

**Votes & Proceedings  
Of the  
Eighteenth Parliament**

**No. 25**

**First Sitting of the Fourteenth Meeting  
Tuesday, 15<sup>th</sup> September 2009**

**10.00 a.m.**

1. The House met at 10.00 am in accordance with the resolution made on 20<sup>th</sup> August 2009.

2. Hon Riddell Akua M.P., Speaker of Parliament, took the Chair and read Prayers.

**3. Leave of Absence Sought For.**

(a) His Excellency the President, sought leave of absence for Hon. Freddie Pitcher and Hon. Ali Amwano who are both away overseas on official business.  
Leave was granted.

(b) Hon. Dantes Tsitsi (Aiwo) sought leave of absence for Hon. Baron Waqa who is also away overseas.  
Leave was granted.

**4. Notice of Motions**

(i) Hon. Mathew Batsiua (Minister for Justice, Health and Sports) gave notice that at the next sitting of Parliament, he shall move to present the **Juvenile Offenders Bill 2009** and the **Motor Traffic Bill 2009**.

(ii) Hon. Sprent Dabwido (Minister for Transport) gave notice that at the next sitting of Parliament, he shall move to present the **Telecommunications Bill 2009**.  
Hon. Dr. Kieren Keke (Minister for Finance) seconded.

**5. Questions on Notice**

Question No 16 was deferred to the next sitting.  
Question No 17 was also deferred to the next sitting.

**6. Questions Without Notice were asked**

The House was suspended until the bell rings due to power failure.

Resume.

Questions without notice continued.

## 7. Ministerial Statement and Tabling of Papers.

(a) His Excellency the President, made the following statement on his appointment as Chancellor of the University of the South Pacific:-

*'Mr. Speaker and honourable colleagues, I wish to provide a brief report on my recent visit to Suva, Fiji, a trip which I might add was fully funded by the University of the South Pacific (USP).*

*I am humbly honoured to advise Members of this august House that the purpose of my trip to Suva was to be installed as Chancellor of the USP. For Members' information I was invited by the USP earlier this year to become the Chancellor for a one-year term. I was happy to accept the appointment as this is indeed a rare privilege and honour, not only for me personally but more importantly for Nauru as a whole. In fact this is only the second time in history where Nauru will hold the chancellorship and the first was during the term of our founding father, the late Hammer DeRoburt.*

*Mr. Speaker, I am pleased to confirm that I was installed as the 16<sup>th</sup> USP Chancellor on the afternoon of Friday, 12<sup>th</sup> September. As part of my duties as Chancellor I had the pleasure of conferring degrees and awarding diplomas and certificates to some 800 students at the University's graduation ceremony later that day. It was also a pleasant surprise and joy that one Nauruan lady also happened to receive her degree during this graduation. I would like to take this opportunity to congratulate Mrs. Mavis Depaune on her achievement and I believe she is back on-island working for her beloved country.*

*This is the very essence and importance of the USP, where our people, not only in Nauru but in the Pacific region are given the opportunity for good, solid higher education. Most of the prominent persons in the region today all went to USP. Even leaders like the PM from Solomon Islands also went to USP.*

*As Members will fully agree, USP plays a very important role in the region for the 12 member countries which are Nauru, Tuvalu, Kiribati, Tonga, Cook Islands, Samoa, Vanuatu, Solomon Islands, Niue, Tokelau, Marshall islands and Fiji. As a matter of fact, Nauru has always been and continues to be very supportive of the USP. Indeed Nauru played a major role in the establishment of the USP which incidentally took place in 1968, the same year we received our independence. We are all co-owners of the USP and it is in our interest to ensure that the USP keeps on improving.*

*During my tour of the USP I had a personal discussion with the Vice Chancellor and it is interesting to note that the USP is currently undertaking a new direction and reforming itself in order to be more sustainable and have surplus budgets. It is also fitting that it is our turn to hold the chancellorship as we, as a country, are also going through the same reforms. This can only be seen as a positive step for the USP.*

