayor and the Aitutaki Council, but that investigation has yet to begin.

Thank you Madam Speaker.

MADAM SPEAKER: Thank you Honourable Members. That completes our thirty minutes with a little bit, on Question Time.

We will move on to presentations, and there are no Bills for presentation today although there are notice on your Order Paper. We will now go on to Presentation of Papers. We have one Paper for presentation and that is on the Petition of Anti-Chemical treatment of the water supply of Rarotonga.

If I may ask the Honourable Selina Napa to present that Paper please.

PRESENTATION OF PAPERS

MRS S. NAPA: Thank you Madam Speaker.

Presentation of a Petition on Anti-Chemical Treatment of water supply on Rarotonga, by the Te Vai Ora Maori Group.

Madam Speaker, I lay this Petition on the Table.

MADAM SPEAKER: Thank you. We will move on to the presentation of the Petition and the Paper has just been presented. You have the Floor.

MRS S. NAPA: Madam Speaker, pursuant to Standing Orders 76, 77, 78, 79, 80, 81 and 82, I, the Honourable Selina Napa, Member of Parliament for Titikaveka have the honour to submit to this Honourable House a Petition by concerned residence in Rarotonga on anti-chemical treatment of water supply on Rarotonga.

Madam Speaker, this is a Petition signed by 1,433 people in Rarotonga as certified Madam Speaker by the Acting Clerk of the House, and in doing so Madam Speaker if I may, I hold that Petition in my hand and it is a Petition containing signatures of concerned residence on Rarotonga who have expressed their concerns about the fact that only one percent of the water that is collected is used for drinking and ninety nine percent will be chemically treated unnecessarily.

Wherefore your petitioners prays that the Cook Islands Government and its associated agencies responsible for the water supply of Rarotonga that cease immediately any actions use chemicals to treat the water supply of Rarotonga, that undertake genuine meaningful analysis, consultations, evaluation and decision making, processes that will result in sustainable and locally relevant water supply for Rarotonga, that ensure that the domestic supply of water remain free for the people of Rarotonga.

Madam Speaker, pursuant to Standing Order 81, I move:

That this Petition be read

MADAM SPEAKER: I see a Secunder for the Motion.

Seconded by the Honourable Vaitoti Tupa

MR V. TUPA: Madam Speaker, if there are any chances for me to speak.

MADAM SPEAKER: Sorry, there is no debate involved.

Honourable Members, I will now put the Question on the Motion. The Question is:

That the Motion that the Petition be read be agreed to?

It is unclear to me what that decision is because the loudness are the same. The Honourable Member called for a division which we will take a division. The Clerk will ring the Bell for two minutes if anyone is missing. Is everybody in? We have to follow the rules of the House.

I will take a division vote. What that means is, I will put the Question for those who agree, and those of you who agree will stand and your name will be called by the Acting Clerk and you will take your seat and we will go through that until everybody is seated who were standing at agreeing. The same for the question on those who oppose, everyone will stand and we will go through the name of individuals and you will sit as your name is called until that is completed.

So, I will put the Question:

That this Petition be read?

Those in favour please stand:

For the Motion:

Honourable Tina Browne
Mr Terepai Maoate
Mrs Selina Napa
Mr William Heather
Mr Tamaiva Tuavera
Mr Vaitoti Tupa
Mrs Tetangi Matapo
Mr Wesley Kareroa
Mr Nooroa Baker
Mrs Agnes Armstrong
Mr Manuela Kitai

MADAM SPEAKER: Thank you, and those who oppose, please stand.

Against the Motion:

Honourable Henry Puna
Honourable Mark Brown
Honourable Rose Brown
Honourable Robert Tapaitau

Honourable George Angene
Honourable Vaine Mokoroa
Mr Tingika Elikana
Mr Tai Tura
Mr Patrick Arioka
Mr Tereapii Maki Kavana
Mr Albert Nicholas
Mr Tuakeu Tangatapoto
Ms Tehani Brown

Result:

For the Motion – 11

Against the Motion – 13

Absent – Nil

MADAM SPEAKER: Honourable Members we have the result for the vote. The ayes have 11 and the nos have 13. So, the Motion is defeated.

That completes the business before the Orders of the Day.

ORDERS OF THE DAY

We will now go to Orders of the Day. Which is on the Banking Amendment Bill 2020 for the Second Reading.

I call on the Minister Responsible to move the Motion for the Second Reading of the Bill.

HON. M. BROWN: Thank you, Madam Speaker. I move:

That the Banking Amendment Bill 2020 be now read a Second time?

However, I have a few comments to make to this Bill but first of all thank you to everyone in this Honourable House. Special greetings to my constituency of Takuvaine-Tutakimoa our two Traditional Chiefs listening to our broadcast. To all our people listening on the radio as well those on the internet watching our livestreaming – greeting to you all.

Madam Speaker, the bible reading for today is so appropriate. In the Gospel of Mark 4:1-9, as mentioned by our Pastor this morning, this is the sowing of the good seed. This Bill before us on the amendments to our banking is exactly like the sowing of the good seed. The sowing should be on the good soil and the seed will then grow. But not on rocky grounds, blown by the wind or eaten by the birds. These are good illustration of this Amendment Bill.

Madam Speaker, despite this catastrophic event of the Covid-19 and on the Cook Islands and our economy, the financial service industrial has remained resilient and continues to make a small but important contribution to our country. The financial services industry Madam Speaker has been a key component for our economy and will

continue to be so for many years. It continues to provide the much needed diversification that everybody is talking about in our economy.

And the Covid-19 has really demonstrated to us the importance of diversification. And the Government has encouraged our financial services industry to look at new and innovative ways to develop and grow and continue to be an important part of that diversification in a more balance economy moving forward. And it is important because when we look at rating agencies like Standard and Poor's, they place a lot of significance on how on the level of diversification in a country's economy.

And our heavy reliance on tourism has not always been regarded favourably by these agencies. So, this is a greater need and an opportunity for us to develop, grow, new and exciting industries to diversify our economy away from tourism. And this banking amendment before us Madam Speaker is the first of a number of legislative changes that we can expect to see over the coming months. Which are aimed at improving and enhancing the products and services currently provided by our financial service providers.

