

**VOTES & PROCEEDINGS
OF THE
FIFTEENTH PARLIAMENT**

No. 16

**First Sitting of the Fifth Meeting
Monday, 8th December 2003**

3.30 p.m.

1. The House met at 3.30 p.m. in accordance with the resolution made on 30th September 2003.

2. The Hon. Nimrod Botelanga, M.P., Speaker of Parliament, took the Chair and read Prayers.

3. **Notices of Motion**

(i) His Excellency the President gave notice that at the next sitting of Parliament, he shall present the Anti Terrorism Bill 200.

The Hon. M. Stephen (Minister for Finance) seconded.

(ii) The Hon. M. Stephen (Minister for Finance) gave notice that at the next sitting of Parliament, he shall present the Gaming Bill 2003.

The Hon. R. Namaduk (Minister for IDI) seconded.

(iii) His Excellency the President gave notice that at the next sitting of Parliament, he shall present the Public Service Bill 2003.

The Hon. M. Stephen (Minister for Finance) seconded.

(iv) The Hon. M. Stephen (Minister for Finance) gave notice that at the next sitting of Parliament, he shall present the Duties on the Importation of Goods Act 2003.

The Hon. G. Thoma (Minister for Justice) seconded.

(v) His Excellency the President gave notice that at the next sitting of Parliament, he shall present the Ombudsman Bill 2003.

The Hon. M. Stephen (Minister for Finance) seconded.

(vi) His Excellency the President gave notice that at the next sitting of Parliament, he shall present the Leadership Code Bill 2003.

The Hon. M. Stephen (Minister for Finance) seconded.

4. **Questions Without Notice** were asked.

5. Ministerial Statements & Tabling of Papers

(i) His Excellency the President made the following statement on “Brown Outs”.

“For Honourable Members information, the power station is slowly coming back to normal.

Parts are continuously being received therefore power is being improved on a weekly basis. The two Paxman engines which Australia bought and installed for us have badly broken down and have been returned to Sydney.

As a result Australia have had to airfreight a portable generator plus two more arriving next week on the ship, on the 16th.

It is hoped the two Paxmans will return in February which by then power should return to normal.”

Dr. Keke (Yaren) moved that the paper be noted.

(ii) The Hon. M. Stephen (Minister for Finance) made the following statement on Government Policy on Repairs and Maintenance of Nauruan Houses -

“I am duly bound to introduce to the House, on behalf of the Minister for Public Works and Community Services, a government policy statement on maintenance and repairs of Nauruan houses, as well as other services rendered by the Department.

In compliance with the general policy of this government, the Department of Public Works and Services will no longer maintain and repair Nauruan houses at government expense. This policy of user-pay system is to be introduced and the policy also to apply to services rendered to government departments as well as to the general public.

The department will release detailed report on how the system will be implemented to this House as soon as possible.”

Mr. Scotty (Anabar/Ijuw/Anibare) moved that the statement be noted.

(iii) His Excellency the President made the following statement on the Refinance of GE Loan -

“Honourable Speaker and Members of this august House, as the Minister responsible to the Nauru Phosphate Royalties Trust (NPRT), I wish to update the public on the GE Capital loan refinance.

This government had gone through a lot of painstaking times since it took over four months ago, in its deliberation to safeguard Nauru’s assets to refinance the GE Capital loan, to which is due to foreclosure on the first week of January 2004.

It is my understanding that in the event Nauru is unable to refinance its assets by the deadline, GE Capital will conduct a fire-sale of the Nauruan assets, with the residual funds being returned to the landowners and the Trust liquidated.

I was advised by reliable sources to which had led me to believe that there were factors at work designed to ensure Nauru failed in its endeavours to refinance the GE Capital. This being the case, the government pushed the issue forward in finalising our decision on the matter.

On top of that, GE Capital advised that they were unwilling to accept any requests for extensions, despite the pressures currently faced by Nauru in order to

achieve this refinancing.

It should be noted, Honourable Speaker and Members, that within approximately eight weeks, the GE Capital loan is required to be refinanced. And also being mindful of the fact that, Christmas and the New Year period fell into this time, time was of the essence.