*Mr. Speaker, it is Nauru's turn to hold the fort, so to speak. We must make sure that during our watch we give the right support to the Vice Chancellor and the USP Committee. Throughout our watch, we will be vigilant and commit ourselves to giving the USP any assistance necessary during our 1-year period of chancellorship so as to ensure that USP will continue to provide our people and our children with quality educational services.*

*Before I conclude, Mr. Speaker, I would like to dwell briefly on another matter that is of importance to our people. I am pleased to advised that I had the opportunity to pay a courtesy visit on Commodore Bainimarama, Fiji's interim Prime Minister during my stay in Fiji. In our closed door meeting we discussed Fiji's suspension from the Forum and Commonwealth as well as other issued that are of relevance in the region. I will not reveal in detail our discussions but simply wanted to inform Members that the safety of our diplomatic staff, our students and the Nauruan community in Fiji is one concern which I*

*raised with the Prime Minister. The Prime Minister has given firm assurance that safety of our people is not a problem that we should even consider. Thank you.'*

Hon. Godfrey Thoma (Aiwo) moved that the statement be noted

(b) Hon. Sprent Dabwido (Minister for Transport) made the following statement relating update on Our Airline's route between Kiribati and Nadi:-

*'Mr. Speaker and Honourable Members, I wish to make a brief announcement on the progress of Our Airline attempts to re-establish its link to Nadi and back via Kiribati.*

*Last week a charter agreement was signed off with Air Kiribati. This agreement allows Air Kiribati to market Fiji services using Our Airline aircraft. The agreement allows Our Airline to recommence the Fiji operations and have the capacity to sell services between Nauru and Fiji. Our Airline will not only provide the wet-leased aircraft to Air Kiribati but also services in areas such as internet bookings.*

*This is a win-win situation for all parties involved – Our Airline additional revenues. Nauru is a link to the key hub of the Pacific, Nadi and to Kiribati competitive air services.*

*The flights are planned to commence on the 7<sup>th</sup> of November 2009 initially as a one per week service departing Nauru and Kiribati on Saturday and arriving back on Mondays. The government filing has been made and we expect approvals to be granted next week. Once the approvals are granted the flights will be put on sale and sales and marketing efforts pursued vigorously.*

*The flights will not only offer Nauru people the Fiji option with a more direct routing but also the missing Kiribati link. This service will also provide Kiribati a same day connection to Solomon Islands and Australia both of importance to her people.*

*I do believe that a significant break-through have been achieved and I would like to thank all who have contributed in any form, large or small. Firstly I would like to thank the Cabinet, Caucus for their personal input and also a big congratulation must go to the Chairman and the Board and the management of Our Airline. Well done to all.*

*I look forward to the commencement of the service with interest.*

Hon. Dantes Tsitsi (Aiwo) moved that the statement be noted

(c) Hon. Mathew Batsiua (Minister for Justice, Health and Sports) made the following statement relating to Actions Instituted by the Department of Justice and Border Control - Immigration Section:-

*'Mr. Speaker and Hon. Members, you are all aware of ongoing reforms taking place in the Department of Border Control. One of these reform measures is in the area of immigration. Border Control has found it necessary to review immigration's whole manual system of record keeping with respect to all those entering and leaving Nauru under the various visa categories.*

*This became necessary as it became evident that there were a large number of visitors, particularly originating from China, who entered Nauru and there seemed to be no information available regarding their legal visa status. This prompted the mounting of 2 operations over the last 6 months by immigration officers visiting various business houses in order to establish those with expired visas and for necessary action to be carried out thereafter.*

*The operations found approximately 5 percent of the overall 200 to 300 people questioned had expired visas. It was also found that a significant amount of workers and operators of those business houses have visas sponsored by government instrumentalities as ex-employees of those government instrumentalities. An analysis was therefore done in which it was established that there were approximately 200 such people working in various businesses in Nauru with such visas.*

*The department, under my instruction and with co-operation from the Minister in charge of RONPHOS, undertook the following actions:-*

*(1) Working visas will only be issued to those genuine workers under contract with either the Republic, RONPHOS or other instrumentalities; or workers sponsored by private business houses in Nauru.*