I mentioned previously in Parliament a new piece of trust legislation in regards to matrimonial and relationship property that is being developed. This trust product is new and innovative and the Cook Islands will be the first jurisdiction to legislate to protect such property. As I said this is one of the new legislations that we can expect to come before this House as we see the financial sector start to pick up its weight and start to contribute more to our economy.

This amendment before us is a very straight forward amendment and it removes the requirement for an international bank to also have a domestic banking license. Some of you may remember in the late 90's and early 2000's proceedings that we had against a couple of international banks that were registered here in the Cook Islands. Amendments were done to this Act in 2009 to require these international banks to also have a domestic license and this was done as a means to try and remove the undesirable companies that were looking to domicile here.

And it had the desired effect, Madam Speaker with those amendments. Those banks were moved offshore and removed from our jurisdiction. And it prohibited any other international banks wanting to establish in our jurisdiction. However, since that time, Madam Speaker our financial jurisdiction has been greatly strengthened and the continuous monitoring, evaluation of our system since the early 2000 up until 2018 we have steadily an improvement in the compliance and the monitoring of our jurisdiction to the extent, Madam Speaker that the Mutual Evaluation that was conducted I believe 2017/17 resulted in a very high compliance measure for the Cook Islands financial jurisdiction.

It is with that very good ranking, Madam Speaker that we now look to further amend this legislation to now allow international banking licenses but to now allow them without the need for them to also have a domestic license. The intention, Madam Speaker is to encourage these international banks into our jurisdiction which will allow our Trust Companies to have more opportunity for conducting business in our country. By encouraging more international banks it does give the Trust Companies more

choices, allows further growth in the financial sector and hopefully as we are looking at grow the financial sector.

Furthermore, Madam Speaker I am confident that the recommendations provided to me by the industry and also by our Officials in the finance sector sufficient for this House to promote and support this Amendment in the Banking Act.

I am confident that there are sufficient legislative provisions and guidelines in place for the monitoring, the supervision and the compliance of international banking licenses without the need for a domestic license. These, Madam Speaker are the seeds that we sow today to provide us with the fruits that they will in the coming years ahead of us. Therefore, Madam Speaker I commend this Bill before the House and I look forward to the support from the Members in this House for its efficient passage into law. Thank you, Madam Speaker.

MADAM SPEAKER: I call a Secunder for the Motion please?

Seconded by the Honourable Member, Tingika Elikana

I propose the Question:

That the Bill be read a Second time?

The Floor is open for debate. I see the Honourable Member Vaitoti Tupa you have the Floor.

MR V. TUPA: Thank you, Madam Speaker. Madam Speaker, if I can be permitted to say a few words to my constituency and also some words of encouragement. Firstly, I give encouragement and greetings to my constituency of Rangiatea and also all the Religious Groups in my village and also the Aronga Mana in Rangiatea. I say Kia Orana also to all the different nationalities residing in my village. I also greet all the growers because they are working very hard.

Secondly, I want to give encouragement and greetings to the Prime Minister from my Constituency of Rangiatea and also from my wife and family and wish you well in your future endeavours. As well as the Deputy Minister as I believe you will be looking after the nation. This are my words of encouragement because it will not be too long that you will be looking after the Nation.

Madam Speaker, I come now to the Bill before the House. First, Madam Speaker I support this Amendment Bill because as explained by the Deputy Prime Minister on the different banks in our country.

When we look at the Banking Act of 2011 it shows that if Banks from outside of the country want to get a license they have to apply for a domestic license before they can apply for an international license. But under Section 9 of this Bill it states that they are not required to get a domestic license but they can just apply for the international license.

Madam Speaker, I believe when these overseas banks hear that we have done this then I believe they will apply for a license to work in our country and I will say this will improve our standing at this time of COVID-19. This will also assist us to find a direction at this time. Lastly, I support this Amendment Bill before the House as it will give some benefit for our people and country. Thank you.

MADAM SPEAKER: Thank you and see the Honourable Tina Browne, you have the Floor.

HON. T. PUPUKE BROWNE: Kia Orana Madam Speaker and Kia Orana to all of us in this House today. Kia Orana to our people listening to the radio and also watching the livestream.

I want to share my thoughts on this Amendment Bill. I was not going to speak but when I heard the explanation from the Minister, it sounded not right to me. It was only last year that we debated the Vote Item on the FSDA and the Members of Parliament was told that this was the last year of the FSDA because it is not as beneficial as it used to be.

I do recall cautioning the House that we should be cautious about doing away with FSDA because this was the marketing arm for the Financial Services Industry. We also made the same request regarding the Pearl Authority but unfortunately this was not agreed to.

In one of our Parliamentary Sittings earlier in the year, an amendment was brought into the House regarding the FSDA.

HON. M. BROWN: Point of Order.

MADAM SPEAKER: What is your Point of Order, Honourable Member?

HON. M. BROWN: I am struggling to find the relevance of the Amendment to the FSDA Act that we passed earlier in Parliament and its relevance to the Banking Amendment Act. There was no reference that I recall of closing the FSDA down.

MADAM SPEAKER: Thank you.

HON. T. PUPUKE BROWNE: Madam Speaker, I will explain the relevance. If the Minister did attend the workshop last week, but he did not, he would have seen the presentation in respect of this Bill. It talked about, in 2019 FSDA commenced the strategic plan for moving forward. It talked about the fact that when they were doing the plan, they recognised that there was something that needs to be corrected in the Banking Act because if that was corrected, then the FSDA will go on their merry way and promote the industry overseas.

Therefore, that is the relevance Mr Minister and I hope that satisfies your query.

During last week's presentation, we asked the presenters whether they had copies of the plan for the industry. The reason being, in the first amendment earlier in the year that was introduced in the House, we supported it. We were encouraged because in the

report that was presented, there were recommendations to maintain the forward movement of this whole industry. This is the reason we gave our full support to that amendment, and that was before COVID-19.

Now, as a result of COVID-19, our support is much stronger for this industry to move forward because if are going to support this Bill, maybe there are means to bring back our revenue to years past.

I heard the Minister for the Financial Institute say that the verse for today is relevant because these are the seeds we are sowing today. That is very true but those seeds are not being sown on rocks but on good soil patches that the Democratic Party prepared to grow. For us to move forward, we need to fertilise these sown seeds. Thank you.

