Votes and Proceedings Of the Twentieth Parliament

No. 16

Fourth Sitting of the Tenth Meeting Thursday 3rd November, 2011

10:00am

1. The House met at 10:00pm pursuant to adjournment.

2. Statement from the Chair

Hon. Dr. Keke move to note the statement.

3. **Notice of Motion**

Mr. Adeang to move article 26 to the next sitting.

4. Questions on Notice

Question No. 4 of 2011 – Not yet ready.

5. **Question Without Notice were asked.**

6. **Motion**

Mr. Amwano (Ubenide) and Mr. Adeang (Ubenide) move to extend Questions Without Notice to another one hour.

Questions put and passed.

Questions Without Notice continued.

7. **Motion**

Mr. Amwano (Ubenide) and Mr. Dube (Aiwo) moved to allow two more questions.

Question put and passed.

Questions were asked.

8. **Motion**

H. E President Marcus Stephen moved that the House break for lunch and to resume at 2:45pm.

Hon. Dr. Keke (Minister for Finance) seconded.

Question put and passed.

The Chair suspended the sitting and to resume at 2:45pm.

Resume

9. <u>Ministerial Statement & Tabling of Papers.</u>

a) H.E President Marcus Stephen made a statement to the House on the following –

"Mr. Speaker, since our last sitting of Parliament, I undertook several business trips overseas and would like to provide an update to Members in order to keep them informed and aware of my Official activities.

Mr. Speaker,

In the last week of August, I led a team of Officials to New Caledonia, to present Nauru's bid for the 2017 South Pacific Mini Games. I am extremely disappointed to inform this House that despite our best efforts, we were not successful in our bid and lost to Vanuatu.

However, it was not all bad news in Noumea as our team of athletes did very well and in fact came sixth overall in the medal count. Not only did they perform on the Sporting field but they were good Ambassadors for Nauru outside of the competition. In congratulating all of our athletes for doing us proud, I would also like to pay special tribute to those athletes who did exceptionally well in their respective Sporting Competitions including our Gold Medalists: Itte Detenamo, Bronco Deiranauw, Suzanne Hiram, Raboe Roland and Jake Ageidu; our Silver Medalists: Bronco Deiranauw, Michaela Detenamo, Renack Mau, Joash Teabuge, Santana Halstead, Joseph Deireragea and Colin caleb; and our Bronze Medalists: TJ Starr, Elson Brechtefeld, Awama Aeomage, Greg Garoa, Jesse Jeremiah, Jezza Uepa, Blanco Wharton, Trident Duburiya, Colin Caleb and Joe Iga.

Again, I extend my heartfelt congratulations to team Nauru for a great performance at this year's Pacific Games and wish to take this opportunity to convey my thanks and gratitude to everyone who helped prepare Nauru's bid.

Mr. Speaker, from Noumea I went straight to New Zealand in order to attend the 42nd Pacific Islands Forum and other Forum – Related Meetings which was convened in Auckland from the 6th to 9th of September . Accompanying me to these Meetings was the Minister for Foreign Affairs Honorable Kieren Keke, the Member of Parliament Honorable Sprent Dabwido, the Acting Secretary for Foreign Affairs, our Consul General to Australia as well as Members of my Staff.

Mr. Speaker, you may be interested to know that this Annual Pacific event was just as busy, if not busier, than previous year's Forum Meetings. As with past practice, the Pacific Island Forum was preceded by the smaller island States Leaders meeting and the Pacific ACP Leaders meeting and then followed by the Post – Forum dialogue and closed by the Taiwan ROC-Forum Countries dialogue.

A wide range of issues were discussed by the Forum Leaders and a number of important decisions were agreed upon. However, being mindful of time constraints I will not go into detail here and now and have instead prepared copies of the Forum communiqué and summary of decisions of the Secondary Meetings for Members to read at their own leisure.

Mr. Speaker, It pleases me to inform this House that we also held bilateral Meetings at the margins of the Forum with several Countries including Israel, Hungary, Bhutan and the host Government of New Zealand. We also had one-on-one discussions with the Secretary General of the United Nations, the Commonwealth Secretary General and the Director General of Irena. These meetings were very positive and worthwhile and the discussions centered on current programs of assistance as well as possible ideas and areas for future cooperation.