*(2) All workers must provide police clearances, medical clearances along with the normal guarantee of accommodation and an airfare provision should the employee be required to leave Nauru for any reason. This is in line with saving national border control practices.*

*(3) Present working visas including dependent entry multiple visas issued for free to those ex-employees of government instrumentalities have not been seized and those business houses employing those people were holders of these types of visas are required to sponsor their visas and meet the relevant visa fees involved.*

*(4) Those with expired visas will first have to pay out all their outstanding visa fees and allowed to leave Nauru before business houses will be eligible to apply for re-entry on a new visa. Those that had over-stayed their visas and made no effort to renew them within the last 3 months will be dealt with in accordance with Immigration laws and one of these measures would be deportation.*

*(5) I have further directed the Department of Justice and Immigration Departments to work closely with other departmental counterparts like health, police, CIE, finance and culture to ensure that more exchange of information is made to enhance the facilitation of our immigration laws.*

*To this end the Justice, Customs and Immigration Department have started monthly meetings with health. In future meetings CIE will also be joining them.*

*(6) Further, I have also directed the Department of Justice and Border Control to give out clear visa guide-lines on how visas can be attained for any employment category. These instructions were within my powers under the Immigration Act and its regulations and were given in accordance and within the limits of such powers for the public good of all Nauruans and all visitors to our shores.*

*A computer data system has now been introduced to aid the department in keeping up to date the status of those issued with visas. This will enable the department to match much more quickly those who have overstayed their visas. Sponsors will be able to be notified with this information with a warning letter well before an expiry to enable its appropriation, facilitation of a renewal or where employment is to cease a departure from Nauru of their employee. Along with the improvement in its data collation an information process to new criteria and grant of business long-stay visas will ensure that the community, as per international practices, is protected from those with criminal records or with communicable diseases that can be detrimental to our small population, but above all we must not forget that our laws as they stand restrict entry of these people into our country.*

*I trust Members will appreciate the gradual improvements we are seeing in these areas. It is the firm intention of the Ministry to keep seeking improvements on our system recording movements of people across our borders with the ultimate aim of reducing incidences of deliberate disregard of our nation's laws. Tubwa kor!*

Hon Godfrey Thoma (Aiwo) moved that the statement be noted

*(d) Hon Kieren Keke (Minister for Finance) made the following statement relating to activities in the Department of Foreign Affairs Trade:-*

*'Mr. Speaker and honourable colleagues, in my statement during the last sitting of Parliament on 18 August 2009, I informed the House of the need to review our National Sustainable Development Strategy (NSDS) which was developed in 2005. This*

review would give us a report on what we have and have not achieved in terms of our national priorities and Millennium Development Goals and based on that assessment, the review would update our sector goals, strategies and milestones.

I am happy to report that the review of the NSDS is well underway and in fact is nearing completion. I wish to thank the Working Group for their excellent work on this very important task. I also wish to thank and acknowledge the great response and feedback we have received from all departments. All departments have provided the required information and on time. It has been particularly pleasing to note that this review has until now been undertaken completely by our own officials. We are now compiling all of this material and will soon be having a couple of public consultations to seek input and feedback from community leaders, NGSs and the private sector.

To assist us in finalising the review and in delivering a report that will guide our strategies and goals for the next 3-5 years, and at my request, the UNESCAP Pacific Operations Centre (EPOC) in Suva will send a 6-member team to Nauru. The outcome of this review will include a report on our progress on the existing short term goals which were targeted for completion by 2008 as well as a report with a revised NSDS in terms of renewed short and medium term and the development of a new implementation strategy. The team will be here from 20 September to 5 October and will be working very closely with all government departments. It is expected that this report will be finalised by mid October and will be made public and will be sent to all our development partners.

The timing of the NSDS review has been carefully worked to flow into the Donor Round Table. Again arrangements for the Donor Round Table are well under way and it is scheduled to be held on 14<sup>th</sup> November. Invitations have been sent to all our donor partners, international and regional organisations and positive responses have started to come in from a number of them confirming their attendance.