MADAM SPEAKER: If there are no further speakers, I will ask the Minister to conclude if you have any conclusion remarks.

HON. M. BROWN: Thank you very much Madam Speaker. Just to clarify, the industry I asked them to look at themselves early last year to see what direction they wanted to go and whether the investment the Government was making into the industry was going the right place, and whether it should continue or not.

I was very happy with the strong recommendations to continue but also further than that, to amend the membership of the marketing arm of the FSDA to include more industry people and to reduce Government Officials. I am very happy with the support from the Opposition in progressing this Bill because quite rightly, we are sowing the seeds for future growth and I hope that everybody does their part, we will do the sowing, the Opposition will do the weeding and together, we will collect the fruit.

Thank you Madam Speaker.

MADAM SPEAKER: Thank you very much. I will put the Question. The Question is:

That the Banking Amendment Bill 2020 be read a Second time?

Motion agreed to

ACTING CLERK AT THE TABLE (J. DANIEL): Long Title: An Act to amend the Banking Act 2011 to allow an international banking licence to be issued to a person who does not hold a domestic banking licence.

BILL READ A SECOND TIME

MADAM SPEAKER: Thank you. We will now resolve Parliament into the Committee of the Whole.

COMMITTEE OF THE WHOLE HOUSE

MADAM CHAIRMAN: We will now go through the Clauses of the Bill.

Clause 1: Title – This Act is the Banking Amendment Act 2020.

Clause 2: Commencement

Clause 3: Principal Act amended

Clause 4: Section 9 amended.

The Question is:

That Clauses 1, 2, 3 and 4 stands part of the Bill?

Motion agreed to

Long Title: An Act to amend the Banking Act 2011 to allow an international banking licence to be issued to a person who does not hold a domestic banking licence.

Motion agreed to

I put the Question:

That the Bill be reported to Parliament?

Motion agreed to

Parliament is resumed.

MADAM SPEAKER: I call the Minister to report the Bill to Parliament.

HON. M. BROWN: Thank you Madam Speaker. I am happy to report:

That the Banking Amendment Bill 2020 has passed through the Committee Stage with no amendments

MADAM SPEAKER: The Question is:

That the Report be agreed to?

Motion agreed to

I call the Minister to move the Motion for the Third Reading of the Bill.

HON. M. BROWN: Madam Speaker, I move:

That the Banking Amendment Bill be now read a Third time

MADAM SPEAKER: I call a Seconder for the Motion.

Seconded by the Honourable Tingika Elikana

The Question is:

That the Bill be now read a Third time?

Motion agreed to

ACTING CLERK AT THE TABLE: Long Title: An Act to amend the Banking Act 2011 to allow an international banking licence to be issued to a person who does not hold a domestic banking licence.

BILL READ A THIRD TIME

MADAM SPEAKER: Honourable Members, that completes the First, Second and Third Reading of the Banking Amendment Bill 2020.

We will now go back to Orders of the Day and that is on the Seabed Mineral Amendment Bill 2020. I will now call on the Minister for the Second Reading of the Bill.

Actually, we will not do that right now as it is time for lunch. Parliament will suspend until 3.00 p.m.

Parliament suspended at 2.29 p.m.

Sitting resumed at 3.00 p.m.

MADAM SPEAKER: Honourable Members please be seated. I hear you had a very good lunch and thank you to the cooks for sustaining all the Members this afternoon. Parliament is resumed.

And we will go back to Orders of the Day.

ORDERS OF THE DAY

The Seabed Minerals Amendment Bill 2020. I call on the Minister, Mark Brown to move the Motion for the Second Reading of the Bill.

HON. M. BROWN: Thank you Madam Speaker. I now move:

That the Seabed Minerals Amendment Bill 2020 be read a Second time?

As I previously mentioned that the scriptural text brought to us by the Pastor at the beginning of our meeting appropriately fits this Bill. This Bill is the sowing of the seed and the reaping of the goodness in the future.

Madam Speaker, before I start allow me to extend again our warm greetings to our people listening in especially our people in the Outer Islands. It was the Outer Islands when we took this Bill for public consultation last year and the year before that we received very strong support for our Seabed Mineral sector. Because after the

presentations Madam Speaker they did not ask the question of “If” we should start; they asked the question, why you take so long.

Our elderlies were asking us as to why we are taking so long because they want to reap and enjoy the benefits before they die. So, I am very pleased Madam Speaker to bring this amendment to the Seabed Minerals Bill before you today and before our House. I know like most people this is very important to us because of our ocean. Our ocean is our future, it is our life blood of our country. It provides us with a source of food and income and it protects us and it is why we as a people are ocean voyagers.

We are people of the ocean and we care for the ocean and we take its management very, very seriously. And we are living in unprecedented times we heard and we face multiple challenges as a country from the current global pandemic to the ever present threat of climate change. And these challenges are not just for today, they are also for our future generations. Nevertheless, we are fortunate to be a large ocean state with an Exclusive Economic Zone of some 2 million square kilometres.

And so, it is inevitable Madam Speaker that we will turn to the ocean for our solutions and our survival. Covid-19 has highlighted our economic vulnerability and over reliance on our tourism industry. But the ocean provides us with opportunities to further diversify our economy. Climate change challenges alone will cost our country in the hundreds of millions in order to build resilience for key infrastructure and to protect our vulnerable communities. We cannot rely on those countries that are causing the carbon emissions and the global warming to provide us with the money we need.

We must learn to look after ourselves, our ocean minerals provide us with this ability. Not just for climate resilience but also the potential for improving our health and education services. Now, in order to continue enjoying the support of our ocean we must protect it from serious harm. This is when ocean governance becomes important but also challenging when you aspire to both protect and sustainably use the ocean.

Our Marae Moana Act is a world leading piece of legislation that provides a system of ocean governance aimed at protecting our ocean. And if you can strike the right balance we can show that it does not need to be a contradiction between marine protection and mineral exploitation. It does not have to be one or the other, it certainly can be both and this is consistent with the principles of sustainable use.