After tense discussions, and thorough consideration by Cabinet, I came to a decision for Business Australia Capital Finance Group (BACF), a company based in Sydney, be given the mandate to undertake the refinancing.

The major advantages under this refinance with the BACF Group, no sales of Nauru's properties, which are now valued over \$300 million, with a surplus fund of \$25.7 million, back to the NPRT, which in turn this Government through the Trust will pay outstanding payments.

I also wish to confirm that the BACF Group is prepared to provide a finance facility in the vicinity of \$12 million to provide renovation work to Nauru House, because of us losing a few floors from from the IRC.

As the President and Minister responsible, I am mindful that once the assets have been safeguarded, it is always possible to sell and/or refinance at a later time - the options are open with this Group."

Dr. Keke (Yaren) moved that the paper be noted.

(iv) Hon. M. Stephen (Minister for Finance) made a statement relating to the Price Control Bill 2003, which reads as follows;

"I stand before this august House to express the government's appreciation toward the concern and initiative taken by Members of this House to initialise a Price Control Bill. At the last sitting of Parliament, the Member for Ubenide, Mr. Adeang, had made a motion to introduce the Price Control Bill.

The problem of over-pricing goods in Nauru, particularly food items is prevalent and must be addressed as soon as possible. To serve this, my government believes in addressing the problem ensuring the broadest range of information and opinion that is available. For instance, there is a Parliamentary Committee report on Price Control available for government to consult, and we would do so.

Mr. Speaker and Honourable Members, this government considers the introduction of a Price Control Bill to be an important legislative development, obviously because of its profound effect on the economy of Nauru. Government must be afforded the opportunity to consider all aspects of the Bill within the scope of our own policy making mechanism.

My government would be in a position after relevant consultations to introduce a Price Control Bill early next year.

My government would also welcome any initiative by Members in the formation of a Parliamentary Committee to be involved in this very important issue. I believe that such a Committee will assist the House to have a meaningful contribution in dealing with this important issue. Thank you.

Mr. Adeang (Ubenide) moved that the paper be noted.

(v) His Excellency the President made a statement relating to the Bank of Nauru as

follows:

“The Bank is slowly crawling back from darkest of the darkest. Members should notice now that the Bank can now transact telegraphic transfers provided cash is deposited.

Salaries and allowances are now paid out of the Bank.

Some corporations, persons and entities are banking in their savings accounts as well as withdrawals without any losses.

Government hopes to have the Bank capitalised so it resume normal banking transactions and services.

Mr. Adeang (Ubenide) moved that the paper be noted.

(vi) Hon. M. Stephen (Minister for Finance) made the following statement on “Meeting with OECD” :

“I am pleased to advise that the Nauru delegation comprising of the Hon. Pres Nimes, Hon. Russell Kun, the Secretary for Justice, A/Chief Secretary and Reagan Moses of the Nauru Agency Corporation had a meeting with Donal Godfrey, Principal Administrator at the OECD Centre for tax policy and administration at Government Office, Yaren.

The purpose of the meeting was to work towards having Nauru’s name removed from the OECD list of unco-operative tax havens issued in April 2002.

OECD requirements are for transparency and exchange of information. Accordingly, Nauru made commitments covering this in order that its name be removed from this list. It is very much expected that because of these commitments Nauru will be advised of its removal from this list within the next few days.

Mr. Scotty (Anabar/Ijuw/Anibare) moved that the paper be noted.

(vii) His Excellency the President made a statement on a “Proposal to build a Hospital”:

“We have had an offer from a financial institution to build a 50-bed hospital.

This offer shall be finalised on my visit to Melbourne this week and on my return Members shall be advised.”

Dr. Keke (Yaren) moved that the paper be noted.

(viii) Hon. M. Stephen (Minister for Finance) made a statement as follows :

“I am pleased to advise that Nauru is making every effort to have its name removed from FATF list. It is necessary to make minor amendments, in particular to re-introduce provisions 14 and 15 to the schedule to the Anti Money Laundering Act 2003. Nauru is awaiting a response from the President, FATF Secretariat in France for advice on any additional measures that needs to be taken. The next Plenary session of FATF is to be held in February 2004. I am confident that once the said amendments are put in place Nauru’s name will be removed from FATF’s list.