I have also called all heads of our overseas missions to return to Nauru in the week before the Donor Round Table to assist with the meeting as they will play a key role in following up and building our relations with our development partners. The Heads of Missions will then remain on island for a further week after the Donor Round Table to have briefings with Cabinet as well as departments and relevant SOEs.

Mr. Speaker, Members will recall that at the last Parliament sitting His Excellency the President and I advised the House of the Forum Leaders agreement for PRAN to wind down. Under the current agreement funding for PRAN will expire at the end of this year. My department has begun working in close consultations with New Zealand and the Forum Secretariat to look at how best to transfer New Zealand funding commitments under PRAN directly to Nauru through a bilateral agreement. The discussions to date with New Zealand indicate that not only will the current assistance continue but that there is likely to be a long term commitment to an increased level of support and generally a much better and closer relationship with New Zealand. In this regard, Cabinet has had some preliminary discussions on the possibility of re-establishing a formal Nauruan diplomatic representative in Wellington to assist in building this relationship. At this stage this is still being considered and I will update the House should this eventuate.

Mr. Speaker, on trade matters senior officers in the Department of Justice and Foreign Affairs recently attended a regional meeting to consider various issues arising out of the recent European Partnership Agreement (EPA) negotiations between the Pacific countries and the European Commission (EU). This would enable the Pacific to provide further inputs in addressing the key outstanding issues with a view to progressing our position when we will meet with the EU in Brussels later this month. The Secretary for Foreign Affairs will represent Nauru at this next negotiation with the EU in Brussels. Of particular interest to Nauru are the Fisheries Chapter, Rules of Origin, Temporary

*Movement of Natural persons/Labour Mobility, Food Security and Development co-operation.*

*The same senior officers also represent Nauru at a workshop on PICTA Trade in Services to raise awareness and to assist the senior officials from the Forum Island Countries to develop their trade in services market access offers and requests, and discuss aspects of the PICTA trade in services text as they prepare for the 4<sup>th</sup> round of PICTA Trade in Services negotiations.*

*Mr. Speaker, pursuant to the Leaders' decision in Cairns to commence PACER Plus negotiations forthwith, we are, through our media outlets, calling for public submissions on PACER Plus. As we prepare for PACER Plus negotiations it is important that our negotiators know and understand our views and interests, including importantly, the views and needs of our private sector and general public. I would therefore encourage our investors, exporters and importers of goods and services, non-government organisations and individuals to make submissions. The submissions will help shape our negotiating mandate for the trade talks. This consultation process is an ongoing one that will provide further opportunities for input and comment on the PACER Plus negotiations. The closing date for submissions for this first round of consultations is Friday 9 October 2009.*

*To further assist us in our internal consultations we have engaged a consultant from the Institute of International Trade at the University of Adelaide in Australia to conduct a study on the cost and benefits of PACER Plus for Nauru. The study will commence later this month and will conclude by the end of November. We have put our an advertisement seeking local expertise to join and work closely with the consultant and so far we have received 3 applications.*

*We have also requested assistance from the Forum Secretariat in the formulation of our national trade policy and this will start during the first half of November when the Secretariat will send one of their experts.*

*The call for submissions, the consultant's studies and development our Trade Policy are all opportunities for public and private sector input into the issues around PACER Plus and trade in general. It is very important to me that we have a clear and accurate understanding of the views of our private sector and businesses in particular, so that government can go to the trade negotiations pushing for outcomes that will benefit our businesses and private sector and Nauru's economy overall. I therefore strongly encourage input and discussions from the private sector and the public generally on trade and PACER Plus issues.*