Madam Speaker, we are building a Seabed Mineral sector based on best principles and practice with an effective, robust legal framework to benefit the Cook Islands, our people in harmony with our high environmental cultural and social values. As we enter the exploration phase the Government will continue to proceed with caution. Taking actions based on the best available science to manage our seabed mineral resources while ensuring that the marine environment is protected from any harmful effects of mining related activities.

Madam Speaker, let me be very, very clear here. We will not allow the commercial recovery of nodules without sufficient research on how to address and minimise any potential environmental impact. We will control all aspects of activities in our EEZ including the data and samples from explorations in our waters. And we will have our own people on board all vessels.

It is the intention of Government to continue to engage with our community and stakeholders which I believe will lead to a sustainable long term and beneficial national seabed minerals sector. Madam Speaker before I talk about the key aspects of the Seabed Minerals Amendment Bill. I will briefly cover some of the background on the development and passing of the Seabed Minerals Act 2019, and the further developments including on our regulations.

Members will recall last year this House passed the Seabed Minerals Act 2019 as the main piece of legislation to enable the effective and responsible management of our Seabed Minerals. It replaced the 2009 Act of the same name brought into the House by the late Sir Terepai Maoate.

The passing of the new Act was a result of several years of development, benefitting from the advice of Overseas Seabed Minerals Legal Experts as well as our own Government Officials in the Seabed Minerals Working Group.

We also further undertook an extensive consultation process throughout all of our islands in the Cook Islands, a process which took at least half a year.

The Act continued some important procedural aspects from its predecessor. It further brought in some significant changes to improve our Legislative framework and to reflect best practice in this sector and to remind Members these changes included the expressly applying environmental principles such as the precautionary approach and best environmental practice, ensuring consistency with the Marae Moana Act for better integration between the Seabed and Marae Moana processes. Strengthen co-ordination between Government Agencies in particular the National Environment Service and the Seabed Minerals Authority who are required to consult with each other on environmental conditions to be imposed, again reflecting the importance of responsible environmental management.

Furthermore, a more robust and transparent licensing process. This included the creation of an Independent Expert Panel that will assess license applications. This provides a greater level of transparency and accountability to the licensing process and should provide more confidence to all stakeholders.

Lastly, a stronger enforcement and compliance powers giving the Authority the teeth that it needs to regulate contractors and enable it to take action against those who do not comply with their obligations.

Madam Speaker, I think it would be fair to say that our Seabed Minerals Act of 2019 represents one of the world's most comprehensive and robust pieces of National Legislation in the Seabed Minerals Sector.

With the new Act in place the focus then shifted on to other aspects of the regulatory regime which include the Exploration Regulations. Draft Regulations were released for public consultation and the Authority received written submissions earlier this year. As a result of reviewing the Exploration Regulations together with the Act as well as the stakeholder comments that we received it became clear that the Act would also benefit from a number of limited amendments and this, Madam Speaker I would

consider as a good example of governance where our Seabed Minerals Authority has taken a lead in developing fit for purpose Regulations and considered the views of those stakeholders.

Let me turn to the amendments on the Act. One of the purposes of the Act is a stable, effective and efficient regulatory framework. To achieve that the Act must balance the interest of the Crown as it seeks to regulate the Seabed Minerals activity with that of providing certainty and predictability to investors and other stakeholders in the regulatory process.

The proposed Amendments are limited. They are focussed on the changes considered necessary to achieve the purposes of the Act and secondly they seek to address some of the concerns put forward by the stakeholders. With the reopening of our licensing happening soon we need to ensure that our legal framework is sound.

Madam Speaker, I now move to discussing the proposed changes within the Seabed Minerals Amendment Bill and these can be categorised into three categories. Firstly, minor changes, secondly substantive changes and thirdly changes to Schedule 2 of the Act.

Minor changes, Madam Speaker most of the proposed amendments are minor in nature. These amendments correct minor typographical errors, incorrect referencing, omissions and sections requiring clarification.

The second category of substantive amendments that are proposed in order to achieve the purposes of the Act which is to provide greater certainty and predictability in an application or other processes and to balance the interests of stakeholders in line with the best practice in the extractive industries sector.

And the substantive amendments were made to the following areas. Firstly, to the management of confidential information. This is where information is commercially sensitive or a trade secret to a company then there is a legitimate expectation that it will not be disclosed particularly to competitors and this is given effect with this proposed change.

Secondly, the Licensing Panel composition. This has now been amended to now include engineering as an expert category. This is in line with International experience and is recommended given how important Marine Engineering is and will be to the Seabed Minerals activities involved and the protection of our marine environment.

Thirdly, the renewals of licenses, their duration and the retention rights. These all have slight amendments to ensure again that it is very clear in the language what is intended.

In the third category, Madam Speaker changes to Schedule 2. Schedule 2 of the Act provides for the general legal obligations which apply to holders of an Exploration License or a Mining License.

Some proposed amendments are to both improve language and understanding. Also, Madam Speaker some obligations in the Regulations were moved to Schedule 2 of the

Act because they were considered more important that they be in the primary Act rather than left in the Regulations.

In terms of the next steps, Madam Speaker it is my intention that this Bill be read before the House until such time as the Budget debate commences and then that Paper will be suspended and as the Budget debate will take some time before this House, I would use that time to allow this particular Amendment to go out for public consultation and this process of public consultations will be managed by the Seabed Minerals Authority.

Because this is an amendment to the Act and not a major piece of legislation a limited time will be made available for those vested stakeholders to provide their thoughts on these proposed amendments.

However, Madam Speaker it is anticipated that should this Bill meet with the approval of this House and be passed then the reopening of licensing and the running of a tender is planned to be announced later this year. This will then allow the licensing process to commence and carry on into 2021.

On the tender we will undertake a transparent competitive process. Only those who have the financial and technical capacity will get through our qualification process and then only the best applicant will be offered a license to explore in our waters.

Madam Speaker, we have put in place systems to ensure that the contractors this Government allows into our Cook Islands waters are reputable and the best with a long term vision to work with the Cook Islands and its people to build a responsible and beneficial minerals sector.

This Government is aware, Madam Speaker that we will need to ensure all of our Government Agencies are adequately resourced and trained for the work to come. To that end the coming Appropriation, the Government will ensure that the key Regulatory Agencies have the necessary resources for fulfilling its functions and in particular the requirements for the licensing process.