All in all, this trip to attend the 42nd Pacific Islands Forum and related meetings was for the most part, a very fruitful one and of considerable benefit to Nauru.

I now would like to turn to another Annual event, namely the General debate of the United Nations General Assembly.

Mr. Speaker, in mid September I travelled to New York with the Minister of Foreign Affairs and members of my Staff, to attend the 66th Session of the United Nations General Assembly. I am pleased to report that on the 23rd of September, I had the distinct honour and privilege of addressing the August Assembly for the fourth Consecutive year as the President of Nauru.

In my address to the United Nations I highlighted several key issues for Nauru and the Pacific including our unique and special challenges as small island developing States, our heavy dependence on our ocean and marine resources and that climate change is perhaps the single greatest threat to our livelihoods and future wellbeing. There were many other issues raised in my debate, Mr. Speaker, and I have attached a full copy on my statement for Member's information.

I also attended the several other high-level meetings on this trip including a high-level meeting on the prevention and control of non-communicable diseases and another one on desertification. You may be

interested to know that I also had meetings with several Heads of State and Government including the Prime Minister of Fiji, the President of Hungary and the President of Krygyzstan whereby a number of important bilateral issues were discussed.

I even managed to renew acquaintances with the American Jewish Community in New York. I am pleased to inform you that a key point of our discussion was the possibility of a Parliamentary visit to Israel early next year. I will be sure to keep Member's informed of any progress on this matter. Mr. Speaker, I also had a meeting with an old friend of Nauru, Professor Jackson Davies, in order to discuss the way forward for our pinnacles project. Cabinet has yet to decide on these matters but I will inform you of any decisions as soon as they become available.

Mr. Speaker, there were many other important events that took place at the margins of the United Nations General Assembly, including Nauru's inclusion to the G77 and the convening of the first-ever meeting between Russia and the Pacific small island developing States, which was arranged by Nauru as Chair of PSIDS. I will however leave these to my Minister to provide you with greater detail. But suffice to say that my stay in New York was a very productive and rewarding one.

As current Chair of PSIDS or the Pacific Small Island Developing States and incoming Chair of the alliance of Small Island States, Nauru continues to succeed in raising its National profile and drawing the attention of the International Community to our development goals and challenges.

Mr. Speaker, before I conclude and resume my seat, I have one final report which I wish to present. This is a report on my trip to Taiwan which was only carried out earlier this month.

Mr. Speaker, on the 5th of October I departed Nauru for Taiwan with a total delegation of 8 Officials, including the Deputy Speaker Honorable Landon Deireragea, Member of Parliament Honourable Sprent Dabwido and Chief Secretary Camilla Solomon.

This trip was at the kind invitation of His Excellency President Ma Ying-Jeou for the express purpose of joining him and the Government and people of Taiwan in celebrating the Hundredth Anniversary of the Founding of the Republic of China. I am pleased to confirm to this House that the trip was funded by the Government of the Republic of China (Taiwan).

Although I only spent a week in Taiwan, it was a very busy one at that. As well as attending the 100th Anniversary Celebrations I also managed to have a bilateral meeting with my counterpart and friend, His Excellency President Ma Ying-Jeou. I am pleased to inform you that we had

very good and candid discussions on various issues including the technical cooperation between Nauru and Taiwan.

I take this opportunity to place on record our deep appreciation and gratitude to His Excellency President Ma and the Government and people of Taiwan for the friendship and support they have provided and continue to extend to us. I also wish to thank them for the kind and gracious hospitality that was extended to me and my delegation which ensured that our trip was both enjoyable and rewarding.

Mr. Speaker, this concludes my report on my overseas travel for Official purposes and I would like to thank you and Members of this House for your kind attention."

b) H.E President Marcus Stephen made a statement to the House which read as follows –

"Mr. Speaker, as you would be aware I only just returned to Nauru yesterday, after being away for a week on Official business in Australia, and would now like to provide Members with a brief report of these activities.

Mr. Speaker,

On Wednesday 26 October I travelled to Australia to attend the Commonwealth Heads of Government meeting or CHOGM as they commonly refer to it. This was convened in Perth, Western Australia for three days from 27 to 29 October. Accompanying me to this meeting was the Foreign Minister, Members of my Staff as well as Members of the department of Foreign Affairs.