*Mr. Speaker, a lot is happening on trade in the region. A Forum Trade Ministers Meeting on PACER Plus has been scheduled for 16 October in Pohnpei, FSM and this will be followed by a Pacific ACP Trade Ministers sometime shortly after that. Whilst in Pohnpei I expect to have discussions with the FSM government on their desire for air services that connect them to the central and south Pacific. The Forum Economic Ministers meeting will also be held on 26 o 28 October in Rarotonga. These are some meetings I will be involved in during the latter part of next month. But in early October I, as National Authoring Officer, will attend a European Commission Regional Seminar in Fiji to consider, amongst other things, a clear roadmap for the mid-term review of the 10<sup>th</sup> EDF. Whilst in Fiji, subject to confirmation, I am aiming to meet with senior representatives of one of the banks operating in the region regarding establish a new bank in Nauru. I am also looking at the possibility of a quick visit to Majuro in the midst of the other meetings to follow up on issues relating to Nauru's remaining properties in the Marshall Islands.*

*Mr. Speaker, from our overseas missions I am happy to report that on 9 September our Permanent Representative to the United Nations, Ambassador Marlene Moses, and her Portuguese counterpart signed a Joint Communique establishing formal diplomatic relations*

*between the Republic of Nauru and the Portuguese Republic. This is in line with our government's long-term foreign policy objective of promoting closer ties with the like-minded countries in all regions of the world. We look forward to continued close collaboration with the Portuguese Republic, not only on bilateral level, but also in the United Nations and other multilateral fora.*

*And our Ambassador in Taipei, Dr. Ludwig Keke, is closely following the political developments in Taiwan and providing regular updates. The Embassy donated an amount of NT\$10,000 to the ROC Taiwan Red Cross Society for the victims of the typhoon Morakot. One of the Embassy staff, Ms. Meiyun Hsu, actually went with a group of volunteers to the flooded and devastated areas to volunteer her time in helping the victims.*

*His Excellency Jason Wan, Taiwan's Ambassador to Nauru has also been regularly updating me on the situation in Taiwan as well as a number of ongoing bilateral issues. He has given me some very positive news in regards to our request for further donations of rice and I am expecting that by later this year. I will be able to provide the House full details but rest assured it is positive.*

*Mr. Speaker, the Department of Foreign Affairs and Trade continues to work closely with other government departments and our development partners, including regional and international organisations. Some of these activities include –*

- Facilitating the recent trip of our President to Fiji, to as, the new Chancellor of the University of the South Pacific, attend the graduation ceremony of the University;*
- Facilitating the attendance of Ministers and officials to meetings and seminars/workshops that are held and will be held abroad;*
- Supporting the candidatures of Japan, Solomon Islands, Papua New Guinea and India to the Executive Committee of UNESCO during the General Conference to be held early next month at the UNESCO headquarters in Paris, France; and*
- Ensuring our resident diplomatic missions concerns are adequately addressed.*

*All these activities have been accomplished while the department has been going through a vigorous process of restructuring in which all posts were advertised – 3 posts for Directors, 4 for assistant Directors, 8 for Desk Officers and 1 for administrative assistant and 1 for receptionist. When applications closed on 6 August a total of 6 applicants were received for the 3 Directors' posts, 12 for the 4 assistant Directors' posts and 31 for the 8 Desk officers' posts. The process for short-listing and interviewing applicants has been completed and the interview panel has just finalised its report for submission to the Chief Secretary. Successful applicants will be informed hopefully by the end of the week and should be at work next week.*

*Despite the uncertainties of the outcome of this restructure, capacity building of current staff in the department continues. The interim Assistant Director of Trade, Ms. Lara Atto, will attend an ADB Trade and Investment Integration Course to be held next week in Manila, Philippines. And the Interim Director of Trade, Mr. Masau Detudamo, will attend a week-long training fellowship on trade negotiations/PACER Plus in the week beginning 19 October. A comprehensive staff development programme will be drawn up when all posts in the department have been filled.*

*Mr. Speaker, finally allow me to conclude by thanking once again our development partners for their continuing assistance, without which we would not have made the progress we have made to date. I must pay particular tribute to Australia, our biggest donor, Taiwan, a major donor and others like New Zealand, the EU, the Pacific Islands Forum and Japan. There are many others as well and many are increasing their interaction and assistance to Nauru.*

*Development of these relations is crucial for our ongoing development and the role the Department of Foreign Affairs and our foreign Missions play in this is immense. I wish*

to thank the staff in the department for their efforts over the years and I look forward to a renewed level of enthusiasm and commitment from the whole department as the new appointments are made and the department restructuring is completed in the coming weeks.