We are also continuing to build relationships with New Zealand Agencies and other stakeholders with a view to partner with them so that we can have agency to agency capacity building and training.

Further down the track our country will develop a Sovereign Wealth Fund that protects future earnings from our minerals to ensure they are not squandered but used responsibly.

Madam Speaker, in summary this Seabed Minerals Amendment Bill is the next step towards setting up a transformational future for the Cook Islands, and will secure our economic future and the prosperity of this and future generations of Cook Islanders. This has been a long and careful process for us, and this year 2020 in particular is going to be a defining time for our country. This was the year that our country graduated to high income status and within the space of a few short months, this was the same year that the income of the country dropped drastically as a result of COVID-19.

Although the Vaka that we all paddle in have Madam Speaker has taken a hit from COVID-19, I know that as a country, we will reset our sails and set our destination or where we want to go. We have talked about diversifying our economy Madam Speaker, this is an opportunity now where we are sowing the seeds or when we will harvest for the future generations.

So, to my fellow Members of Parliament, all of us in this House, I invite you to show your support for this Seabed Minerals Amendment, which is the next step in our journey towards realising a long held aspiration for our country.

Thank you Madam Speaker

MADAM SPEAKER: Thank you very much Honourable Minister. Can I ask for a Secunder to the Motion please?

Secinded by the Honourable Tingika Elikana

I propose the Question:

That the Bill be read a Second time

The Floor is open, and I see the Honourable Tina Browne, you have the Floor.

HON. T. PUPUKE BROWNE: Kia Orana Madam Speaker, and Kia Orana again to all of us this afternoon.

Firstly, I would like to thank the Minister because although he mentioned about sowing the seed, but this seed has been suspended and it will not be sown now. So, I am happy with that confirmation because we in the Opposition have a lot to contribute to this amendment.

But before I talk about the amendment, I want to share some views and these are relevant views, regarding our role as Members of Parliament in ensuring that we pass good legislations. To be able to do that, we need to have sufficient time to go through the Bills. We also need help if we want help, to assist us to understand what the Bill is all about.

Since I have been in this House, I think the Speaker or Parliament had organised three workshop sessions, usually a week prior to Parliament. At the beginning of last week's workshop, it was explained to us the purpose of these workshops which is to help us. I asked the question because the workshops that we have had, the Members of Government were absent, not all of them.

Therefore, I thought these workshops were probably organised for us Members in the Opposition only, or are we the only Members that do not understand these Bills. If we are the only Members attending these workshops, it means we do not understand these Bills therefore we needed help. Last week, the Opposition supported the idea of having these workshops in the future. May I suggest Madam Speaker, perhaps those that attends these workshops are paid a daily allowance of \$100 maybe this way we will all be in attendance.

I understand when we come into Parliament, the Bill is read out for us to vote on and yet we did not go to the workshop to understand what the Bill is all about. A classic example is the previous Banking Bill. I hope Minister Mark Brown is listening in because I do not want to make comments when a person is not in Parliament. He submitted a Point of Order against me on relevancy. Had the Minister been at the workshop like the Members for Pukapuka, Mauke, Arutanga/Reureu last week, he would have known and understood the FSDA presentation.

When we touched on the Seabed Mineral Bill, I had a question because as we all know I am new in Parliament. The question is, whether the amendment to an Act can be referred to a Select Committee? Because when we had a look at the amendments, we found out these are not minor but significant changes. My question was not answered as it is the understanding that only the Principal Act is the only one that goes to the Select Committee.

So, I am glad when I heard the Minister mentioned that when we debate this amendment and it is time for the Appropriation Act, it will be suspended and sent out for limited consultation. We can recall during the debate on the principal Act we requested if it can be referred to a Select Committee but the request was denied.

I heard the Minister mentioned that the Principal Act is a very comprehensive piece of legislation and record breaking, I think I heard the Minister say. I think he is spending most of his time watching President Trump on television. If this is a very comprehensive legislation and yet we only passed it in this House some 12 months ago. Never mind about the significance changes, the typos the minor errors, what is that doing in legislation? And the incorrect cross-referencing that is no place for that sort of thing in any legislation that should be passed by this House.

If only we the Members of Parliament comes to the parliament workshops on the Bills to come to parliament. That is when we will have the opportunity to review and correct any mistakes. And like I said, it is not just the minor errors for there are some significant changes. I will probably only give one because I have other Members who want to speak on this Bill.

One of the amendments that we think are really important is the change from public interest to national interest. This is happened in three places in the Act. In my interpretation this will immensely reduce the ability of the public to participate in the grant of licences; not the grant but the opposing of licenses. Therefore, we should ask as to why it has been changed from public interest to national interest. You might think that this is minor but we do not think so. We think these are significant changes on the principal Act.

Let me make our position clear. We think some of the changes are valid and appropriate and we agree that we should look at these matters, look at the amendments bearing in mind the environmental impact it will have on our ocean. And that is why, I am thankful and thank you to the Minister for giving time for consultation notwithstanding its limited consultation we are very happy with that. Thank you, very much.

MADAM SPEAKER: Thank you and I see the Honourable Vaitoti Tupa and you have the Floor.

MR V. TUPA: Thank you, Madam Speaker. And I also thank the Honourable Minister that we are considering to be our next Prime Minister. Madam Speaker I was planning to speak on the Bill from the beginning to the end. According to the Minister this Bill will be taken to our people for consultation and for that I will shorten my discussion. I will make it short to 19 minutes.

I just want to remind this House that I was involved in this Bill since the beginning. I remember when this Bill was passed in 2019. During that time a lot of things was given to our people. I was one of the people involved with the community on this Bill. I asked the committee that was set up by the Minister who was the late Sir Terepai Maoate to appoint people who are experts in the field for putting this Bill together. I suggested that we should ask the Commonwealth Secretariat to be part of this task. It was agreed by the taskforce during that time to seek the support of the Commonwealth Secretariat by providing legal advice.

Specialist were provided by the Secretariat that came to assist in the drafting of the Bill. They also looked at the Environmental Act and how these legislations merged with each other. The Environmental Act was passed in 2003 and I was the head of that Ministry at the time. I was happy with the outcome of that project. I was also happy that the Bills were taken to the public for consultation. Much more the same people were involved in the same Bill in 2018-2019.