CHOGM is held every two years however Members may be interested to know that this is the first time again that Nauru has attended this Particular summit, after a long absence of ten years. So this Meeting was a perfect opportunity not only to catch up on issues affecting Nauru and other Commonwealth Countries but also to ensure that our concerns are voiced and being considered at this International arena.

A wide range of issues were discussed by the Leaders at CHOGM including: reforming of the Commonwealth to ensure that it is a more effective Institution and capable of tackling the challenges of the twenty-first century; revitalizing the Commonwealth's development priorities to ensure it remains relevant to the needs of Member states; improving gender equality and the empowerment of women in the Commonwealth Countries and providing a greater voice and more effective role for youths who represent over fifty percent of the Commonwealth population. There was

also much discussion on present and future global challenges such as climate change, Financing and Sustainable Development, trade, food security, migration, remittances and human rights and democracy. Many important decisions were made over the course of the three day meeting and I have attached a copy of the communique which provides the outcomes of the meeting in full for Member's information and ease of reference.

Mr. Speaker, as a matter of interest to Members of this House as well as the General Public, I would like you all to know that I was supposed to return to Nauru on Monday's flight. However, Qantas grounded its entire operations over the weekend including the flight that I was booked on to travel to Brisbane. As a result of this unprecedented action by Qantas, I was stranded in Perth and missed my connecting flight to Nauru. In fact, I was among 17 other Commonwealth Leaders to have been affected by these flight disruptions.

However, I was pleasantly surprised and consider myself extremely lucky and privileged to have been offered a ride home on one of the Royal Australian Air Force planes. Mr. Speaker, I wish to make it clear to you and Nauruans at large that this plane ride was entirely at the courtesy of Prime Minister Gillard and the Australian Government and did not involve any costs for Nauru whatsoever. My delegation joins me in extending our most sincere thanks and appreciation to Prime Minister Gillard and the Australian Government for arranging our return home. If it had not been for their kindness and generosity we would have been forced to prolong our stay in Brisbane for an extra week, so again we are extremely grateful to the Government and People of Australia.

Thank you Mr. Speaker."

c) H. E. President made a statement and tabled to the House the 2005 RONWAN Interest Distribution –

"Mr. Speaker and Honourable members,

I take this opportunity to once again announce to the Honourable Members and Beneficiaries of the Nauru Phosphate Royalties Trust that the Ronwan Interest for the year ending June 2005, will be ready for distribution.

Total amount for distribution is AUD\$4 million. This is an increase on the 2004 Ronwan distribution of AUD\$3.7 million.

The Target date of distribution is Wednesday 30 November 2011.

Would also like to inform members and beneficiaries of the Ronwan that work continues to be ongoing in respect to outstanding years and further announcements will be made in the near future.

Thank you."

d) Hon. Dr. K. Keke (Minister for Finance) made a brief statement and laid at the table the 2011-12 First Quarter Budget Update –

"Total estimated domestic revenue for 2011-12 is \$27.10 million plus donor funding for general budget support of \$4.74 million, making total Treasury revenue of \$31.84 million. Total Treasury expenditure of \$32.48 million (excluding donor funded development projects) is budgeted. The net result budgeted for the 2011-12 year is a deficit of \$640,000. After taking into account the opening cash balances of \$1.28 million, the overall financial position is a projected surplus of \$640,000.

For the quarter ended 30th September 2011 total domestic revenue received was \$4.72 million including general budget support received from Taiwan of \$1.07 million. This represents 15% of the annual budget revenue. This situation is expected to be realized in the second quarter. Comparing total domestic expenditure of \$5.48 million to total revenue received shows a net deficit for the quarter of \$760,000. When the opening cash balances of \$1.28 million are added in, it results in a surplus for the year to date of \$520,000.

Mr. Speaker, more details are in the report attached, submitted for members information.