Mr. Speaker, the Donor Round Table meeting in mid-November will be another critical step in building these relations and identifying concrete means they can assist Nauru in implementing our revised NSDS.

I look forward to the support of all Members in this task and during the Donor Round Table. Thank you.

Hon. Dantes Tsitsi (Aiwo) moved that the statement be noted

(e) Hon Sprent Dabwido (Minister for Telecommunications) made the following statement relating to Digicel:-

*Mr. Speaker and honourable Members, on the first of September, Nauru's only approved telephone service provider Digicel Nauru was given a commission certificate of GSM GPRS-EDGE NETWORK from its parent company Digicel Pacific. This meant Digicel Nauru was then able to provide the various services such as mobile communications and also internet communications.*

*This gave way to the official launch of the new telecommunication provider Digicel Nauru.*

*Bling! Bling! Finally after decades of wandering aimlessly in the harshness of the telecommunications black hole Nauru on the first of September 2009 has climbed out of its mysterious dark abyss of telecommunications and step on to the welcoming sunlight of the real telecommunication network in the form of Digicel, Nauru.*

*A progress that is well overdue and deserving of recognition by Digicel Nauru hosting such a fun and enjoyable launch.*

**Digicel Launch** - Official events of the Digicel launch commenced on the evening of Monday, 31<sup>st</sup> August with a media briefing at the Digicel store within the Civic Centre. The briefing was hosted by Digicel General Manager, Paul Stafford and following the presentation questions were taken by the management team. His Excellency Marcus Stephen, M.P., President, was invited to officially open the new Digicel Nauru network by making the first call which was successfully made to the Nauru Ambassador in Taiwan.

Following the media briefing and first call, a VIP reception in celebration of the Digicel launch was held with a theme of 'A Touch of Red'. This event was held in the area to the front of the Digicel store with marquees, outdoor lighting and a DJ. Paul Stafford welcomed the guests and His Excellency the President made a speech. Throughout the evening performances were made by Digicel promotional staff, fire dancers and selected signers and dancers. All performers were from the Nauruan community.

Launch day events commenced at 5 a.m. on Tuesday, 1<sup>st</sup> September with the Digicel 'Catch of the Day' fishing competition. The official store opening proceedings started at 8.45 a.m. with a live blessing, choir singing and the National Anthem. His Excellency then made a speech and cut the ribbon, the store was open to the public to purchase mobile phone handsets.

Throughout the day activities took place across from the store at the Centennial Hall, highlights of which included a series of talent competitions including 'Digicel Nauru Pop Idol', a dance competition and the Digicel Choir competition, where entrants competed for the chance to win prizes including brand new state of the art handsets and free credit, as well as cash amounts. The preceding days had also seen the Digicel School Poster and Digicel Clean Districts competitions and the winners of all competitions were announced at a small gathering at the store on Friday, 4<sup>th</sup> September. Ahead of the competition winners



announcements, Hon. Mather Batsiua was presented with jerseys for the 4 football teams sponsored by Digicel.

The Chairman of Digicel, Mr. Denis O'Brien, visited Nauru on the evening of the launch day. Following a performance by the Digi Boys and Girls' at the airport, Mr. O'Brien attended meetings with His Excellency the President and Hon. Minister Keke as well as with the Taiwanese Ambassador, before visiting the store to meet with the local staff.

In line with the Shareholders Agreement, Digicel have established a GPRS/EDGE state-of-the-art network providing Nauru not only with GSM mobile telecommunications but also with mobile internet access for the first time.

The first stage of the Ministry of Telecommunications have been mostly completed and that is to provide a reliable telecommunication network that is available to all to use as they please. The second state of the telecommunication which is the new role of being a regulator of the telecommunication industry is about to commence, although this is a new role for this Ministry. It is a role which we believe will be of great importance to keeping our telecommunication up with the rest of the world and not to let Nauru fall back into the black hole of silence which we all have experienced before first-hand and which we, as a nation, do not want to experience again. This Ministry does look forward to this new responsibility and hope the good work between the regulator and service provider will continue so this nation will continue to enjoy the new telecommunication service.