Mr. Scotty (Anabar/Ijuw/Anibare) moved that the paper be noted.

(ix) His Excellency the President made the following statement of the House :

“One Million US dollars had been given to us by China for NPC equipments and salaries. Government is most thankful to our friends from China for their timely help.

Some equipments and parts are on the ship coming up. Most have missed this ship but all the requirements should be here on the next vessel. For all intents and purposes by February NPC should be capable of nearly full production.

Mr. Akua (Anabar/Ijuw/Anibare) moved that the paper be noted.

(x) His Excellency the President made a statement on the CHOGM Meeting in Nigeria :

“Hon. Derog Gioura and Hon. Kinza Clodumar left last week to attend CHOGM in Nigeria on my behalf.

Originally we are not supposed to attend due to lack of funds and major difficulties between the Secretary General and myself.

However, the Prime Ministers of Australia and New Zealand have intervened that we do attend and sort out our differences in Nigeria. To save Hon. Gioura and Hon. Clodumar travelled to Nigeria and return on the Prime Minister of New Zealand’s private RNZF jet.”

(xi) His Excellency the President made the following statement to the House :

“Honourable Speaker and Members of this august House, I wish to convey and update you all on our third MOU with Australia for the co-operation and management of asylum seekers and related issues to which governs the operations of the refugee camps until the end of June 2004.

This MOU is modeled from the previous understanding, in which proposes an aid package and positioned to maintain social and economic conditions in Nauru.

According to the reports received from IOM, the number of asylum seekers residing in the processing centre as of the 1st December 2003, is 282.

The documents on the MOU have been delivered from Australia seeking and awaiting Nauru’s preliminary views and response on their proposal. This had been delayed due to changes in government.

Discussions on the MOU will be mainly on seeking Australia’s assistance in the areas of Health, Education and essential infrastructure on the island.

I will be travelling tomorrow to Australia with the new Presidential legal counsel to finalise negotiations and proceed to sign the MOU at our Nauru House.

I will also be attending to other matters concerning the Republic.”

Dr. Keke (Yaren) moved that the paper be noted.

(xii) His Excellency made a statement on “Time Keeping” to the House :

“NPC and the Public Service are tightening up on time keeping and absenteeism. May I appeal to Members to advise their constituents to improve on their work ethics or they can be easily caught out and run the risk of losing their jobs.”

Mr. Adeang (Ubenide) moved that the paper be noted.

(xiii) Hon. G. Thoma (Minister for Justice) made the following statement to the House”

“I would like to report to the House police duties in recent months. Being the Minister in charge of the Police Department, I am duty bound to inform this august body as to the following matters that the police have been doing during the last few weeks and

various reported cases received by the Police.

(i) **Acting Director of Police** - David Detageauwa attended the 32nd Chief of Police conference held in Brisbane from 24 to 28 November. His trip was sponsored by the Australian Federal Police.

The theme for the conference was "Terrorists - the Wider Law Enforcement Context". Following briefings and discussions on the latest trends of the SPCPC unanimously agreed that the best way to combat terrorism was through information exchanges, co-operation and collaboration on a range of capacity building and other initiatives.

The conference reflected on the achievements of RAMSI (Regional Assistance Mission Solomon Islands) and the significant role it has played in regional stability. At this point in time, Nauru was not a participant on this mission. However, SPCPC is still awaiting for Nauru's acceptance on this issue and matter is now being under consideration by the government. This project is fully funded.

The conference also considered the threat of trans-national organised crime to the region, specially the use of drug stimulants, amphetamine type stimulants (known as ATS) and the enormous adverse impact of its abuse on societies especially amongst young people. We are lucky enough this time, there is no reported cases of this kind in our country.

The SPCPC unanimously endorsed the development of a strategy to combat ATS trafficking in the region.

The SPCPC formulated a strategic plan for the period 2004-2007. Action plans are being completed so these can provide a focus for consideration of effort and setting of standards for policing across the region.

In 2004 the SPCPC will be offering various police trainings and meetings funded by SPCPC. Announcement for these police trainings and meetings will be announced at a later date.