Thank you."

e) Hon. Dr. K. Keke (Minister for Finance) made a statement and laid at the Table of the House the Re-coding of Accounts Numbers in the 2011-12 Budget –

"Mr. Speaker and Honourable Colleagues, today I table before Parliament for general information of Honourable members the re-coding of account numbers for the 2011-12 Budget. The re-coding of subheads as presented in the 2011-12 Budget to account numbers will improve financial reporting capacity and further allow for the installation of the new computerized Financial Management Information System (FMIS) being implemented by the Department of Finance. The changes to the accounts in the 2011-12 Budget Papers as approved by Parliament is presented individually in this information paper. These changes only affect

the structure of subheads as accounts and have no effect on the appropriation approved by Parliament.

2011-12 Budget Paper 1

For the 2011-12 Budget Paper 1, while there are no changes made to the Head numbers as presented in the 2011-12 Budget, the 'subheads and sub-subheads' to 'natural account numbers' is provided in the Summary by Subhead/Natural Accounts – Annex 1

To enable members to make specific reference to the approved 2011-12 Budget departmental details, departmental summary totals as approved in the 2011-12 Budget are also presented in this document as Annex 2 with both the subhead coding and the new natural account numbers on the same line.

2011-12 Development Fund Budget

The new chart of accounts will further allow for proper accounting of projects that are being provided by development partners. Specific donor and project coding are provided in Annex 3. The first two digit coding indentifying the donor and the second three digits identifies the specific project to which the funding is provided for.

Overall New Account Coding

The overall new coding results in a specific account containing 15-digits in total. In brief, the first two digits reflect the departmental head number which has not changed. The next four digits indicate the division classification within the department for future use and the department will be n a position to report by division. The next two digits after that reflects the donor fund source as mentioned above, with the next three digits after that identifying the exact project to which that donor is funding. The final four digits that make up the total of fifteen digits are the new natural accounts that now replace the subheads and sub-subhead account. Annex 4 provides an explanation of the makeup of the new 15-digit coding should you require further information.

I submit this paper for the Honourable Member's information."

f) Hon. Dr. K. Keke (Minister for Finance) made a statement and laid at the Table of the House, the Inter-SubHead Transfers Budget 2011-12 –

"Mr. Speaker and Honourable Colleagues, today I table before the Parliament the updated report of inter sub-head transfers (ISHT's)

approved by Cabinet for the period between 1st July 2011 to 25th October 2011.

In view of the new computerized Financial Management Information System (FMIS) being implemented by the Finance department, a new chart of accounts has been introduced that has now replaced the sub heads and sub sub heads coding currently used in our budget papers. So, references to "sub heads" are being replaced by "natural account numbers." An information paper on this new chart of accounts is being presented separately for the information Parliament.

For ease of reference and to avoid confusion, we have maintained the title of this paper as "Inter Subheads Transfers (ISHT)."

Department of Lands Transport - Head 92

Lands Transport did not anticipate any travels in the current financial year and so did not budget for any travel provisions. However, the purchase of two brand new Government buses required two officers from Land Transport to travel to Fiji for three days to attend a short training on vehicle maintenance as well as to inspect the physical conditions of the buses before they were loaded onto the ship. Therefore an inter-subhead transfer of \$6,300 was required for the Staff Travel natural account number 2070. A correspondence decrease of \$6,300 from Plants and Equipment natural account number 2495 was sought to offset the increase in the travel budget.

Justice-Secretariat – Head 43

Previously the members of the Parole Board have not been paid any meeting allowance. Government has now agreed to provide the members a meeting allowance of \$35 per member per meeting. The Parole Board consists of five members of which only four members will be entitled to the sitting allowance. It is expected that the board will meet four times during this financial year requiring a total of \$560 to be added to the Salaries Allowances natural account number 2025. A corresponding decrease of \$560 from the legal expense natural account number 2060 was provided for to accommodate the required increase in the Salaries and Allowance natural account.

Nauru Revenue Office – Head 15

In efforts to improve revenue collection for the Government, the Nauru Revenue Office (NRO) was established at the start of the new financial year. NRO underwent major renovations to its current office premises at the Civic Centre (formerly occupied by the Bank of Nauru and

Directorate of Payments). The cost of renovations exceeded the budgeted amount of \$7,000. An additional \$5,500 was required for the R&M Office natural account number 2195. Arrangements have been made with the Eigigu Holdings to offset costs of renovation from their monthly rental payments. A correspondence decrease of \$5,500 was made to the Office Rental account number 2165 reflecting the expected reduction in rent resulting from the renovation costs undertaken.