Mr. Speaker and Hon. Members, a happy BLING! BLING! to you all.

Hon. Ludwig Scotty (Anabar, Ijuw & Anibare) moved that the statement be noted

## **8. Motions**

His Excellency the President moved that Motions No 1, 2 and 3 be deferred to the next sitting.

Hon. Kieren Keke (Minister for Finance) seconded.

Question put and passed.

## **9. Motion: Liquor (Amendment) Bill 2009**

His Excellency the President, moved to present the Liquor (Amendment) Bill 2009.

Hon. Kieren Keke (Minister for Finance) seconded.

### **First Reading**

The Bill was presented and read a first time.

## **10. Motion: Second Reading**

His Excellency the President moved that the Bill be now read a second time.

Hon Kieren Keke (Minister for Finance) seconded.

Second Reading speech ensued.

Debate on the Bill was adjourned to a future date (S.O 159).

## **11. Motion: Suspension of Standing Orders**

His Excellency the President moved that Standing Order 159 be suspended to enable the second reading debate to ensure forthwith.

Hon. Kieren Keke (Minister for Finance) seconded.

Question put and passed.

Debate ensued.  
Question put and passed.  
The Bill was read a second time.

## **12. Leave Sought For Third Reading of the Bill**

His Excellency the President sought leave of the House to enable him to move for the third reading of the Bill.  
Leave was granted.

## **13. Motion: Third Reading**

His Excellency the President moved that the Bill be now read a third time.  
Hon. Kieren Keke (Minister for Finance) seconded.  
Question put and passed.  
The Bill was read a third time.

## **14. Orders of the Day No1: Civil Aviation Bill 2009**

Hon. Sprent Dabwido (Minister for Transport) moved that the second reading of the Bill be deferred to the next sitting.  
Hon. Mathew Batsiua (Minister for Justice, Health and Sports) seconded.  
Question put and passed.

## **15. Orders of the Day No 2: Noting of Paper**

That the statement made by Hon. Sprent Dabwido (Minister for Transport) on “Development of the Nauru Port Authority” be noted.  
Debate was deferred to the next sitting as the mover of the motion, Hon. Baron Waqa (Boe) is away overseas.

## **16. Orders of the Day No 3: Noting of Paper**

That the statement made by Hon. Frederick Pitcher (Minister for CIE) on Updates on Developments and Achievements by the Utilities Sector for the period April to August 2009” be noted.  
His Excellency the President move that discussions on the Paper be deferred to the next sitting as the Minister in charge of the Paper, Hon. Frederick Pitcher (Minister for CIE) is away overseas.

## **17. Orders of the Day No 4: Noting of Paper**

That the statement made by Hon. Roland Kun on “Developments in the Department of Education” be noted.  
Debate on the Paper was deferred to the next sitting as the mover of the motion, Hon. Baron Waqa (Boe) is away overseas

## **18. Motion Fixing the Date For the Next Sitting**

His Excellency the President moved that Parliament at its rising do adjourn until a time and date to be fixed by the Chair.

Hon. Kieren Keke (Minister for Finance) seconded.

Question put and passed.

## **19. Adjournment**

His Excellency the President moved that Parliament do now adjourn.

Hon Kieren Keke (Minister For Finance) seconded.

Adjournment debate ensued.

Question put and passed.

And then the House at twenty five minutes past six 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 except:-

Mr. Pitcher (leave of absence)

Mr. Amwano (leave of absence)

Mr. Waqa (leave of absence)

Mr. Adeang (suspension)

Frederick Cain  
**Clerk of Parliament**

## **Ministerial Statements**

### **Mr. Stephen (President-Ewa/Anetan):**

Mr. Thoma (Aiwo) moved that the paper be noted.