We received a correspondence from a local organisation on this Bill and their submission towards the Bill. Both the Minister and the Leader of the Opposition was talking about this organisation. I believe that we have qualified Members in the House with legal backgrounds that can help us develop a good piece of legislation. The terms of concern in the Bill is the use of 'public' and 'national'. Honourable Members with the legal background will assist us in appropriately using the right term.

When I look at the history of this Act, it first came into the House of Parliament in 2009, and then considered again in 2018 and 2019. Today we are looking at the same Act and we need to give a good support for it to be constructed properly for the benefit of our people. I support the proposal by the Minister and the Leader of the Opposition that this Bill should be taken to our people for their views. And I know this same group is listening to our debate on the Bill.

I have just received text from interest groups just now how happy they are of the announcement of both the Minister and the Leader of the Opposition that their views on the Bill will be heard because the Bill will go public.

So Madam Speaker and Members of this House to all our people listening to the radio and those watching livestream maybe you can see us looking at our phones, we are not just sitting here we are considering things so that we will put your thoughts to this House.

Let me remind this House that our phones are on but in doing that we are receiving calls from interested people in the community and for us to share in this House.

Madam Speaker, I will refer to the Bill before the House and there is a particular area that I want to talk about and that is licensing especially these people who are wanting to come and extract these minerals, we need to be careful who they are.

Madam Speaker, I went onto this research boat in 1986-87 and this is a Japanese research boat. I stayed on this boat for three months and what we were doing on the boat were taking photos and mapping the exact positions of these minerals. We were on this boat for three months going between Aitutaki and Penrhyn back and forth for probably over fifty times.

This is true, Madam Speaker because I was on that boat in doing the mapping of these places we were plotting the positions of where most of the minerals are concentrated. At the time of preparing this report I was invited by the Japanese Government to go to Japan in preparation of this. In that report, it is established where most of the nodules are in our sea. So that is why I stand before this House to tell of my involvement in the minerals of our seabed and support what the Honourable Minister has said and also support what our Leader has suggested that this should be taken back to our people.

I want to congratulate myself because I have been involved in this and that is why I know that we should look carefully at the mining of these nodules. I also congratulate the Seabed Mining Authority because they have done a lot of work last year and earlier this year. We all know that some of our people who work in this Ministry were put to work on the boat and we have seen the results that we will all benefit from these resources.

I support what the Honourable Minister have said with the support of the Leader of the Opposition on the things that we should look into this Bill that our Nation can be advanced. It is fitting with the Scripture reading for today what we have sown is what we will reap.

I may be the last speaker on this matter because I have a lot of interest in this matter and I support that this should go to our people. My presumption maybe the Member of Parliament for Au would like to say something because he has been involved in the minerals in 2007 to 2009. Madam Speaker, I would like to give my support and to say that this matter should be taken to our community.

MADAM SPEAKER: Thank you very much and I see the Honourable Prime Minister you have the Floor.

HON. H. PUNA: Madam Speaker, to you to your staff, Members of Parliament, our people listening in greetings. If you may, Madam Speaker allow me the opportunity to greet our Nation because as of yesterday when I announced that I will be stepping down from this position, I have received so many calls from our people. Most of them are in shock. Therefore, I accept their concern.

However, I will explain again like I did yesterday this is a very important decision, very important decision for this country because I do believe this is the only way to make smooth the transition of the Leadership of our country. It is easy for us to forget that

this is not our title for life. If you take too long our people do sometimes grumble that it is about time you moved on.

But, Madam Speaker this is not the real reason. It was my intent to make the transition of leadership in this country run smoothly. Let it be not like we used to that you be stabbed in the back before you move out. It is easy to be comfortable remaining on the position however, we should never forget these positions belong to our people. This is the right of our people and the least we can do is to ensure that any transition is smooth and peaceful.

It just so happens, Madam Speaker that this vacancy at the Forum Secretariat came up and it is a post that has never been occupied by anybody from the Cook Islands. Praise be to our God if we are fortunate. However, this is not the intention because I did advise that if I am not fortunate I will remain in this House and until the time prescribed by law in serving my people of Manihiki but not on this position. Maybe the Opposition will support my appointment as the seventh Minister. But no, if I am not lucky I will remain in this Parliament to serve my people until the next election, maybe this seat behind. So this is the full explanation of this situation.

It has been a wonderful journey and I remember when I was endorsed by this Parliament in 2010, there was no dissent, everybody supported it. In fact I remember distinctly very comforting words from the Honourable Member for Mitiaro, Tangata Vavia. If I remember correctly he seconded the motion and expressed confidence in my ability to lead our little paradise. Maybe that is why I have been here for nearly ten years. But thank you very much to our people for their support and their Prayers.

Madam Speaker, I return to the Bill. I am not surprised of the statements that we have heard from our people during the lockdown because of COVID-19 but most of the weak voices came from the other side. They were blaming the government that we have put too much reliance in tourism. This nest of egg from tourism was good and our country and people reaped the benefits. That is the benefit. So while the sun was shining we were making hay but the lesson is there that we need to diversify but some of those people forgot that we have already started to diversify when we started allowing sustainable purse seine fisheries into our waters. That is what it was about.

When we came into Government in 2010, we were only earning just over one million dollars from fisheries and yet, we were licensing overseas people to come into our waters and take whatever they could. That was daylight robbery and we allowed it to happen.

The system has changed since then. I can say with confidence that we are actually selling less fish now because of the management system that we have put in place, and yet guess how we are earning, twenty cool million dollars. That is diversification, but what did some of our people do? They marched along the road in protest, here in Rarotonga. The Outer Islands never did that, in fact, they were asking the question, who's fish is it, our or yours because we all know that fisheries were happening up North. It is our fish.

The funny thing now is that when our fishermen go out and they catch thirty, forty tuna, you will never hear about it and it is good to hear an abundance of catches now. But the

moment they stop catching fish, oh you will hear about it, but that is one measure we took to diversify our economy.

In brief, the second one is the Manatua Cable. I believe that our young ones coming through, the next generation and the one after that, they will have the ability to invent new businesses utilising internet. It is not just to improve our connectivity with the rest of the world, it is actually diversifying our economy because there will be bright young ones coming through that can come up with ways to formulate new industries, new economic activities based on fast broadband. I know hope that we live long enough to see the days when that will happen because it will happen and there is no doubt about it.