(ii) **Special Beat Patrol** - Mid last March, Nauru Police Force mounted special beat patrol (SBP) to assist the general public who are located far away from the police station and do not have a phone to contact the police for emergency assistance and at the same time continue maintaining peace, order and security on the island. The beat patrol have been posted to the following districts -

- Aiwo - Civic Centre including Bank of Nauru, Air Nauru, Post Office and supermarket;
- Buada Church Hall
- Denig - Nauru College
- Baitsi/Uaboe - Lands Committee
- Ewa - Kayser College Hall
- Anetan - Anetan Infant School
- Anabar - Anabar District (posted at Atawong Store)
- Anibare - Anibare Boat Harbour
- Meneng - Meneng Infant School.

(iii) **Asylum Seekers** - Latest correspondence received by the Police Department from IOM Mission on 2nd December 2003 indicates that a total of 282 asylum seekers are still in Nauru. The four at the Statehouse camp are all from Iraq and

278 are at the topside camp, consisting of 203 from Afghanistan, 3 from Bangladesh, 2 from Iran, 67 from Iraq, 1 from Pakistan and 2 from Palestine.

(iv) **Counterfeit Australian Currency** - I would like to report to the House that it is possible that counterfeit Australian currency notes are on the island. On 3rd December Police received a report from Mr. Starret Dongobir that Dowabobo Palik purchased goods from Stardonna Store using a counterfeit Australian hundred dollar note. Initial investigations conducted on the 18th revealed that this counterfeit currency came from a Chinese national named Liu Xin Min. Both persons have been charged with fraud and the case is still under police investigation.

6. **Motions**

(i) **Motion of Censure by Mr. Clodumar (Boe)**

Mr. Waqa (Boe), pursuant to Standing Order 115 requested that the motion to be moved by Mr. Clodumar (Boe) remain on the notice paper.

There being objections raised, the Chair suspended the sitting, to resume when the bell rings.

Resumed.

7. **Ruling From the Chair**

The Speaker ruled that since the mover of the motion was not present in the House, that the motion be withdrawn from the notice paper.

8. **Motion - Price Control Bill 2003**

Mr. Adeang (Ubenide) moved to present the Price Control Bill 2003.
Mr. Ribauw (Ubenide) seconded.

First Reading

The Bill was presented and read a first time.

9. **Motion - Second Reading**

Mr. Adeang (Ubenide) moved that the Bill be now read a second time.
Mr. Ribauw (Ubenide) seconded.
Second reading speech ensued.

In accordance with Standing Order 159, further debate on the Bill was adjourned to a future date.

10. **Motion - Illicit Drugs Control Bill 2003**

The Hon. G. Thoma (Minister for Justice), with the concurrence of the House, adjourned his motion to the next sitting.

11. Motion - Constitution First Amendment Bill 2003

Dr. Keke (Yaren) moved to present the Constitution First Amendment Bill 2003.
Mr. Ribauw (Ubenide) seconded.

The Speaker suspended the sitting, to resume when the bell rings.

Resumed.

12. First Reading - Constitution First Amendment Bill 2003

The Bill was presented and read a first time.

13. Motion - Second Reading

Dr. Keke (Yaren) moved that the Bill be now read a second time.

Mr. Ribauw (Ubenide) seconded.

Second reading speech ensued.

In accordance with Standing Order 159, further debate on the Bill was adjourned to a future date.

14. Motion - Leave Sought for

Dr. Keke (Yaren) sought leave of the House to move a motion.

Leave was not granted.

15. Order of the Day No. 1. - Ministerial Statement & Tabling of Papers

That the statement made by Hon. B. Waqa, relating to a breach of privilege raised by Hon. Dr. Keke, be noted.

The statement was noted.

16. Order of the Day No. 2 - Ministerial Statement & Tabling of Papers

That the statement made by the Minister for Health relating to government policy on overseas medical referrals, be noted.

The statement was noted.

17. Motion Fixing the Date for the Next Sitting

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

The Hon. M. Stephen (Minister for Finance) seconded.
Question put and passed.

18, Adjournment

His Excellency the President moved that the House do now adjourn.
Question put and passed.

And then the House at fifty-five minutes past nine o'clock p.m. 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. Gioura

Mr. Detenamo

Mr. Adam

Mr. Clodumar

John Garabwan
Deputy Clerk of Parliament