### **Mr. Dabwido (Minister for Transport-Meneng):**

## **Second reading speech – Liquor (Amendment) Bill 2009**

**Mr. Stephen (President-Ewa/Anetan):** Mr. Speaker, I have introduced to this House today a short Bill for an Act to amend the Liquor Act. The Bill contains only 6 clauses and is quite straightforward.

The main impetus of the Bill was to provide for the increase in liquor licence fees. In the revenue budget for the fiscal year 2009-2010 the Cabinet had approved an increase in the liquor licence fees, and such increase can only be lawfully given effect by amending the Liquor Act 1967-1997.

In addition to providing for the increase in fees, the Bill also aims to achieve a few other things. One is to simplify the administration of the Act by creating a system whereby all liquor licences expire and are renewed at the same time, so that instead of a liquor licence being valid for 12 months from the date on which it was granted or renewed, a liquor licence would be valid until the last day of the financial year in which it was granted or renewed. All liquor licences would expire on 30 June each year and have to be renewed on 1 July each year. This proposed amendment, contained in clause 3 of the Bill is intended to make the administration of the Act simpler and more efficient.

Another objective of the Bill is to ensure that the new system of charging liquor licence fees on a financial year basis does not produce unfair results. So, for example, if a person acquires a liquor licence towards the end of the financial year, they should not be expected to pay the full annual fee in respect of the remaining 2 or 3 months of the year. For this reason proposed

subsection (3) of new Section 59 of the Liquor Act makes provision for the payment of a pro rata proportion of the annual fee, calculated on a monthly basis. The Bill also proposes to refund the fees paid for licence applications that are not approved.

The Bill also seeks to remedy an oversight that was made in 2004 when the liquor licence fees were increased without the necessary amendment being made to the Fourth Schedule of the Act. The 2004 increase doubled the fees that are prescribed under Schedule 4 and the increase was published in the Gazette however the legal requirements for making such an increase were not satisfied because no amendment was made to the Act. In order to deal with this oversight and to effectively validate the 2004 increase, clause 5 of the Bill proposes to insert a new Section 61 in the Act, to provide that no legal or administrative challenge may be brought and no legal or administrative remedy shall be granted in respect of any licence fee that was charged or paid prior to the date on which this section comes into effect. This is essentially a house-keeping matter to tidy up an error that was inadvertently made by a previous government back in 2004.

This Bill would also vest Cabinet with the authority in future to prescribe fees for liquor licences by regulations so that it is not necessary to amend the Act every time there is an increase in fees and would amend the Fourth Schedule to prescribe the immediate increase in fees that is proposed by Cabinet in order to avoid the necessity of having to immediately make regulations in addition to amending the Act. The Liquor Act as amended would provide that the fees payable are those set out in the new Fourth Schedule or as prescribed by regulations.

Mr. Speaker, for the benefit and ease of reference of Members I have included at the end of the written version of my second reading speech a brief table which sets out the fees contained in existing Schedule 4, the fees that were imposed in 2004 and the new fees contained in proposed new Schedule 4.

The proposed repeal and replacement of Section 60 of the Act would have the effect of increasing the maximum penalty that Cabinet can prescribe by regulation for offences against regulations from \$100 to \$1000 and expressly providing that Cabinet can make regulations prescribing fees payable for a licence under the Act.

Mr. Speaker, I commend this Bill to the House. Thank you, Mr. Speaker.

<i>Item</i>	<i>Existing Schedule 4 fee (1997)</i>	<i>Fees notified in Gazette in 2004</i>	<i>Fees in proposed new Schedule 4 (2009)</i>
Liquor Retailer's Licence	\$1,000.00	\$2,000.00	\$2,500.00
Tavern Licence	\$1,000.00	\$2,000.00	\$2,500.00
Restaurant Licence	\$200.00	\$400.00	\$1,000.00
Club Licence	\$200.00	\$400.00	\$1,000.00
Extended Hours Permit	\$20.00	\$40.00	\$50.00

Transfer/removal of licence or alteration of limits of premises	\$5.00	\$10.00	\$20.00
Function Permit	\$10.00	\$20.00	\$20.00
Any other application	\$20.00	\$40.00	\$50.00