Madam Speaker and Honourable Members, Seabed Mineral is another diversification avenue for us. It has been a long time coming. I love the historical account from the Honourable Member for Matavera, he must have missed school to be on the boat for three months unless you are lying about your age.

But our forefathers dreamed about it, Sir Albert, Sir Pupuke, Sir Terepai Maoate, all of them they had visions of future generations of Cook Islanders having access to these God given resources. They have all tried their best to have access to that. I know with Sir Dr Terepai Maoate and his son when they were in Parliament before, they were busy trying to push this thing along. God Bless their souls but the opportunity is here now for us today to have access to those riches.

Let us not get carried away with some antics, let us unite in purpose and see that we can access these riches as soon as we can. By all means we are not going to make mistakes with our environment. Just remember this Honourable House has passed the Marae Moana Act. That was a deliberate move. It is part of our strategy when we come to exploit these resources to compel and anybody else to be absolutely environmentally safe when harvesting these resources. So we are not just rushing, we are taking precautions to make sure that any activities on our ocean floor and in our ocean are truly sustainable and environmentally safe.

You know consultations on the primary Bill was undertaken over a few years and you know the overriding feedback from the Northern Group, in fact they were saying hey, when are you going to start? Hurry up and by the way may I remind us that most of those riches are in our waters up North. It is not yours in Rarotonga. There is nothing in Rarotonga and there is nothing in Mangaia so maybe we should make a recommendation to Government that the ocean should be halved up to North because there are no scientists in our islands. We intend to reap the benefits our good Lord has given us.

Madam Speaker, I think this is enough but when he just mentioned some antics in the law when you talk about national and public interest, to me the term public interest is too wide. Anything can be of public interest. The problem when we are talking about a particular issue our thoughts will go outside the box and you can classify that as a matter of public interest. National interest to me is narrower and we can limit it to what is best for the country. These are my interpretations for these two terms, Madam Speaker.

Honourable Members we should be grateful for the Minister for allowing a few more days for discussions but just be mindful of what I said that this benefit is on our side. It belongs to us Rakahanga, Pukapuka and Penrhyn. For you in the South you only got mud on your ocean that is your public interest. Madam Speaker, thank you for the opportunity to lay my thoughts and Kia Orana.

MADAM SPEAKER: Thank you and I see the Honourable Terepai Maoate you have the Floor.

MR T. MAOATE: Thank you, Madam Speaker and greetings to all of us. Before I speak on the Bill I would like to thank the Honourable Minister for giving this opportunity for us to make comments on the Bill.

May I ask Madam Speaker that I should be allowed to address my people? It has been mentioned yesterday from Vodafone and that is the purpose that I would like to say something to our people who are listening to our radio. We have been told that the production on the internet is not running well, however on the island of Aitutaki it is broadcasted on Radio 95 FM. So for those who are listening by internet pass the message to our people that they can also listen on the radio and to you our people I extend a very warm welcome to you. For the Members of Parliament for Mangaia they can relay their message to their people on what frequency they can use on the radio.

I now return on the Bill in discussion before this House. I can understand what Government is saying in explaining to this House that they are trying to diversify in many ways for the benefit of our Nation. Like what the Prime Minister have mentioned that we have the benefit in tourism and it has been explained before the House that the purpose of the amendment to the Banking law and that is one way of diversifying our income.

As explained by the Honourable Minister Mark Brown, this is one way through this Bill we can diversify the benefits for our people. We cannot get into this field but rather we need to have some data so that it can be provided for us to guide us and in my understanding of the Bill this will provide avenues for those people who are wanting to find the resources in our seabed. We support that we should consider those applying for license.

In the first Seabed Bill in 2009, I was the Chairperson of that Select Committee. Myself and Sir Tom Marsters was on that Committee. I remember Sir Tom Marsters was a person that travelled on many voyages on our ocean when he was a young man.

I was told that he was a young man that told an overseas professor that he does not know the richness of the minerals in our ocean. When we took the Bill to our people the Committee was composed of both the Government and the Opposition members. All the people that came to our meetings were supportive of the intentions of the Bill and they were asking why is it taking so long to do this mining of our ocean.

I remind this House of the bible text that the Leader of the Opposition read to the House yesterday – there is a time for everything. We heard the Minister mention that the Government has taken this Bill to the people in 2018 and 2019. But I cannot recall the Opposition being part of the public consultation. However, the Bill has been

considered. For me and my colleagues in the Opposition we are not strong in supporting this Bill before the House. Because this Bill was not presented in our Members workshop last week.

In the last couple of days when receiving this Bill some of us Members of the Opposition even though we are not lawyers were able to look through the Bill. As mentioned by the Member for Matavera there are local organisation that are interested in the Bill that are sending us messages on our mobile. Most of the messages that are coming to us are in support of the Bill. There are certain points raised by the Leader of the Opposition and the Prime Minister with some of the terms that are used in the Bill. But still we do not fully understand that part of the Bill.

We thank the Honourable Minister for giving us this opportunity to consider the Bill again. We all understand that there are a lot of Bills coming to Parliament recently and I think that this is an extra load on the Crown Law Office. Maybe it is time that Government consider making a Sitting Calendar for our Parliament. It will assist this office in preparing themselves properly with the Bills towards the date scheduled for the sitting of parliament.

Thank you again Minister for the Bill and we will consider it at the appropriate time. Those are my thoughts Madam Speaker and thank you.

MADAM SPEAKER: Thank you very much. Are there any further speakers? I see the Honourable Albert Nicholas and you have the Floor.

MR A. NICHOLAS: Madam Speaker and all your Parliamentary staff, all Honourable Members in this House and all our people listening to this Parliament Sitting, Kia Orana to you all.

Madam Speaker may I have a few minutes to address my people in my constituency of RAPA. To the families in my constituency who have lost loved ones in the recent pass. To the families of Uritaua-ki-Uta, the families of Mata Andrew Turua and the Pare-o-Uritaua-ki-Tai, Mama Keu Mitchell your families and to the families of John Henry who was the former Member of Parliament for our constituency. To Papa Sam Heather family up at the Avatiu valley. Mama Vaine Rairoa and your families. My condolences to all of the families.