Ministry of Health - Head 61

The requested fund transfer is to cover the additional allowance of the Nauruan Students studying Medicine in Cuba. The original amount budgeted was insufficient to cover for the increased cost of relocation costs of Students travelling between Nauru and Cuba. An additional &10860 was required for this purpose and is added to the Scholarships natural account number 2440. Savings have been identified under Salaries Expatriate natural account number 2020 under Health's budget. Therefore a corresponding decrease of \$10,860 was made against the Salaries Expatriate natural account to offset the additional expenditure in the scholarship natural account.

Increases

Head	Department	Natural	Item	Increase
		Account		(\$AUD)
92	Lands Transport	2070	Staff Travel	6,300
43	Justice – Secretariat	2025	Allowance Staff	560
15	Nauru Revenue Office	2195	Repair & Maintenance –	5,500
			Office Premises	
61	Health	2440	Scholarships	10,860
	Total			23,220

Decreases

Head	Department	Natural	Item	Increase
		Account		(\$AUD)
92	Lands Transport	2495	Plant & Equipment	6,300
43	Justice – Secretariat	2060	Legal Expenses	560
15	Nauru Revenue Office	2165	Office Rental	5,500
61	Health	2020	Salary – Expatriate	10,860
	Total			23,220

10. Motion

Hon. Dr. K. Keke (Minister for Finance) moved that in accordance with section 8(2)(b) of the Development Fund Act 2011, Parliament resolves that the quarterly report on income and expenditure of the Development Fund for the First Quarter of the Financial Year 2011-12 must be tabled in Parliament on or before 30th November or, if there is no sitting by that day, on the next sitting day after that date.

H.E. President Marcus Stephen seconded.

Debate ensued.

Question Put and Passed.

11. **Motion**

Hon. Dr. K. Keke (Minister for Finance) moved that motion No. 1 from the Notice Paper be deferred to the next sitting.

H.E. Marcus Stephen Seconded.

Question Put and Passed.

12. **Motion**

Hon. Dr. K. Keke (Minister for Finance) moved that motion No. 2 from the Notice Paper be deferred to the next sitting.

H.E. Marcus Stephen Seconded.

Question Put and Passed.

13. **Motion**

Hon. M. Batsiua (Minister for Health) moved that motion No. 3 from the Notice Paper be deferred to the next sitting.

Hon. R. Kun (Minister for Education) Seconded.

Question Put and Passed.

14. **Motion**

Hon. R. Akua (Minister forTransport) moved that motion No. 4 from the Notice Paper be deferred to the next sitting.

Hon. M. Batsiua (Minister for Health) Seconded.

Question Put and Passed.

15. **Motion**

H.E President M. Stephen moved that motion No.5 from the notice paper be deferred to the next sitting.

Hon. Dr K. Keke (Minister for Finance) Seconded.

Question Put and Passed.

16. **Motion**

Hon. M. Batsiua (Minister for Justice & Border Control) moved that motion No.6 from the Notice Paper be deferred to the next sitting.

Hon. R. Akua (Minister for Transport) Seconded.

Question Put and Passed.

17. **Motion**

Hon. R. Akua (Minister for Transport) moved that motion No. 7 from the Notice Paper be deferred to the next sitting.

Hon. M. Batsiua (Minister for Justice) seconded.

Question Put and Passed.

18. **Motion**

Mr. S. Dabwido (Meneng) moved that motion No. 8 from the Notice Paper be deferred to the next sitting.

Hon. D. Tabuna (Minister for CIE) seconded.

Question Put and Passed.

19. **Motion**

Hon. Dr. K. Keke (Minister for Finance) moved to present the Supplementary Appropriation Bill 2011-12.

H.E. President Marcus Stephen seconded.

First Reading

The Bill was presented and read a first time.

Motion - Second Reading

Hon. Dr. K. Keke (Minister for Finance) moved that the Bill be read a second time.

H.E. President Marcus Stephen seconded.

Second Reading Speech ensued.

(Under Standing Order 159, further debate on the second reading be adjourned to a future date.)

Suspension of Standing Order 159

Hon. Dr. K. Keke (Minister for Finance) moved that Standing Order 159, be suspended to enable debate on the second reading to proceed forthwith.