To the Pu-Tapere of Ruatonga, Papa Tangi Kapi. Avatiu has yet to elect a Pu-Tapere, and to Atupa, Papa Charlie Tamangaro, may the Good Lord help you as you serve our people in your new calling.

Madam Speaker, I return to the Bill that is before the House today. If I may speak in my Palmerston language. Madam Speaker, the diversification in my view is the key to any successful business. On top of diversification Madam Speaker having plan, a, b, c, d, e, etcetera, etcetera, etcetera. In my growing up Madam Speaker I have been self-employed pretty much my entire life until I became a public servant as a Member of Parliament.

And so has my siblings behind me has followed suit. And the ability to survive this long Madam Speaker has been to one key formula that we had developed as we were

young. And that formula is the ability to have micro-incomes. In my own personal case at one point I had about 6 micro-incomes Madam Speaker. If I may just explain Madam Speaker micro-incomes of the nature of, I was planting during the day with my Dad, which I draw income from and he would discipline me by putting me on the fishing boat so he would take me out fishing with him. Which is another form of income and at night Madam Speaker I would play in a band, which is another form of income.

I would also sell second hand equipment such as slashers, even motorbikes and sometimes cars. Which is another form of income. So, all these forms of income put together, Madam Speaker is the reason I believe I am still alive today. What is the ability to diversify in small things right across the board?

Which brings me to my main points, Madam Speaker, the reason why I just thought I might as well get up and say something because this Government in my view, Madam Speaker since the day I joined them, other than recognising a Prime Minister that could sing, as a musician myself and recognising a Finance Minister of the time who thought he could sing. As a musician, I recognised that fact as well but coming back, Madam Speaker I recognised this Government's ability to try and diversify and here are the three or four main sectors of diversification that I picked up naturally.

Obviously the main income, micro income I guess you could call it was tourism. But attached to that I could tell at the time what was also important was fisheries which the Prime Minister had alluded to earlier. The increase in income compared to ten years ago today from a million dollars annual income to 24 million today.

Also what I could tell at the time was Government's intentions to diversify into the financial sector and the last but not least in my view, Madam Speaker was seabed minerals. The opportunities in seabed minerals, Madam Speaker in my view is unbelievable. It has even been suggested that when this country access its seabed minerals not one single Cook Islander that lives in this country will ever need to pay income tax and like I said, when we access the seabed minerals. Those are the possibilities of this sector, Madam Speaker.

Madam Speaker, I do not pretend to understand a single word that is on this document. I do not even pretend to understand what, when, where, how about seabed minerals but I can guarantee you everyone understands money. Madam Speaker, I put my faith and my trust in the agents, the officials that prepare these sort of documents and let me be frank all we do is we turn up here and open it, some of us for the first time we sit at this table and for the first time we see it and it amazes me when some of us get up and speak, it is like you have a doctorate in seabed minerals – like we call in Ruatonga a scientist.

Madam Speaker, again my faith and my hopes are in the officials that prepare this information and point us in the right direction and advise us to go down that road to be able to avoid all the implications both legal, illegal and all the fraudsters in this sector globally. Because do not get me wrong there are fraudsters in this industry. One only needs to look at Nauru, from a billionaire to nothing. The agents and officials tasked with this duty will advise us on the right things to do and all the legislative means to protect us is within this document.

Again coming back to diversification, Madam Speaker it is no secret that this country, not just us but globally have been hit hard by this virus and I do not think anyone is to blame for anything but it has impacted our country tremendously. So much so, Madam Speaker twelve months ago our Budget forecast for the next two years looked pretty good. It looked so good it looked like we could afford to have a seventh Minister but when COVID came along sorry no seventh Minister. The facts are simple we cannot afford it at this particular time.

But lucky for us, Madam Speaker that our Finance Minister the Deputy Prime Minister is such of high IQ that he could actually have a doctorate in finance. He has led us through the last ten years as Minister of Finance guiding the purse of this Nation taking full advantage of the tourism sector and do not anybody tell me that tourism was not good for them. Some of us in the tourism sector that is in this room I believe own more than two houses including myself, Madam Speaker but that has come to pass but because of the Government's vision and its wisdom to put away for a rainy day, again under the leadership of that Finance Minister with a doctorate we have been able to weather the worst of the storm. But it is time to rebuild, look at opportunities, come together as one in this Honourable House, support legislation for the greater good of the country and create wealth. Because without wealth Madam Speaker, the bank will foreclose on my properties and they are going to repossess Tingika's truck as well.

Once again to all of us in this Honourable House and to our listeners out there, thank you.

MADAM SPEAKER: Thank you Honourable Member, Albert Nicholas. Ladies and gentlemen, Honourable Members we have come to closing time for the day. Can I just have a couple of minutes to make some comments on a couple of issues?

Honourable Tina Browne, your question about can any Amendment Bill come to Parliament? If you look at Standing Order 234, 259 it does not talk about a big Bill or a small Bill or a Principal Bill or an Amendment. So yes, the answer is as I have spoken to my advisors the answer is any Bill that comes to Parliament can be referred to a Select Committee.

I want to make a comment to the Honourable Albert Nicholas while we have you here, and all the rest of the Members of the Government as per speech made by the Leader of the Opposition earlier about the workshops that we have here for the Bills. Your first role as a Member of Parliament is your representation of the people who voted you right, one. The second one is oversight, the work that is being done by the Government. The third one is to scrutinise the Budget and the most important one is to sit here and make legislation and so the officials are only to put the Bill together, the responsibility is yours as Members of Parliament in passing them to regulate our lives so we have a wonderful life.

Therefore, it is the job of the Parliamentary Services to build the capacity of Members of Parliament in their roles and responsibilities as I have just explained to you. So next time we call for a workshop, it will be wonderful if everybody turn up.

So, Honourable Members that completes the debate on the Second Reading of the Seabed Minerals Amendment Bill 2020. I will ask an Honourable Member to say our closing Prayer please.

CLOSING PRAYER

MADAM SPEAKER: Parliament is adjourned until Thursday, 18th at 1.00 p.m.

Sitting adjourned at 5.02 p.m.