H.E. President Marcus Stephen seconded.

Question Put and Passed.

Debate ensued.

Question Put and Passed.

The Bill was read a second time.

Letter of Recommendation

The Chair read the letter of recommendation to the House received from His Excellency the President as Chairman of Cabinet which read as follows:-

Supplementary Appropriation Bill 2011-2012

Article 59(3) of the Constitution of Nauru

"I, Marcus Stephen, President of the Republic of Nauru, as Chairman of the Cabinet and in pursuance of a resolution of the Cabinet, hereby notify Parliament that the purpose of the withdrawals from the Treasury Fund as proposed by the Supplementary Appropriation Bill 2011-2012 is recommended to the Parliamentary by the Cabinet.

Marcus Stephen
President &
Chairman of the Cabinet

Leave Sought For

Hon. Dr. K. Keke (Minister for Finance) sought leave of the House to move for the third reading of the Bill.

H.E. President Marcus Stephen.

Leave was granted.

Motion - Third Reading

Hon. Dr. K. Keke (Minister for Finance) moved that the Bill be now read a third time.

H.E. President Marcus Stephen seconded.

Question Put and Passed.

The Bill was read a third time.

20. Orders of the Day No.1 - Constitution of Nauru (Parliamentary Amendments) (Consequential Amendments) Bill 2010.

On the question that the Bill be now read a third time.

21. **Motion**

Mr. S. Dabwido (Meneng) moved that Orders of the Day No. 1 Constitution of Nauru (Parliamentary Amendments) (Consequential Amendments) Bill 2010 be deferred and made an order of the day at the next sitting.

Hon. D. Tabuna (Minister for CIE) seconded.

Question Put and Passed.

22. Orders of the Day No. 2 - The Gaming Bill 2011

On the question that the Bill be now read a third time.

Suspension of Standing Order 163

Hon. K. Keke (Minister for Finance) moved that Standing Order 163 be suspended to enable the third reading on the Bill to proceed forthwith.

H.E. President Marcus Stephen seconded.

Question Put and Passed.

The Bill was read a third time.

23. Orders of the Day No. 3 - The Interpretation Consequential (Amendment) Bill 2011.

Resumption of debate on the question that the Bill be now read a second time.

Debate ensued.

Question Put and Passed.

The Bill was read a second time.

24. **Leave Sought For**

Hon. M. Batsiua (Minister for Justice) sought leave of the House to enable him to move for the third reading of the Bill.

Hon. Dr. K. Keke (Minister for Finance) seconded.

25. **Motion - Third Reading**

Hon. M. Batsiua (Minister for Justice) moved that the Bill be now read a third time.

Hon. Dr. K. Keke (Minister for Finance) seconded. Question Put and Passed.

The Bill was read a third time.

26. Orders of the Day No. 4 - Courts Legislation (Amendment) Bill 2011.

Resumption of debate on the question that the Bill be now read a second time.

Debate ensued.

Question Put and Passed.

The Bill was read a second time.

27. Leave Sought For

Hon. M. Batsiua (Minister for Justice) sought leave of the House to enable him to move for the third reading.

Hon. Dr. K. Keke (Minister for Finance) seconded.

28. Motion - Third Reading

Hon. M. Batsiua (Minister for Justice) moved that the Bill be now read a third time.

Hon. Dr. K. Keke (Minister for Finance) seconded.

Question Put and Passed.

The Bill was read a third time.

29. Orders of the Day No. 5 - Ministerial Statement & Tabling of Papers

On the question that the statement on Education Act by Hon. R. Kun (Minister for Education) 16/08/2011 be noted.

The Paper was noted and was therefore discharged on the notice paper.

30. Motion Fixing The Date For The Next Sitting

H.E. President Marcus Stephen moved that Parliament at its rising do adjourn until a time and date to be fixed by the Chair.

Hon. Dr. K. Keke (Minister for Finance) seconded.

Question Put and Passed.

Adjournment

H.E President moved that Parliament do now adjourn.

Question Put and Passed.

And then the House then at twenty minutes past four o'clock pm, adjourned until a time and date to be fixed by the Chair.

Members Present

All members were present at some time during the sitting

John Garabwan **Deputy Clerk of Parliament**